



September 5, 2017

BY RESS/COURIER

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto, ON
M4P 1E4

Dear Ms. Walli,

**RE: Whitby Hydro Electric Corporation
2018 Stand Alone Rate Application**

Please find attached Whitby Hydro Electric Corporation's 2018 Stand Alone Rate Application. The application includes an electronic filing through the Board's web portal (RESS) which is comprised of:

- Complete copy of the application in PDF form
- Excel version of the following:
 - Deferral and Variance Account (Continuity Schedule) Work Form
 - Chapter 2, Appendix 2-S Stranded Meters
 - Chapter 2, Appendix 2-YA IFRS Transition Costs
 - Low Voltage Service Rates model which follows the approach utilized in the OEB issued 2018 RTSR Work Form for Electricity Distributors.

Two (2) paper copies of the complete application will be sent via courier.

This application is respectfully submitted in accordance with the prescribed filing guidelines as outlined by the Board.

Please contact me if you have any questions.

Regards,

A handwritten signature in black ink, appearing to read "S. Reffle".

Susan Reffle
Vice President



WHITBY HYDRO ELECTRIC CORPORATION

**2018
STAND ALONE
RATE APPLICATION**

September 5, 2017

IN THE MATTER OF the Ontario Energy Board Act, 1998,
being Schedule B to the Energy Competition Act, 1998, S.O.
1998, c.15;

AND IN THE MATTER OF an Application by Whitby Hydro
Electric Corporation to the Ontario Energy Board for an Order or Orders
Approving rates to address Stranded Meters, Specific Group 2 Deferral and
Variance Accounts, Low Voltage cost recoveries and related changes to
Distribution Rates as of January 1, 2018.

Title of Proceeding: An application by Whitby Hydro Electric Corporation for
an Order or Orders approving rates (including rate riders
and rate adjustments) outside of a cost of service
application, effective January 1, 2018.

Applicant's Name: Whitby Hydro Electric Corporation

Applicant's Address for Service: 100 Taunton Road East
Whitby, Ontario
L1N 5R8
Attention: Susan Reffle

Telephone: (905) 444-1983
Fax: (905) 668-9379
E-mail: sreffle@whitbyhydro.on.ca

APPLICATION

1. Introduction

(a) The Applicant is Whitby Hydro Electric Corporation (referred to in this Application as the "Applicant" or "Whitby Hydro"). The Applicant is a corporation incorporated pursuant to the Ontario Business Corporations Act with its head office in the Town of Whitby. The Applicant carries on the business of distributing electricity within the Town of Whitby.

(b) Whitby Hydro hereby applies to the Ontario Energy Board (the "OEB" or the "Board") pursuant to Section 78 of the Ontario Energy Board Act, 1998 (the "OEB Act") for approval of its proposed rates including distribution and other charges, effective January 1, 2018.

(c) Unless otherwise indicated (where applicable), Whitby Hydro followed Chapter 2 of the OEB's Filing Requirements for Electricity Distribution Rate Applications dated July 20, 2017 (the "Filing Requirements") in order to prepare this application.

(d) Whitby Hydro has used the following models required by the Board:

- Deferral and Variance Account (Continuity Schedule) Work Form
- Chapter 2, Appendix 2-S Stranded Meters
- Chapter 2, Appendix 2-YA IFRS Transition Costs

Whitby Hydro has also designed a model to address Low Voltage service rates which follows the approach utilized in the OEB issued 2018 RTSR Work Form for Electricity Distributors.

3. Proposed Effective Date of Rate Order

Whitby Hydro requests that the OEB make its Rate Order effective January 1, 2018.

4. Form of Hearing Requested

Whitby Hydro respectfully requests that this application be decided by way of a written hearing.

5. Relief Sought

Whitby Hydro hereby applies for an Order or Orders approving rates to address Stranded Meters, Specific Group 2 Deferral and Variance Accounts, Low Voltage Service Rates and related changes to Distribution Rates as proposed for all rate classes including:

- (a) Stranded Meters – The establishment of rate riders for the disposition of the Net Book Value (NBV) of Stranded Meters (Account 1555);
- (b) Stranded Meters – The removal of the stranded meter revenue requirement from the 2018 distribution rates;
- (c) Smart Meter Incremental Revenue Requirement (SMIRR) – The addition of the SMIRR including net price cap adjustments to the 2018 distribution rates;
- (d) Low Voltage – The removal of Low Voltage recoveries from 2018 distribution rates;
- (e) Low Voltage – The establishment of separate Low Voltage Service Rates using a mechanistic approach;

(f) The establishment of rate riders associated with the disposition of the following Group 2 Deferral and Variance Accounts:

- 1508 – Other Regulatory Assets
- 1518 – Retail Cost Variance Account – Retail
- 1548 – Retail Cost Variance Account - STR

The disposition requested reflects principal balances as at December 31, 2016 plus any adjustments identified in this application along with the carrying charges projected to December 31, 2017.

As some of the items addressed in this Stand Alone application will include an impact on the distribution rates, Whitby Hydro requests that the Board consider whether the 2018 Annual IR Index application (EB-2017-0085) and this 2018 Stand-Alone application should be reviewed separately or if it is more appropriate to combine them in to one proceeding.

Some of the requested rates in this Stand Alone application will be affected by the net price cap for 2018 which has not yet been finalized, Whitby Hydro requests that any change to the final net price cap adjustment be included as an update to evidence during the application process.

6. Contact Information

The primary contact for the application is

Susan Reffle

Vice President

905-444-1983

sreffle@whitbyhydro.on.ca

Whitby Hydro's application and related documents will be made available on the website:

www.whitbyhydro.on.ca

7. Conclusion

Bill impacts are included in this Application (Appendix B). A summarized table of the impacts is provided below.

2018 Bill Impact Summary (2018 Stand-Alone & Annual IR Index Applications)

Customer Class	kWh (1)	kW	RPP Price (2)	Distribution Charges-A excl. pass-through (3a)		Distribution Charges-B incl. pass-through (3b)		Delivery Charges (4)		Total Bill (5)	
				\$ Change	% Change	\$ Change	% Change	\$ Change	% Change	\$ Change	% Change
Residential	750		RPP TOU	\$ 1.30	4.07%	\$ 0.71	1.99%	\$ 0.86	1.86%	\$ 0.90	0.77%
Residential - 10th percentile	396		RPP TOU	\$ 2.89	9.99%	\$ 2.94	9.41%	\$ 3.02	8.16%	\$ 3.17	4.23%
GS<50 kW	2,000		RPP TOU	\$ 4.34	6.30%	\$ 2.94	3.81%	\$ 3.36	3.23%	\$ 3.53	1.16%
GS>50 kW	40,000	100	Non-RPP	\$ 33.21	5.60%	\$ 57.29	7.22%	\$ 66.11	5.11%	\$ 74.70	1.08%
Unmetered Scattered Load	500		RPP Tier	\$ 0.93	3.64%	\$ 0.43	1.57%	\$ 0.53	1.57%	\$ 0.56	0.68%
Sentinel Lights	150	1	RPP Tier	\$ 0.18	0.84%	\$ (0.79)	-3.65%	\$ (0.72)	-2.83%	\$ (0.76)	-1.85%
Street Lighting	420,000	1,074	Non-RPP	\$ 353.99	1.23%	\$ 523.88	1.69%	\$ 596.80	1.70%	\$ 674.39	0.67%

Notes:

(1) The residential standard used for illustrative purposes is 750 kWh per EB-2016-0153

(2) RPP Pricing for July 1, 2017 to April 30, 2018

Non-RPP assumes a weighted average price including Class B Global Adjustment (IESO's Monthly Market Report for May 2017, pg 22)

RPP TOU assumes average consumption of Off-peak (65%), Mid-peak (17%) and On-peak (18%) per OEB.

(3a) Distribution Charges-A includes Distribution Monthly Service Charge, Volumetric Charges and disposition of 1576

(3b) Distribution Charges-B include those described in note 3(a) plus pass-through charges such as Rate Riders for Deferral/Variance

Recovery and Global Adjustment, as well as Line Losses, and the Smart Meter Entity Charge

(4) Delivery Charges include all Distribution Charges (per notes 3a and 3b), plus Transmission Service Charges

(5) Total Bill includes all Delivery Charges noted above plus commodity cost, regulatory costs (ie. wholesale market service,

rural rate protection and standard supply service), debt retirement charge (DRC) where applicable and HST and the 8% Ontario Rebate for Electricity Consumers

DATED at Whitby, Ontario, this 5th day of September, 2017

All of which is respectfully submitted,



Susan Reffe,
Vice President
WHITBY HYDRO ELECTRIC CORPORATION

Manager's Summary

Background

Whitby Hydro was established in 1903 as a Public Utilities Commission providing water and electricity distribution to consumers in the Town of Whitby. In 1974, responsibility for water distribution services was transferred to the Region of Durham. Today, Whitby Hydro Electric Corporation (the "Applicant" or "Whitby Hydro") services the Town of Whitby, Village of Brooklin, hamlets of Ashburn and Myrtle by distributing electricity to over 42,000 residential and commercial customers (including general service, unmetered scattered loads, sentinel light and street light customer classes) within its regulated service area.

Whitby Hydro's most recent cost of service ("COS") application was filed with the Board for 2010, however the rate process eventually concluded with a complete settlement agreement which reset rates on a calendar based rate year, beginning January 1st, 2011. On this basis, 2011 is considered the timeframe of the last COS year. Whitby Hydro received approval from the Ontario Energy Board (the "OEB" or the "Board") to defer its COS application to 2017 and was also advised at that time that the Annual IR Index rate methodology would be appropriate for any future mechanistic rate applications filed in advance of a COS.

On August 15, 2017, Whitby Hydro filed a 2018 Annual IR Index rate application (EB-2017-0085). As part of that application, Whitby Hydro identified its intent to submit a 2018 Stand-Alone rate application ("Stand-Alone") within a short period of time to address a number of items affecting rates that needed to be considered outside of a COS. As these items have some impact on distribution rates, Whitby Hydro also requested that the Board consider whether the stand-alone application should be treated separately or combined with the 2018 Annual IR Index rate application.

During 2017, Whitby Hydro updated the Board on its continued discussions related to a potential merger through a meeting with board staff on June 28th and a letter issued August 9th summarizing the current status of the merger discussions. In light of the COS deferrals, a shift to the Annual IR Index methodology and the potential merger talks, Whitby Hydro has been considering a number of rate related items and dispositions that would be prudent to address prior to a COS. The initial focus of the items was to provide customers with the benefit of an interim disposition of balances in Account 1576 in order to ensure that customer credits were provided on a more timely basis since a COS had been deferred. Whitby Hydro filed two applications which addressed this for 2016 (EB-2015-0113 & EB-2015-0251) and 2017 (EB-2016-

0114) rates. This Stand-Alone application extends to the next level of items that require addressing - stranded meters, low voltage service rates, and the disposition of several Group 2 deferral and variance account balances that have been accumulating since as far back as 2009. Account 1576 did not have a significant balance to address based on 2016 activity and as a result is not included in this application. Whitby Hydro will review the account next year and anticipates that it will be considered for inclusion in a future application.

As potential merger discussions have been actively advancing, Whitby Hydro contemplated that a COS could likely be delayed for a period of up to ten years if a merger were to take place. It is Whitby Hydro's belief that it would be in the best interest of customers, stakeholders, the Board as well as Whitby Hydro to address a number of rate related items through a Stand-Alone application in order to ensure that rates and rate riders are enacted on a more timely basis than through the next expected COS process.

Board staff have been quite supportive of Whitby Hydro's need to address various rate related items through a Stand-Alone application. There is an underlying understanding that this application will also serve to provide the necessary approvals to close off or reset a number of outstanding items which will result in greater consistencies between Whitby Hydro and other electricity distributors, facilitate some improved efficiencies and avoid further potential for cross-generational subsidization.

Overview

This Stand-Alone application includes three exhibits covering the following areas:

Exhibit 1: Stranded Meters

Whitby Hydro is requesting the following items with respect to its conventional meters that have been removed and stranded ("stranded meters") as a result of the Province of Ontario's smart meter initiative:

- Disposition of Sub-Account 1555 for Stranded Meters based on actual balance as of December 31, 2016 adjusted for forecasted 2017 depreciation and the approval of a two year Stranded Meter Rate Rider (SMRR) for recovery.
- Adjustment to Distribution Rates to remove an appropriate amount related to the stranded meter portion of the current approved revenue requirement.

- Adjustment to Distribution Rates to incorporate an amount for the Smart Meter Incremental Revenue Requirement rate rider (SMIRR) after adjustment for price cap changes.

Exhibit 2: Low Voltage Rates

Whitby Hydro is partially embedded within Hydro One Networks Inc. (HONI) and currently incurs low voltage charges. Based on a historical industry practice, Whitby Hydro had its approved low voltage ("LV") cost recovery rates bundled into its distribution rates. Over a number of years, many electricity distributors have unbundled them during a COS and have included separate LV service rates in their approved tariff of rates. In addition, the cost recovery amounts and mechanism to recover has not been address since the last COS which based recoveries on historical 2008 costs. As a result, Whitby Hydro is currently experiencing significant under-recoveries on an annual basis. In light of this, Whitby Hydro is proposing the following changes to address how the Low Voltage (LV) cost recoveries are handled in Whitby Hydro rates:

- Determine separate LV service rates by unbundling and removing the component for LV cost recovery that is currently included in the approved distribution rates.
- Re-set LV service rates to address the growing balances in the variance account (USoA 1550) caused by the disparity between the approved LV cost recovery amount and the LV costs.

Exhibit 3: Group 2 Deferral and Variance Accounts (1508, 1518, 1548)

Whitby Hydro is requesting the disposition of specific Group 2 Deferral and Variance Account balances as of December 31, 2016 with forecasted interest through to December 31, 2017. Several of these accounts include balances that have been accumulating since 2009.

A summary of the proposed balances for disposition is provided below.

Summary of Proposed Deferral/Variance Account Balances for Disposition

1508 Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	207,160
1508 Other Regulatory Assets - Sub-Account - Incremental Capital Charges	7,491
1508 Other Regulatory Assets - Sub-Account - OEB Cost Assessment	38,250
1518 Retail Cost Variance Account - Retail	560,569
1548 Retail Cost Variance Account - STR	42,369
	<hr/>
	855,838

A summary of all the rates requested in this application (including a bridge from the currently approved distribution rates to the proposed distributions rates) is provided in the following table:

	2017 Board Approved Rates	2018 IRM	Stand Alone						2018 Proposed Rates
		EB-2017-0085	SMIRR Net Price Cap Adjustment (1)	Stranded Meter Removal (2)	Stranded Meter Rate Rider (3)	Low Voltage Removal (4)	Low Voltage Rate Rider (5)	Group 2 D/V Rate Rider (6)	
Residential									
Monthly Service Charge	24.57	-							-
SMIRR	2.20	-							-
Distribution Fixed	26.77	3.36	0.17	(0.44)		(0.16)			29.70
Distribution Volumetric	0.0076	(0.0038)							0.0038
Stranded Meter Rate Rider (F)					0.60				0.60
Low Voltage Service Rate (V)							0.0008		0.0008
Group 2 D/V Rate Rider (F)								0.76	0.76
GS < 50									
Monthly Service Charge	21.39	-							-
SMIRR	7.11	-							-
Distribution Fixed	28.50	0.28	0.54	(0.70)					28.62
Distribution Volumetric	0.0210	0.0003		(0.0007)		(0.0003)			0.0203
Stranded Meter Rate Rider (F)					4.02				4.02
Low Voltage Service Rate (V)							0.0009		0.0009
Group 2 D/V Rate Rider (V)								0.0010	0.0010
GS >50									
Monthly Service Charge	206.66	2.69							209.35
Distribution Volumetric	4.2316	0.0550				(0.1179)			4.1687
Low Voltage Service Rate (V)							0.3670		0.3670
Group 2 D/V Rate Rider (V)								0.4172	0.4172
USL									
Monthly Service Charge	10.01	0.13							10.14
Distribution Volumetric	0.0326	0.0004				(0.0003)			0.0327
Low Voltage Service Rate (V)							0.0009		0.0009
Group 2 D/V Rate Rider (V)								0.0010	0.0010
SL									
Monthly Service Charge	5.70	0.07							5.77
Distribution Volumetric	15.4050	0.2003				(0.0931)			15.5122
Low Voltage Service Rate (V)									-
Group 2 D/V Rate Rider (V)									-
ST									
Monthly Service Charge	1.79	0.02							1.81
Distribution Volumetric	7.1336	0.0927				(0.0913)			7.1350
Low Voltage Service Rate (V)							0.2841		0.2841
Group 2 D/V Rate Rider (V)								0.3674	0.3674

Note 1: Exhibit 1, table 1-6
2: Exhibit 1, table 1-5
3: Exhibit 1, table 1-2
4: Exhibit 2, table 2-8
5: Exhibit 2, table 2-15
6: Exhibit 3, table 3-8

F - Fixed Monthly Charge
V - Volumetric rate per kWh or kW

Bill Impacts

Whitby Hydro has reviewed the impact of the changes proposed in this application in combination with the impacts of the submitted 2018 Annual IR Index application (EB-2017-0085) to determine the overall bill impacts to customer for rates effective January 1, 2018.

The total bill impacts proposed range from -1.85% to 1.16% for the average customer in each rate class. Residential customers at the 10th percentile have a total bill impact of 4.23%. Whitby

- 1 Hydro has reviewed these impacts and determined that there are no concerns regarding which
2 would require rate mitigation.

2018 Bill Impact Summary (2018 Stand-Alone & Annual IR Index Applications)

Customer Class	kWh (1)	kW	RPP Price (2)	Distribution Charges-A excl. pass-through (3a)		Distribution Charges-B incl. pass-through (3b)		Delivery Charges (4)		Total Bill (5)	
				\$ Change	% Change	\$ Change	% Change	\$ Change	% Change	\$ Change	% Change
Residential	750		RPP TOU	\$ 1.30	4.07%	\$ 0.71	1.99%	\$ 0.86	1.86%	\$ 0.90	0.77%
Residential - 10th percentile	396		RPP TOU	\$ 2.89	9.99%	\$ 2.94	9.41%	\$ 3.02	8.16%	\$ 3.17	4.23%
GS<50 kW	2,000		RPP TOU	\$ 4.34	6.30%	\$ 2.94	3.81%	\$ 3.36	3.23%	\$ 3.53	1.16%
GS>50 kW	40,000	100	Non-RPP	\$ 33.21	5.60%	\$ 57.29	7.22%	\$ 66.11	5.11%	\$ 74.70	1.08%
Unmetered Scattered Load	500		RPP Tier	\$ 0.93	3.64%	\$ 0.43	1.57%	\$ 0.53	1.57%	\$ 0.56	0.68%
Sentinel Lights	150	1	RPP Tier	\$ 0.18	0.84%	\$ (0.79)	-3.65%	\$ (0.72)	-2.83%	\$ (0.76)	-1.85%
Street Lighting	420,000	1,074	Non-RPP	\$ 353.99	1.23%	\$ 523.88	1.69%	\$ 596.80	1.70%	\$ 674.39	0.67%

Notes:

(1) The residential standard used for illustrative purposes is 750 kWh per EB-2016-0153

(2) RPP Pricing for July 1, 2017 to April 30, 2018

Non-RPP assumes a weighted average price including Class B Global Adjustment (IESO's Monthly Market Report for May 2017, pg 22)

RPP TOU assumes average consumption of Off-peak (65%), Mid-peak (17%) and On-peak (18%) per OEB.

(3a) Distribution Charges-A includes Distribution Monthly Service Charge, Volumetric Charges and disposition of 1576

(3b) Distribution Charges-B include those described in note 3(a) plus pass-through charges such as Rate Riders for Deferral/Variance Recovery and Global Adjustment, as well as Line Losses, and the Smart Meter Entity Charge

(4) Delivery Charges include all Distribution Charges (per notes 3a and 3b), plus Transmission Service Charges

(5) Total Bill includes all Delivery Charges noted above plus commodity cost, regulatory costs (ie. wholesale market service,

rural rate protection and standard supply service), debt retirement charge (DRC) where applicable and HST and the 8% Ontario Rebate for Electricity Consumers

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- 5 A bridge of the total bill impacts between those provided in the 2018 Annual IR Index application
6 (EB-2017-0085) and those that further incorporate the requests proposed in the 2018 Stand-
7 Alone application are also summarized below:

Bridge IRM Application to Stand Alone	Residential	Residential (10th Percentile)	GS < 50	GS > 50	Unmetered Scattered Load	Sentinel Lighting	Street Lighting
Bill Impact per IRM application	\$ (0.70)	\$ 1.86	\$ (2.42)	\$ (0.59)	\$ (0.28)	\$ (0.66)	\$ (5.48)
<u>Adjustment to Distribution Rates</u>							
Stranded Meter removal	\$ (0.44)	\$ (0.44)	\$ (2.10)				
SMIRR IPI adjustment	\$ 0.17	\$ 0.17	\$ 0.54				
Low Voltage removal	\$ (0.16)	\$ (0.16)	\$ (0.60)	\$ (11.79)	\$ (0.15)	\$ (0.09)	\$ (98.06)
<u>Rate Riders</u>							
Stranded Meter Dispositon	\$ 0.60	\$ 0.60	\$ 4.02				
Low Voltage	\$ 0.60	\$ 0.32	\$ 1.80	\$ 36.70	\$ 0.45	\$ -	\$ 305.12
Group 2 Deferral/Variance	\$ 0.76	\$ 0.76	\$ 2.00	\$ 41.72	\$ 0.50	\$ -	\$ 394.59
Tax Impact	\$ 0.07	\$ 0.06	\$ 0.29	\$ 8.66	\$ 0.04	\$ (0.00)	\$ 78.22
Bill Impact including Stand Alone Application	\$ 0.90	\$ 3.17	\$ 3.53	\$ 74.70	\$ 0.56	\$ (0.76)	\$ 674.39
Total Bill Impact	0.77%	4.23%	1.16%	1.08%	0.68%	-1.85%	0.67%

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- 10 Detailed bill impacts by customer rate class are provided in Appendix B.

- 11

- 12 As per the Filing Requirements, a Certification of Evidence has been provided in Appendix C.

EXHIBIT 1:
STRANDED METERS

OVERVIEW:

Whitby Hydro is requesting the following items with respect to its conventional meters that have been removed and stranded ("stranded meters") as a result of the Province of Ontario's smart meter initiative:

- Disposition of Sub-Account 1555 for Stranded Meters based on actual balance as of December 31, 2016 adjusted for forecasted 2017 depreciation and the approval of a two year Stranded Meter Rate Rider (SMRR) for recovery.
- Adjustment to Distribution Rates to remove an appropriate amount related to the stranded meter portion of the approved revenue requirement.
- Adjustment to Distribution Rates to incorporate an amount for the Smart Meter Incremental Revenue Requirement rate rider (SMIRR) after adjustment for price cap changes.

The proposed impact to distribution rates and other rate riders are quantified as follows:

	Adjustment to Distribution Rates	Remove SMIRR rate rider	Proposed SMRR	
Residential:				
Disposition Sub-Account 1555 - Stranded Meters (1)			\$ 0.60	Fixed Monthly Charge
Remove Stranded Meter Revenue Req't (2)	\$ (0.44)			" "
Realign SMIRR (3)	\$ 2.20	\$ (2.20)		" "
Adjust SMIRR - net price cap (3)	\$ 0.17			" "
GS< 50kW:				
Disposition Sub-Account 1555 - Stranded Meters (1)			\$ 4.02	Fixed Monthly Charge
Remove Stranded Meter Revenue Requirement (2)	\$ (0.70)			" "
	\$ (0.0007)			\$/kWh
Realign SMIRR (3)	\$ 7.11	\$ (7.11)		Fixed Monthly Charge
Adjust SMIRR - net price cap (3)	\$ 0.54			" "

Note 1: Exhibit 1, table 1-2
2: Exhibit 1, table 1-5
3: Exhibit 1, table 1-6

Whitby Hydro has reviewed its Group 2 accounts and related balances and given consideration to the implications that would otherwise occur by further delays in filing a cost of service. Whitby Hydro has elected to use the Annual IR Index method for rate-making and in light of the current discussions regarding a potential merger, may not file a cost of service for a significant period of time. As a result, Whitby Hydro has proposed an approach to address several deferral and variance balances including sub-account 1555 on a more timely basis in a manner which is reasonable and prudent and will assist to improve administrative efficiencies and reduce potential concerns going forward with respect to revenue recoveries and inter-generational burdens.

FILING REQUIREMENTS

Whitby Hydro has prepared Exhibit 1 substantially in accordance with section 2.2.1.4 of the July 14, 2016 version of the Chapter 2 of the Filing Requirements ("2016 Filing Requirements") which specifically addresses stranded meters. The most current version of the Filing Requirements (issued July 20, 2017) no longer includes a specific section on the stranded meters.

Section 2.2.1.4 of the 2016 Filing Requirements states that if stranded meter costs have not been reviewed and approved for recovery in a prior application, a distributor is required to propose a SMRR to recover those amounts and to provide a completed Appendix 2-S to support the request. In addition, the distributor should ensure that:

- The total estimated net book value (NBV) of the stranded meters must be removed from rate base.
- The total estimated NBV of the stranded meters must be recovered through separate rate riders for the applicable customer classes. A distributor must outline the manner in which it intends to allocate recovery of the NBV of the stranded meters and the rationale for the approach.
- The total estimated stranded meter costs must be tracked in sub-account Stranded Meter Costs of account 1555.
- The associated recoveries from the separate rate riders must also be recorded in this sub-account to reduce the balance in the sub-account through the recovery period.

Variations from this approach must be proposed with supporting explanation and justification.

The 2016 Filing Requirements also provide the *OEB's Guideline G-2011-0001 Smart Meter Funding and Cost Recovery – Final Disposition (the "Smart Meter Guideline")* as a reference.

DISPOSITION OF SUB-ACCOUNT 1555 - STRANDED METER ASSETS RELATED TO SMART METER DEPLOYMENT

In accordance with the Smart Meter Guideline, whereby distributors are to be "held whole with respect to the cost recovery of stranded meters (i.e. conventional meters replaced as part of the smart meter initiative)", Whitby Hydro seeks disposition of its stranded meters' NBV (as at December 31, 2017) in the amount of \$780,520.76. This represents the amount of pooled residual net book value of the meters removed from service, less any proceeds from sale of the meters attributable to the meters at December 31, 2016. As all meters have been disposed of prior to 2017, no additional proceeds will be recovered

during 2017. Whitby Hydro confirms that it has not received any contributions (contributed capital) towards the stranded meter costs.

In accordance with the Board's Smart Meter Guideline, Whitby Hydro chose to follow option 2 and transferred the cost of stranded meters from Account 1860 – Meters to Account 1555 – Sub-account Stranded Meter Costs.

The amount recorded in Account 1555 is based on the costs associated with the conventional meters removed during each year as a result of the deployment of smart meters. While Whitby Hydro's smart meter installations began in 2009, the mass deployment occurred during 2010 and conventional meter replacement was reaching its conclusion in 2011. As costs are pooled, and smart meters were being deployed to the majority of Whitby Hydro's customer base, the following top-down approach was taken starting in the year of mass deployment (2010) for each of the categories (gross capital and accumulated depreciation) building up to the net book value of stranded meters:

Stranded Meters equal:	Total meters (excluding smart meters)
less:	Wholesale meters
less:	GS>50 kW meters
less:	Active conventional meters

This approach was reviewed and accepted by Whitby Hydro's external financial auditors as reasonable. As new smart meter installation costs were captured in separately designated sub-accounts, the approach allowed the traditional meter and installation costs to be broken down so that those costs related to active meters remained as part of 1860 meter costs while the remaining pool of costs associated with the stranded residential and GS<50 kW meters' balance were moved to the 1555 sub-account for stranded meters. As per the Smart Meter Guideline, any proceeds from disposition of the stranded meters were also captured in the 1555 sub-account for stranded meters.

On December 27, 2012 Whitby Hydro filed an application for the disposition and recovery of costs related to smart meter deployment (the "Smart Meter Application"). In its Smart Meter Application (EB-2012-0479), Whitby Hydro indicated that it had not included any stranded meter costs for disposition and that it would follow the Smart Meter Guideline and address stranded meter costs in its next cost of service application. In light of the cost of service deferral and recent shift to Annual IR for rate-making, Whitby Hydro believes that the stranded meter balance and impacts to distribution rates for customers should be addressed given that the timeline for a cost of service has been extended beyond that which was anticipated during the Smart Meter Application process. In response to Board Staff interrogatory #5, Whitby Hydro confirmed that it continues to record depreciation expenses related to stranded meters and in final submission provided an estimated net book value of stranded meter costs at the end of December

31, 2014 of \$1.1M. The net book value at December 31, 2016 was \$876,922 and the projected balance at the end of 2017 is \$780,521. This amount includes the recording of on-going depreciation associated with the stranded meters. As there has been no further activity related to the stranded meter balance (other than the on-going depreciation calculation), it is not expected that the 2017 ending balance will deviate from the forecasted amount. In accordance with the Smart Meter Guideline, no carrying charges have been recorded against the stranded meter balance in sub-account 1555.

The OEB's Appendix 2-S – Stranded Meter Treatment, captures the net book value of the stranded meter balance and includes a breakdown of gross costs, accumulated depreciation, contributed capital and proceeds of disposition.

Appendix 2-S Stranded Meter Treatment

Year	Notes	Gross Asset Value	Accumulated Amortization	Contributed Capital (Net of Amortization)	Net Asset	Proceeds on Disposition	Residual Net Book Value
		(A)	(B)	(C)	(D) = (A) - (B) - (C)	(E)	(F) = (D) - (E)
2009	Actual	\$ 106,399	\$ 76,839		\$ 29,560		\$ 29,560
2010	Actual	\$ 3,776,937	\$ 2,459,014		\$ 1,317,923	\$ 12,473	\$ 1,305,450
2011	Actual	\$ 4,443,935	\$ 2,841,852		\$ 1,602,083	\$ 14,011	\$ 1,588,072
2012	Actual	\$ 4,443,935	\$ 3,118,910		\$ 1,325,025	\$ 14,011	\$ 1,311,015
2013	Actual	\$ 4,443,935	\$ 3,223,104		\$ 1,220,831	\$ 14,011	\$ 1,206,821
2014	Actual	\$ 4,443,935	\$ 3,340,438		\$ 1,103,498	\$ 14,011	\$ 1,089,487
2015	Actual	\$ 4,443,935	\$ 3,450,692		\$ 993,243	\$ 14,011	\$ 979,232
2016	Actual	\$ 4,443,935	\$ 3,553,003		\$ 890,932	\$ 14,011	\$ 876,922
2017	Fcst	\$ 4,443,935	\$ 3,649,404		\$ 794,531	\$ 14,011	\$ 780,521

Stranded Meter Values By Rate Class

The number of stranded meters and the net book value of those meters stranded by rate class is summarized in Table 1-1. The net book value by rate class was determined by the type of meter that was installed for the GS<50kW customers. The residential meters were the primary focus of deployment during 2009 and 2010 and at the end of 2010, over 75% of the conventional meters for GS<50kW customers remained active. To determine the stranded meter values by rate class, the gross costs and associated depreciation were analyzed for the remaining active GS<50 meters and an estimated value was derived for the remaining 25% of the stranded meters for that customer class. The gross costs included costs related to meters, as well as estimates for other materials, labour, vehicles and associated overhead costs. On-going depreciation costs were also tracked and assigned to the stranded meters that had been identified for GS<50kW customers. The costs attributed to the residential customer class, made up the remainder of the stranded costs.

Table 1-1: Stranded Meter Values by Rate Class

Rate Class	# Meters	Average Unit Cost	Gross Cost	Accum Depn	Contr Cap	Proceeds	Net Book Value
Residential	36,496	100	3,661,823	(3,081,393)	0	(14,011)	566,420
GS < 50kW	1,902	411	782,112	(568,011)	0	0	214,101
TOTAL	38,398		4,443,935	(3,649,404)	0	(14,011)	780,521

Proceeds from disposal of the stranded meters were largely related to the time when the residential smart meters were being deployed and as a result, they have been allocated 100% to the residential rate class.

Whitby Hydro is requesting the recovery of the net book value of the stranded meters of \$780,521 as at December 31, 2017 through separate Stranded Meter Rate Riders for each of the Residential and GS<50kW rate classes over a two year period. This timeframe will allow Whitby Hydro to recover its costs over a reasonable time period and the customer bill impact has been reviewed to ensure that it is reasonable. The impact has been reduced over time as the net book value of the stranded meters declined and customers will also see relief via a proposed adjustment to address the removal of these conventional (non-smart) meters from the approved distribution rates for the affected rate classes. This adjustment is outlined in the next section of this application

Based on the 2016 customer count figures reported in the RRR filings, Whitby Hydro requests approval for a fixed monthly Stranded Meter Rate Rider of \$0.60 per month for each Residential customer and \$4.02 per month for each metered customer in the GS<50kW rate class. Table 1-2 Stranded Meter Rate Riders, summarizes the calculation of the proposed Stranded Meter Rate Riders.

Table 1-2: Stranded Meter Rate Riders

Rate Class	Total Stranded Meter Recovery	Recovery Period (Years)	Annual Recovery	# Customers*	Proposed Rate Rider
Residential	566,420	2	283,210	39,588	0.60
GS < 50kW	214,101	2	107,050	2,220	4.02
TOTAL	780,521		390,260		

* as reported in 2016 RRR

ADJUSTMENT TO DISTRIBUTION RATES FOR STRANDED METERS

In keeping with the 2016 Filing Requirements, and further to the disposition of the NBV of the stranded meters, Whitby Hydro is also proposing an adjustment to distribution rates for stranded meters to remove a value associated with the stranded conventional meters that was included at the time the distribution rates were last reset in a cost of service application. As a cost of service does not generally identify

specific values for a subset of assets, the approach to arrive at the cost of service revenue requirement associated with the stranded meters has been done using the best available information to determine a reasonable proxy for the adjustment. The approach used to calculate the stranded meter revenue requirement adjustment follows the methodology used in Whitby Hydro's approved 2011 cost of service (COS) application (EB-2009-0274). The underlying assumptions and approach are summarized as follows:

- The total Gross Fixed Assets and Accumulated Depreciation ties to the externally audited values of stranded meters at the time they were stranded and are aligned with those values filed for OEB RRR (account 1555). As the values are closely aligned to the timeframe of the last cost of service (2011), they serve as a reasonable proxy of the rate base amount for stranded meters that would have been included in the last COS application.
- Depreciation expenses are representative of the externally audited ongoing depreciation expense recorded for all stranded meters once smart meter implementation was completed. This is consistent with values used for OEB RRR in Account 1555.
- The 2011 cost of service cost of capital parameters have been used to determine the deemed interest and equity (net income).
- To arrive at taxable income, proxy adjustments for differences in CCA and depreciation were calculated using a factor of 0.2. This factor was calculated using a CCA rate of 20%, the rate assigned by CRA for this class of assets and a depreciation rate of 25 years which was in place during the last cost of service timeframe.
- The PILs revenue requirement has been based on a tax rate of 26.5%.
- The calculated revenue requirement was adjusted for the approved annual net price cap adjustments for inflation, productivity and efficiencies from 2012 to 2017 as well as the proposed 2018 adjustment to reflect the current level of revenue requirement which is included in Whitby Hydro's proposed 2018 distribution rates.

The following tables outline the calculation for the 2011 stranded meter revenue requirement proxy as well as the net price cap adjusted revenue requirement to 2018.

Table 1-3: Stranded Meter Revenue Requirement Adjustment

Determination of 2011 Revenue Requirement for Stranded Meters	
<u>Net Fixed Assets- Stranded Meters Amount</u>	
Gross Fixed Assets	4,443,935
Accumulated Depreciation	(2,841,852)
Net Fixed Assets (Rate Base)	1,602,083

Capitalization/Cost of Capital	%	\$	%	\$
Long Term Debt	56%	897,166	5.48%	49,165
Short Term Debt	4%	64,083	2.43%	1,557
Total Debt	60%	961,249	5.28%	50,722
Equity	40%	640,833	9.66%	61,904
Total	100%	1,602,082	7.03%	112,626

Determination of Taxable Income	
Utility Net Income	61,904
Adjustments for difference in CCA and depreciation rates	(27,233)
Taxable Income	34,671
Income Taxes	9,188
Gross up of Income Taxes	3,313
Grossed up Income Taxes	12,501

Revenue Requirement 2011- 2018								
	2011	2012	2013	2014	2015	2016	2017	2018
IPI (Net Price Cap)		0.58%	1.08%	1.40%	1.30%	1.80%	1.60%	1.30%
Distribution Revenue	261,293	262,808	265,646	269,365	272,867	277,779	282,223	285,892
Depreciation Expense	136,166							
Deemed Interest Expense	50,722							
Income Tax Expense	12,501							
	199,389							
Utility Net Income	61,904							

Stranded Meter Revenue Requirement Adjustment by Rate Class

Whitby Hydro has used the same breakdown determined for the NBV of the stranded meter costs (Account 1555) by customer class to apportion the stranded meter revenue requirement adjustment (reference Table 1-1). This approach is a reasonable proxy outside of a full cost of service application.

The proposed fixed/variable split by customer class has been determined on the following basis and is summarized in the table below:

- Residential – Assumes a fully fixed rate design approach for the adjustment which is in line with the intended shift to fixed distribution rates (per OEB requirements) for residential customers.
- General Service less than 50 kW – Consistent with the proportions used for 2011 rate design (follows the OEB's methodology to apportion the shared tax savings in the 2018 Rate Generator Model (Tab 9)).

Table 1-4: Proposed Fixed/Variable Split by Customer Class

	Residential	GS < 50kW
<u>2011*</u>		
Fixed	60.7%	23.7%
Variable	39.3%	76.3%
<u>Proposed</u>		
Fixed	100.0%	23.7%
Variable	0.0%	76.3%

* Consistent with 2018 Rate Generator Model - Tab 9

Calculation of the Stranded Meter Revenue Requirement Adjustment to Distribution Rates

Whitby Hydro proposes that the 2018 distribution rates (EB-2017-0085) for Residential and General Service less than 50 kW be adjusted downward to remove an amount related to the stranded meters. This adjustment will ensure components related to the disposition of stranded meter and their related revenues are addressed by removing them from Whitby Hydro's distribution rates.

The proposed stranded meter adjustment to distribution rates is summarized in Table 1-5 below.

Table 1-5: Stranded Meter Revenue Requirement Adjustment to Distribution Rates

Rate Class	Stranded Meter Revenue Requirement Adjusted for Net Price Cap		Adjustment	# Customers or kWh*	Proposed Rate Adjustment	
Residential	207,470	Fixed	207,470	39,588	\$ (0.44)	\$ per customer per month
		Variable	0	367,928,950	\$ -	\$/kWh
GS < 50kW	78,422	Fixed	18,586	2,220	\$ (0.70)	\$ per customer per month
		Variable	59,836	88,118,790	\$ (0.0007)	\$/kWh
TOTAL	285,892		285,892			

*2016 RRR

ADJUSTMENT TO DISTRIBUTION RATES FOR SMART METER INCREMENTAL REVENUE REQUIREMENT RATE RIDER (SMIRR)

On December 27, 2012 Whitby Hydro filed a Smart Meter Application (EB-2012-0479) for the disposition and recovery of costs related to smart meter deployment. The application was approved and the Board issued its Decision and Order on April 25, 2013 (corrected on May 6, 2013). As part of the decision, SMIRRs were approved at \$2.20 per residential customer per month, and \$7.11 for General Service less than 50 kW per customer per month. These rates were approved to continue until rates are approved under a cost of service application.

Whitby Hydro has provided a proposed approach to address stranded meters outside of a cost of service. As part of the overall desire to address the remaining elements of the stranded meters, Whitby Hydro has also reviewed the treatment of the SMIRR as a separate rate rider and determined that it is an appropriate time to request a further adjustment to distribution rates to allow the SMIRR rate rider to be folded into the distribution rates. There are several reasons why this approach should be considered at this time:

- Improving efficiencies and ease of administration
The administration of separate rate riders for items that are all considered part of the distribution revenue becomes more cumbersome when there are multiple rate riders in place. Each rate must be setup, tested and maintained separately through the billing system and separately tracked using billing statistics, general ledger accounts, reviewed and audited. Combining them into one rate allows for some streamlining of processes and efforts.
- Maintenance of separate rate riders can be confusing to customers or stakeholders
It is especially difficult when there are longer periods of time expected between cost of service applications. This is the case for Whitby Hydro given that it is currently exploring a potential merger and may have a significant amount of time pass before a cost of service is prepared. It is misleading to customers and stakeholders who may be confused by the lengthy rate riders and incorrectly believe that they are bearing additional costs for smart meters compared to customers in other service territories simply because there are no other comparable rate riders still in place. It is also more difficult for customers and stakeholders to understand and compare the make-up of distribution rates.
- Allows for appropriate mechanistic rate adjustments through the Annual IR Index process.
Currently all distribution rates may be adjusted annually for mechanistic inflation and productivity (net price cap). At this time the SMIRR is not generally considered for these adjustments given that it was

originally anticipated to be a short-lived rate rider assuming a cost of service would occur within a relatively short period of time. Given that Whitby Hydro has not filed a cost of service since 2011 and does not anticipate filing one in the short term due to merger discussions, it is reasonable that the SMIRR rate rider should be treated no differently than regular distribution rates and allow for an annual adjustment through a mechanistic approach. In essence, this would ensure Whitby Hydro's rates are not being negatively affected by its decision to pursue a potential merger.

Whitby Hydro proposes that the SMIRR rate rider (adjusted for annual net price cap adjustments) be incorporated into its regular distribution rates. This proposed approach attempts to assist in streamlining efforts by reducing the number of rate riders in place. This also has the added benefits of providing a more consistent and comparable presentation and understanding of distribution rates for customers as well as aligns Whitby Hydro on a more level playing field with other distributors by including the SMIRR portion as part of the annual mechanistic adjustment allowed for distribution related rates.

To ensure a consistent approach, Whitby Hydro has followed the same methodology used to adjust the stranded meter portion of the distribution rates for the annual net price cap adjustment. As the net price cap for 2018 has not yet been finalized, Whitby Hydro requests that any changes be included as an update to evidence during the application process. Table 1-6 below reflects the adjusted SMIRR rate rider.

Table 1-6: Adjusted SMIRR rate rider

Distribution Rate - SMIRR rate rider					Residential	GS<50 kW
Adjustment for Net Price Cap						
Year	Net Price Cap					
2013		Fixed		\$ 2.20	\$ 7.11	
2014	1.40%	Fixed		\$ 2.23	\$ 7.21	
2015	1.30%	Fixed		\$ 2.26	\$ 7.30	
2016	1.80%	Fixed		\$ 2.30	\$ 7.43	
2017	1.60%	Fixed		\$ 2.34	\$ 7.55	
2018	1.30%	Fixed		\$ 2.37	\$ 7.65	

On this basis, Whitby Hydro proposes the following amounts be included as adjustments to distribution rates to capture the associate revenue related to smart meters effective January 1, 2018:

- Residential: \$2.37 per customer per month
- General Service less than 50 kW: \$7.65 per customer per month

EXHIBIT 2: LOW VOLTAGE RATES

LOW VOLTAGE SERVICE RATES

OVERVIEW

Whitby Hydro is proposing the following changes in this application to address how the Low Voltage (LV) cost recoveries are handled in Whitby Hydro rates:

- Determine separate LV service rates by unbundling and removing the component for LV cost recovery that is currently included in the approved distribution rates.
- Re-set LV service rates to address the growing balances in the variance account (USoA 1550) caused by the disparity between the approved LV cost recovery amount and the LV costs.

As an electricity distributor that is partially embedded within Hydro One Networks (HONI), Whitby Hydro is subject to HONI's Board approved low voltage (LV) charges. As part of Whitby Hydro's 2011 rate application, the Board approved an LV cost recovery rate which is "bundled" into its volumetric distribution rates. The bundling of LV rates with volumetric distribution rates was consistent with prior historical practices and unbundling into separate LV service rates was not specifically identified as a filing requirement by the Board and has not previously been addressed by Whitby Hydro through a cost of service or stand-alone application. In recent years, most LDCs have created separate LV service rates as part of a cost of service application and Whitby Hydro is proposing a similar approach in this application.

Removing (or unbundling) the LV cost recovery component from the currently approved distribution rates achieves a number of objectives:

1. Improved transparency of rates for Whitby Hydro, its customers and stakeholders
2. Alignment with generally accepted industry practice for electricity distributors that incur LV costs.
3. Improved efficiencies (reduced effort required to manually track, analyze and process accounting entries to ensure LV cost recovery is appropriately separated out and recognized in LV revenue and regulatory deferral and variance account).
4. Improved alignment with filing requirements during IRM years:
 - Eliminates concerns that LV cost recovery was attached to the distribution rate and would follow the rate design transition of residential distribution rates to fully fixed rates

- Allows for a separation of LV cost recoveries from other annual adjustment mechanisms (net price cap) in the IRM rate model that were not intended to be applied to LV cost recoveries

The current guidelines issued by the Board through the Accounting Procedures Handbook identify that LV costs and approved LV recoveries be treated similar to other “pass through” charges. In line with this guidance, Whitby Hydro has tracked, analyzed and accounted for LV related transactions through the appropriate accounts for revenue (4075) and costs (4750) and recorded any resulting variances in account 1550.

Table 2-1 outlines the LV amounts and volumetric rates as approved by the Board in Whitby Hydro’s last cost of service application (EB-2009-0274).

Table 2-1: Settlement Calculation of 2011 LV Recovery Rates

Customer Class Name		LV Charges Allocated	Forecast Volumes (kW or kWh)	2011 LV Recovery Rate
Residential		112,136	350,407,180	0.0003
General Service Less Than 50 kW		21,940	75,150,446	0.0003
General Service 50 to 4,999 kW		104,271	966,330	0.1079
Unmetered Scattered Load		728	2,493,809	0.0003
Sentinel Lighting		10	120	0.0852
Street Lighting		2,032	24,361	0.0834
TOTAL		241,117		

*EB-2009-0274 Proposed Settlement Agreement Appendix C Page 10 of 10

During the years since the last cost of service application, Whitby Hydro filed an annual IRM application which applied the mechanistic adjustments to the bundled distribution rates. Whitby Hydro has advised the Board in each of its previous six (6) IRM applications that any annual adjustment (“net price cap”) for inflation, efficiency and productivity would be applied separately to each portion of the rate (distribution and LV cost recovery) so that adjustment amounts related to the LV cost recovery will be recognized appropriately as low voltage revenue and incorporated into the LV variance account 1550 to offset LV costs. As the LV variance account 1550 is intended to be a “pass through” account which is reviewed for disposition on a regular basis and the amount of a net price cap adjustment on the LV portion of the rates is not material, Whitby Hydro believes that this is a reasonable approach.

In order to identify the LV cost recovery component included in the currently approved distribution rates, the following tables (2-2 and 2-3) have been provided as a continuity schedule to break down the Board approved fixed and variable “bundled” distribution rates from the last cost of service (2011 through to 2017).

Table 2-2: Continuity – Breakdown of Volumetric Distribution & LV Recovery Rates

Volumetric	2011		RTC ratio		Price Cap		2012		2012		RTC ratio		Price Cap		2013		2013		2014	
	Approved	adjust	Revised	Index	Approved	Approved	adjust	Revised	Index	Approved	Approved	adjust	Revised	Index	Approved	Approved	adjust	Revised	Index	Approved
Total Distribution																				
Res	0.0141		0.0141	0.58%	0.0142	0.0142		0.0142	1.08%	0.0144	0.0144		0.0144	1.40%	0.0146	0.0146		0.0146	1.40%	0.0200
GS<50	0.0194		0.0194	0.58%	0.0195	0.0195		0.0195	1.08%	0.0197	0.0197		0.0197	1.40%	0.0200	0.0200		0.0200	1.40%	0.0389
GS>50	3.9178		3.9178	0.58%	3.9405	3.9405		3.9405	1.08%	3.9831	3.9831		3.9831	1.40%	4.0389	4.0389		4.0389	1.40%	0.0311
USL	0.0302		0.0302	0.58%	0.0304	0.0304		0.0304	1.08%	0.0307	0.0307		0.0307	1.40%	0.0311	0.0311		0.0311	1.40%	14.7032
SL	10.9830	1.6389	12.6219	0.58%	12.6951	12.6951	1.6502	14.3453	1.08%	14.5002	14.5002		14.5002	1.40%	14.7032	14.7032		14.7032	1.40%	6.8087
ST	5.4070	0.5989	6.0059	0.58%	6.0407	6.0407	0.6023	6.6430	1.08%	6.7147	6.7147		6.7147	1.40%	6.8087	6.8087		6.8087	1.40%	
LV portion																				
Res	0.0003		0.0003	0.58%	0.0003	0.0003		0.0003	1.08%	0.0003	0.0003		0.0003	1.40%	0.0003	0.0003		0.0003	1.40%	0.0003
GS<50	0.0003		0.0003	0.58%	0.0003	0.0003		0.0003	1.08%	0.0003	0.0003		0.0003	1.40%	0.0003	0.0003		0.0003	1.40%	0.0003
GS>50	0.1079		0.1079	0.58%	0.1085	0.1085		0.1085	1.08%	0.1097	0.1097		0.1097	1.40%	0.1112	0.1112		0.1112	1.40%	0.0003
USL	0.0003		0.0003	0.58%	0.0003	0.0003		0.0003	1.08%	0.0003	0.0003		0.0003	1.40%	0.0003	0.0003		0.0003	1.40%	0.0878
SL	0.0852		0.0852	0.58%	0.0857	0.0857		0.0857	1.08%	0.0866	0.0866		0.0866	1.40%	0.0878	0.0878		0.0878	1.40%	0.0860
ST	0.0834		0.0834	0.58%	0.0839	0.0839		0.0839	1.08%	0.0848	0.0848		0.0848	1.40%	0.0860	0.0860		0.0860	1.40%	
Unbundled Distribution																				
Res	0.0138				0.0139	0.0139				0.0141	0.0141				0.0141	0.0141				0.0143
GS<50	0.0191				0.0192	0.0192				0.0194	0.0194				0.0194	0.0194				0.0197
GS>50	3.8099				3.8320	3.8320				3.8734	3.8734				3.8734	3.8734				3.9277
USL	0.0299				0.0301	0.0301				0.0304	0.0304				0.0304	0.0304				0.0308
SL	10.8978				12.6094	12.6094				14.4136	14.4136				14.4136	14.4136				14.6154
ST	5.3236				5.9568	5.9568				6.6299	6.6299				6.6299	6.6299				6.7227

Volumetric	2014		Price Cap		2015		Adjusted		Price Cap		2016		Adjusted		Price Cap		2017	
	Approved	Index	Approved	Approved	Design	Index	Approved	Approved	Design	Index	Approved	Approved	Design	Index	Approved	Approved	Design	Index
Total Distribution																		
Res	0.0146	1.30%	0.0148	0.0148	0.0111	1.80%	0.0113	0.0113	0.0075	1.60%	0.0076	0.0076	0.0075	1.60%	0.0076	0.0076	0.0075	1.60%
GS<50	0.0200	1.30%	0.0203	0.0203		1.80%	0.0207	0.0207		1.60%	0.0210	0.0210		1.60%	0.0210	0.0210		1.60%
GS>50	4.0389	1.30%	4.0914	4.0914		1.80%	4.1650	4.1650		1.60%	4.2316	4.2316		1.60%	4.2316	4.2316		1.60%
USL	0.0311	1.30%	0.0315	0.0315		1.80%	0.0321	0.0321		1.60%	0.0326	0.0326		1.60%	0.0326	0.0326		1.60%
SL	14.7032	1.30%	14.8943	14.8943		1.80%	15.1624	15.1624		1.60%	15.4050	15.4050		1.60%	15.4050	15.4050		1.60%
ST	6.8087	1.30%	6.8972	6.8972		1.80%	7.0213	7.0213		1.60%	7.1336	7.1336		1.60%	7.1336	7.1336		1.60%
LV portion																		
Res	0.0003	1.30%	0.0003	0.0003	0.0002	1.80%	0.0002	0.0002	0.0001	1.60%	0.0001	0.0001	0.0001	1.60%	0.0001	0.0001	0.0001	1.60%
GS<50	0.0003	1.30%	0.0003	0.0003		1.80%	0.0003	0.0003		1.60%	0.0003	0.0003		1.60%	0.0003	0.0003		1.60%
GS>50	0.1112	1.30%	0.1126	0.1126		1.80%	0.1146	0.1146		1.60%	0.1164	0.1164		1.60%	0.1164	0.1164		1.60%
USL	0.0003	1.30%	0.0003	0.0003		1.80%	0.0003	0.0003		1.60%	0.0003	0.0003		1.60%	0.0003	0.0003		1.60%
SL	0.0878	1.30%	0.0889	0.0889		1.80%	0.0905	0.0905		1.60%	0.0919	0.0919		1.60%	0.0919	0.0919		1.60%
ST	0.0860	1.30%	0.0871	0.0871		1.80%	0.0887	0.0887		1.60%	0.0901	0.0901		1.60%	0.0901	0.0901		1.60%
Unbundled Distribution																		
Res	0.0143		0.0145	0.0145	0.0109		0.0111	0.0111	0.0074		0.0075	0.0075	0.0074		0.0075	0.0075	0.0074	
GS<50	0.0197		0.0200	0.0200			0.0204	0.0204			0.0207	0.0207			0.0207	0.0207		
GS>50	3.9277		3.9788	3.9788			4.0504	4.0504			4.1152	4.1152			4.1152	4.1152		
USL	0.0308		0.0312	0.0312			0.0318	0.0318			0.0323	0.0323			0.0323	0.0323		
SL	14.6154		14.8054	14.8054			15.0719	15.0719			15.3131	15.3131			15.3131	15.3131		
ST	6.7227		6.8101	6.8101			6.9326	6.9326			7.0435	7.0435			7.0435	7.0435		

Table 2-3: Continuity – Breakdown of Fixed Distribution & LV Recovery Rates

	2011					2012					2013		
Fixed	Approved	RTC ratio adjust	Revised	Price Cap Index	2012 Approved	Approved	RTC ratio adjust	Revised	Price Cap Index	2013 Approved	Approved	Price Cap Index	2014 Approved
Total Distribution													
Res	17.24	-0.05	17.19	0.58%	17.29	17.29	-0.05	17.24	1.08%	17.43	17.43	1.40%	17.67
GS<50	19.80		19.80	0.58%	19.91	19.91		19.91	1.08%	20.13	20.13	1.40%	20.41
GS>50	191.34		191.34	0.58%	192.45	192.45		192.45	1.08%	194.53	194.53	1.40%	197.25
USL	9.28		9.28	0.58%	9.33	9.33		9.33	1.08%	9.43	9.43	1.40%	9.56
SL	4.05	0.61	4.66	0.58%	4.69	4.69	0.61	5.30	1.08%	5.36	5.36	1.40%	5.44
ST	1.36	0.15	1.51	0.58%	1.52	1.52	0.15	1.67	1.08%	1.69	1.69	1.40%	1.71
LV portion													
Res													
GS<50													
GS>50													
USL													
SL													
ST													
Unbundled Distribution													
Res	17.24				17.29	17.29				17.43	17.43		17.67
GS<50	19.8				19.91	19.91				20.13	20.13		20.41
GS>50	191.34				192.45	192.45				194.53	194.53		197.25
USL	9.28				9.33	9.33				9.43	9.43		9.56
SL	4.05				4.69	4.69				5.36	5.36		5.44
ST	1.36				1.52	1.52				1.69	1.69		1.71

	2014			2015				2016				2017			
	Approved	Price Cap Index	Approved	Approved	Adjusted for Rate Design	Price Cap Index	Approved	Approved	Adjusted for Rate Design	Price Cap Index	Approved	Approved	Adjusted for Rate Design	Price Cap Index	Approved
<u>Total Distribution</u>															
Res	17.67	1.30%	17.90	17.90	20.83	1.80%	21.20	21.20	24.18	1.60%	24.57				
GS<50	20.41	1.30%	20.68	20.68		1.80%	21.05	21.05		1.60%	21.39				
GS>50	197.25	1.30%	199.81	199.81		1.80%	203.41	203.41		1.60%	206.66				
USL	9.56	1.30%	9.68	9.68		1.80%	9.85	9.85		1.60%	10.01				
SL	5.44	1.30%	5.51	5.51		1.80%	5.61	5.61		1.60%	5.70				
ST	1.71	1.30%	1.73	1.73		1.80%	1.76	1.76		1.60%	1.79				
<u>LV portion</u>															
Res				0	0.06	1.80%	0.06	0.06	0.11	1.60%	0.12				
GS<50				0		1.80%	0.00	0		1.60%	0.00				
GS>50				0		1.80%	0.00	0		1.60%	0.00				
USL				0		1.80%	0.00	0		1.60%	0.00				
SL				0		1.80%	0.00	0		1.60%	0.00				
ST				0		1.80%	0.00	0		1.60%	0.00				
<u>Unbundled Distribution</u>															
Res	17.67		17.90	17.90	20.77		21.14	21.14	24.07		24.45				
GS<50	20.41		20.68	20.68			21.05	21.05			21.39				
GS>50	197.25		199.81	199.81			203.41	203.41			206.66				
USL	9.56		9.68	9.68			9.85	9.85			10.01				
SL	5.44		5.51	5.51			5.61	5.61			5.70				
ST	1.71		1.73	1.73			1.76	1.76			1.79				

In 2016 Whitby Hydro began the rate design transition to a fully fixed monthly distribution service charge for Residential customers. The phase-in period is planned over four years (2016 – 2019). As a result of this transition, Whitby Hydro's volumetric distribution rate is decreasing. In order to remain whole and align the bundled rate with the transitioning rate design for residential customers, Whitby Hydro addressed both the distribution and LV portion of the rates in a consistent manner prior to applying the net price cap adjustment to each part of the bundled rate (distribution and LV).

Table 2-4 (2016) and Table 2-5 (2017) show the calculations for the new fixed/variable split relating to the residential rate design transition. The tables show the prior year approved rate as the starting point, and then adjusts for the transition to fixed rates over the remaining transition years. The adjusted rates then become the starting point for applying the net price cap adjustment for 2016 and 2017 rates respectively. These tables support the figures included in the 'Adjusted for Rate Design' column in Tables 2-2 and 2-3 above and use calculations consistent with the adjustment methodology incorporated in the OEB's Rate Generator model for annual IRM rate applications.

Table 2-4: 2016 Residential Rate Design Transition – Breakdown between LV & Distribution

		kWh	350,407,180.00				
		Residential Customers	36,927.00				
		Years Left	4				
	2015 Approved Rates	Revenue from Rates	Current F/V Split	Decoupling MFC Split	New F/V Split	Adjusted Rates ¹	Revenue at New F/V Split
<u>Distribution Portion</u>							
Fixed	17.90	7,931,920	61.0%	9.76%	70.7%	20.77	9,202,146
Variable	0.0145	5,080,904	39.0%		29.3%	0.0109	3,810,678
		13,012,824					13,012,824
<u>LV Portion</u>							
Fixed	0.00	0	0.0%	25.00%	25.0%	0.06	26,281
Variable	0.0003	105,122	100.0%		75.0%	0.0002	78,842
		105,122					105,122
<u>Total</u>							
Fixed	17.90	7,931,920	60.5%	9.88%	70.3%	20.83	9,228,426
Variable	0.0148	5,186,026	39.5%		29.7%	0.0111	3,889,520
		13,117,946					13,117,946

¹ These are residential rates to which the Price Cap Index will be applied to

Table 2-5: 2017 Residential Rate Design Transition – Breakdown between LV & Distribution

		kWh	350,407,180.00				
		Residential Customers	36,927.00				
		Years Left	3				
	2016 Approved Rates	Revenue from Rates	Current F/V Split	Decoupling MFC Split	New F/V Split	Adjusted Rates ¹	Revenue at New F/V Split
<u>Distribution Portion</u>							
Fixed	21.14	9,367,641	70.7%	9.78%	80.4%	24.07	10,664,148
Variable	0.0111	3,889,520	29.3%		19.6%	0.0074	2,593,013
		13,257,161					13,257,161
<u>LV Portion</u>							
Fixed	0.06	26,587	27.5%	24.17%	51.7%	0.11	49,948
Variable	0.0002	70,081	72.5%		48.3%	0.0001	46,721
		96,669					96,669
<u>Total</u>							
Fixed	21.20	9,394,229	70.3%	9.88%	80.2%	24.18	10,714,096
Variable	0.0113	3,959,601	29.7%		19.8%	0.0075	2,639,734
		13,353,830					13,353,830

¹ These are residential rates to which the Price Cap Index will be applied to

Table 2-6 is a summary of the approved 2017 distribution rates and the breakdown of proportions for distribution and LV. The table is aligned with the continuity schedules provided in Tables 2-2 and 2-3.

Table 2-6: Summary of 2017 rates

2017 Approved Rates	Fixed (\$/cust)	Variable (kWh/kW)
<u>Total Distribution</u>		
Res	\$ 24.57	\$ 0.0076
GS<50	\$ 21.39	\$ 0.0210
GS>50	\$ 206.66	\$ 4.2316
USL	\$ 10.01	\$ 0.0326
SL	\$ 5.70	\$ 15.4050
ST	\$ 1.79	\$ 7.1336
<u>LV (unbundled)</u>		
Res	\$ 0.12	\$ 0.0001
GS<50	\$ -	\$ 0.0003
GS>50	\$ -	\$ 0.1164
USL	\$ -	\$ 0.0003
SL	\$ -	\$ 0.0919
ST	\$ -	\$ 0.0901
<u>Distribution (unbundled)</u>		
Res	\$ 24.45	\$ 0.0075
GS<50	\$ 21.39	\$ 0.0207
GS>50	\$ 206.66	\$ 4.1152
USL	\$ 10.01	\$ 0.0323
SL	\$ 5.70	\$ 15.3131
ST	\$ 1.79	\$ 7.0435

RE-SETTING OF 2018 DISTRIBUTION RATES

As part of the process to propose separate LV service rates which are unbundled from the current distribution rates, it is necessary to adjust the distribution rates to remove the LV recovery portion. Table 2-6 summarized the portion of LV recovery that is currently included in the approved 2017 distribution rates. Whitby Hydro has recently filed a 2018 Annual IR Index rate application (EB-2017-0085). In keeping with the mechanistic approach in the Annual IR Index, Whitby Hydro has prepared a further continuity for 2018 which will breakdown the LV recovery portion that is currently included in the proposed 2018 (bundled) distribution rates. Whitby Hydro requests that these rates be reviewed and updated during the application process for any change related to the finalization of the 2018 net price cap adjustment which will occur in the fall of 2017.

On this basis, LV recovery proposed in the 2018 distribution rates is broken down as follows:

1 **Table 2-7: Proposed 2018 Rate Breakdown**

Fixed	2017 Approved	Adjusted for Rate Design	Price Cap Index	2018 Proposed*
<u>Total Distribution</u>				
Res	24.57	27.57	1.30%	27.93
GS<50	21.39		1.30%	21.67
GS>50	206.66		1.30%	209.35
USL	10.01		1.30%	10.14
SL	5.70		1.30%	5.77
ST	1.79		1.30%	1.81
<u>LV portion</u>				
Res	0.12	0.16	1.30%	0.16
GS<50	0.00		1.30%	0.00
GS>50	0.00		1.30%	0.00
USL	0.00		1.30%	0.00
SL	0.00		1.30%	0.00
ST	0.00		1.30%	0.00
<u>Unbundled Distribution</u>				
Res	24.45	27.42		27.77
GS<50	21.39			21.67
GS>50	206.66			209.35
USL	10.01			10.14
SL	5.70			5.77
ST	1.79			1.81

Volumetric	2017 Approved	Adjusted for Rate Design	Price Cap Index	2018 Proposed*
<u>Total Distribution</u>				
Res	0.0076	0.0038	1.30%	0.0038
GS<50	0.0210		1.30%	0.0213
GS>50	4.2316		1.30%	4.2866
USL	0.0326		1.30%	0.0330
SL	15.4050		1.30%	15.6053
ST	7.1336		1.30%	7.2263
<u>LV portion</u>				
Res	0.0001	0.0000	1.30%	0.0000
GS<50	0.0003		1.30%	0.0003
GS>50	0.1164		1.30%	0.1179
USL	0.0003		1.30%	0.0003
SL	0.0919		1.30%	0.0931
ST	0.0901		1.30%	0.0913
<u>Unbundled Distribution</u>				
Res	0.0075	0.0038		0.0038
GS<50	0.0207			0.0210
GS>50	4.1152			4.1687
USL	0.0323			0.0327
SL	15.3131			15.5122
ST	7.0435			7.1350

2 * to be updated based on final approved rates

1 The underlying calculation to address the residential rate design shift to fixed rates for 2018
2 proposed rates is as follows:

		kWh	350,407,180.00				
		Residential Customers	36,927.00				
		Years Left	2				
	2017 Approved Rates	Revenue from Rates	Current F/V Split	Decoupling MFC Split	New F/V Split	Adjusted Rates ¹	Revenue at New F/V Split
<u>Distribution Portion</u>							
Fixed	24.45	10,834,382	80.5%	9.76%	90.2%	27.42	12,148,409
Variable	0.0075	2,628,054	19.5%		9.8%	0.0038	1,314,027
		13,462,436					13,462,436
<u>LV Portion</u>							
Fixed	0.12	53,175	60.3%	19.86%	80.1%	0.16	70,696
Variable	0.0001	35,041	39.7%		19.9%	0.0000	17,519
		88,216					88,216
<u>Total</u>							
Fixed	24.57	10,887,557	80.3%	9.83%	90.2%	27.57	12,219,104
Variable	0.0076	2,663,095	19.7%		9.8%	0.0038	1,331,547
		13,550,651					13,550,651

3 ¹ These are residential rates to which the Price Cap Index will be applied to

4
5 In summary, Whitby Hydro is proposing to unbundle its distribution rates to remove the following
6 proposed 2018 amounts related to the LV cost recovery:

8 **Table 2-8: Proposed 2018 LV Amounts to Remove from Distribution Rates**

	Fixed (\$/cust)	Variable (kWh/kW)
<u>LV (unbundled)</u>		
Res	\$ 0.16	\$ -
GS<50	\$ -	\$ 0.0003
GS>50	\$ -	\$ 0.1179
USL	\$ -	\$ 0.0003
SL	\$ -	\$ 0.0931
ST	\$ -	\$ 0.0913

9

10

11 **PROPOSED LOW VOLTAGE SERVICE RATES**

12 In order to establish an appropriate LV service rate for cost recoveries, Whitby Hydro is not
13 proposing to use the unbundled LV rate identified in Table 2-7 but is proposing instead to re-set
14 the LV service rate using a mechanistic approach in order to address the growing variance
15 balance that is accumulating annually in Account 1550. The annual variance has been
16 approximately \$500K in under recoveries in both 2015 and 2016. The annual variances are

caused by the disparity between the currently approved LV cost recovery rates which were largely derived from the last cost of service and as a result, were based on historical low voltage costs from the 2008 timeframe as compared to more current LV rates/costs charged by Hydro One Networks Inc. ("HONI").

In order to determine appropriate 2018 LV service rates, Whitby Hydro has used the same approach that is currently used in the IRM application process for the annual calculation of RTSR rates. Whitby Hydro modelled the calculation of the proposed LV service rates based on the RTSR tabs in the 2018 Rate Generator Model. The model applies the most current HONI rates to historical wholesale units to forecast the LV costs. The service rates necessary to recover those costs are calculated using 2016 RRR billing determinants. Non-loss adjusted billing determinants have been used for the LV service rate calculation as approved losses do not apply to LV service rates. Whitby Hydro notes that this is slightly different from RTSRs which use loss-adjusted consumption for applicable customer classes. Table 2-9 provides 2017 LV recovery rates (as outlined in Table 2-6) and related 2016 RRR data in a format similar to the 2018 Rate Generator Model (Tab 10).

Table 2-9: 2017 LV Rates and 2016 RRR Filing Data

Rate Class	Unit	Rate	Non-Loss Adjusted Metered kWh	Non-Loss Adjusted Metered kW	Applicable Loss Factor	Loss Adjusted Billed kWh	Number of Customers
Residential Service Classification	\$/kWh	0.0001	367,928,950	0	1.0454	384,632,924	39,588
Residential Service Classification	\$	0.1200					
General Service Less Than 50 kW Service Classification	\$/kWh	0.0003	88,118,790	0	1.0454	92,119,383	
General Service 50 To 4,999 kW Service Classification	\$/kW	0.1164	407,832,342	959,662			
Unmetered Scattered Load Service Classification	\$/kWh	0.0003	1,759,728	0	1.0454	1,839,620	
Sentinel Lighting Service Classification	\$/kW	0.0919	32,748	92			
Street Lighting Service Classification	\$/kW	0.0901	6,040,412	16,143			

For this application Whitby Hydro has used rates per *Hydro One Networks Inc. Tariff of Rates and Charges Effective and Implementation Date January 1 2017 for Sub Transmission – ST (EB-2016-0081 – Schedule A)*. A copy of the tariff sheet has been provided as Appendix A and is highlighted for those LV charges that are relevant to Whitby Hydro. HONI rate riders are included as part of the LV costs consistent with the OEB's Accounting Procedure Handbook Guidance issued March 2015, specifically item #16. Table 2-10 below summarizes the applicable HONI LV rates.

Table 2-10: Hydro One Sub-Transmission Rates

Hydro One Sub-Transmission Rates		2016		2017	2018
		Jan-16	Feb - Dec 2016		Forecast
Rate Description	Unit	Rate	Rate	Rate	Rate
Service Charge		433.07	481.41	492.55	492.55
Rate Rider for Disposition of Deferral/Variance Accounts		16.60	11.62	11.86	11.86
Rate Rider for Recovery of Foregone Revenue			47.56		
Total Fixed charges	\$	449.67	540.59	504.41	504.41
Facility Charge for connection to Common ST Lines (44kW to 13.8 kV)		1.0220	1.1740	1.2052	1.2052
Volumetric Rate Rider for Disposition of Deferral/Variance Accounts		0.4723			
Volumetric Rate Rider for Disposition of Deferral/Variance Accounts			0.3151	0.3126	0.3126
Total Volumetric charges	kW	1.4943	1.4891	1.5178	1.5178

Tables 2-11, 2-12 and 2-13 show the breakdown of historical 2016 LV costs and the calculated projection of costs for 2017 and 2018 based on historical units billed combined with the most current approved rates. These tables serve to provide similar calculations as those used for RTSR costs in Tabs 12-14 of the 2018 Rate Generator Model.

Table 2-11: Low Voltage Historical Wholesale (2016)

Month	Volumetric			Units Billed	Fixed		Amount
	Units Billed	Rate	Amount		Rate	Amount	
January	36,809	1.4927	54,943.56	4	477.89	1,911.55	56,855.11
February	35,863	1.4891	53,403.76	4	540.59	2,162.36	55,566.12
March	33,344	1.4891	49,652.00	4	540.59	2,162.36	51,814.36
April	32,507	1.4891	48,406.44	4	540.59	2,162.36	50,568.80
May	41,472	1.4891	61,755.55	4	540.59	2,162.36	63,917.91
June	45,511	1.4891	67,770.58	4	540.59	2,162.36	69,932.94
July	48,223	1.4891	71,808.65	4	540.59	2,162.36	73,971.01
August	48,811	1.4891	72,684.40	4	540.59	2,162.36	74,846.76
September	40,896	1.4891	60,898.27	4	540.59	2,162.36	63,060.63
October	33,859	1.4891	50,419.23	4	540.59	2,162.36	52,581.59
November	35,627	1.4891	53,052.76	4	540.59	2,162.36	55,215.12
December	37,131	1.4975	55,605.81	4	529.95	2,119.80	57,725.61
Total	470,053	1.4900	700,401.01	48	534.48	25,654.95	726,055.96

Table 2-12: Low Voltage Current Wholesale (2017)

Month	Volumetric			Fixed			Amount
	Units Billed	Rate	Amount	Units Billed	Rate	Amount	
January	36,809	1.5178	55,867.97	4	504.41	2,017.64	57,885.61
February	35,863	1.5178	54,433.03	4	504.41	2,017.64	56,450.67
March	33,344	1.5178	50,608.96	4	504.41	2,017.64	52,626.60
April	32,507	1.5178	49,339.40	4	504.41	2,017.64	51,357.04
May	41,472	1.5178	62,945.79	4	504.41	2,017.64	64,963.43
June	45,511	1.5178	69,076.75	4	504.41	2,017.64	71,094.39
July	48,223	1.5178	73,192.64	4	504.41	2,017.64	75,210.28
August	48,811	1.5178	74,085.28	4	504.41	2,017.64	76,102.92
September	40,896	1.5178	62,071.98	4	504.41	2,017.64	64,089.62
October	33,859	1.5178	51,390.98	4	504.41	2,017.64	53,408.62
November	35,627	1.5178	54,075.27	4	504.41	2,017.64	56,092.91
December	37,131	1.5178	56,358.05	4	504.41	2,017.64	58,375.69
Total	470,053	1.5178	713,446.09	48	504.41	24,211.68	737,657.77

Table 2-13: Low Voltage Forecast Wholesale (2018)

Month	Volumetric			Fixed			Amount
	Units Billed	Rate	Amount	Units Billed	Rate	Amount	
January	36,809	1.5178	55,867.97	4	504.41	2,017.64	57,885.61
February	35,863	1.5178	54,433.03	4	504.41	2,017.64	56,450.67
March	33,344	1.5178	50,608.96	4	504.41	2,017.64	52,626.60
April	32,507	1.5178	49,339.40	4	504.41	2,017.64	51,357.04
May	41,472	1.5178	62,945.79	4	504.41	2,017.64	64,963.43
June	45,511	1.5178	69,076.75	4	504.41	2,017.64	71,094.39
July	48,223	1.5178	73,192.64	4	504.41	2,017.64	75,210.28
August	48,811	1.5178	74,085.28	4	504.41	2,017.64	76,102.92
September	40,896	1.5178	62,071.98	4	504.41	2,017.64	64,089.62
October	33,859	1.5178	51,390.98	4	504.41	2,017.64	53,408.62
November	35,627	1.5178	54,075.27	4	504.41	2,017.64	56,092.91
December	37,131	1.5178	56,358.05	4	504.41	2,017.64	58,375.69
Total	470,053	1.5178	713,446.09	48	504.41	24,211.68	737,657.77

CALCULATION OF LOW VOLTAGE SERVICE RATES

Tables 2-14 and 2-15 model the projected billed revenue and costs using historical information and calculate an adjustment to re-align the LV service rates to recover the projected LV costs.

Table 2-14: Low Voltage Rates to cover current wholesale LV costs

The purpose of this table is to re-align the current LV Rates to recover current wholesale LV costs.									
Rate Class	Unit	Current LV	Non-Loss Adjusted Metered kWh	Billed kW	No Customers	Billed Amount	Billed Amount %	Current Wholesale Billing	Adjusted LV Service Rate
Residential	\$/kWh	0.0001	367,928,950			36,793	40.1%	295,807	0.0008
Residential	\$	0.1200			39,588	57,007			
GS <50	\$/kWh	0.0003	88,118,790			26,436	11.3%	83,360	0.0009
GS >50	\$/kW	0.1164		959,662		111,705	47.8%	352,240	0.3670
USL	\$/kWh	0.0003	1,759,728			528	0.2%	1,665	0.0009
Sentinel Lighting	\$/kW	0.0919		92		8	0.0%	0	0.0000
Street Lighting	\$/kW	0.0901		16,143		1,454	0.6%	4,586	0.2841
						233,931		737,658	

Table 2-15: Low Voltage Rates to cover forecast wholesale LV costs

The purpose of this table is to update the re-aligned LV Rates to recover future wholesale LV costs.								
Rate Class	Unit	Adjusted LV	Non-Loss Adjusted Metered kWh	Billed kW	Billed Amount	Billed Amount %	Current Wholesale Billing	Proposed LV Service Rate
Residential	\$/kWh	0.0008	367,928,950		295,807	40.1%	295,807	0.0008
GS <50	\$/kWh	0.0009	88,118,790		83,360	11.3%	83,360	0.0009
GS >50	\$/kW	0.3670		959,662	352,240	47.8%	352,240	0.3670
USL	\$/kWh	0.0009	1,759,728		1,665	0.2%	1,665	0.0009
Sentinel Lighting	\$/kW	0.0000		92	0	0.0%	0	0.0000
Street Lighting	\$/kW	0.2841		16,143	4,586	0.6%	4,586	0.2841
					737,658		737,658	

The LV service rates proposed in Table 2-15 ensure that the amount recovered from customers is more closely aligned with the LV costs forecasted. This approach follows that used for other pass-through rates such as RTSRs with only a slight modification to incorporate non-loss adjusted billing determinants. The calculations are mechanistic in nature with a simple objective of avoiding patterns of significant under or over recoveries in the LV variance account. As Whitby Hydro's current LV recovery rates (bundled in distribution) have not been re-set in more than six years, and the under-recovery experienced on an annual basis is significantly material, Whitby Hydro requests that the above volumetric rates (Table 2-15) be approved as separate (unbundled) Low Voltage Service Rates for 2018.

APPENDIX A:
Hydro One Networks Inc
Tariff of Rates and Charges
Effective and Implementation Date
January 1, 2017

Hydro One Networks Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2017

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

SUB TRANSMISSION – ST

This classification applies to either:

- Embedded supply to Local Distribution Companies (LDCs). "Embedded" meaning receiving supply via Hydro One Distribution assets, and where Hydro One is the host distributor to the embedded LDC. Situations where the LDC is supplied via Specific Facilities are included. OR
- Load which:
 - is three-phase; and
 - is directly connected to and supplied from Hydro One Distribution assets between 44 kV and 13.8 kV inclusive; the meaning of "directly" includes Hydro One not owning the local transformation; and
 - is greater than 500 kW (monthly measured maximum demand averaged over the most recent calendar year or whose forecasted monthly average demand over twelve consecutive months is greater than 500 kW).

Hydro One establishes billing determinants for demand customers' Distribution charges at the greater of 100 per cent of kW and 90 per cent of kVA where kVA metering is installed. When a customer's power factor is known to be less than 90 per cent, a kVA meter or other equivalent electronic meter shall be used for measuring and billing.

Class A and Class B consumers are defined in accordance with O. Reg. 429/04.

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	492.55
Rate Rider for Disposition of Deferral/Variance Accounts (2017) – effective until December 31, 2017	\$	11.86
Meter Charge (for Hydro One ownership) (see Note 11)	\$	764.01
Facility Charge for connection to Common ST Lines (44 kV to 13.8 kV) (see Notes 1, 8 and 14)	\$/kW	1.2052
Facility Charge for connection to Specific ST Lines (44 kV to 13.8 kV) (see Note 2)	\$/km	812.8973
Facility Charge for connection to Specific Primary Lines (12.5 kV to 4.16 kV) (see Note 2)	\$/km	611.3830
Facility Charge for connection to high-voltage (> 13.8 kV secondary) delivery High Voltage Distribution Station (see Notes 1 and 14)	\$/kW	1.8088
Facility Charge for connection to low-voltage (< 13.8 kV secondary) delivery High Voltage Distribution Station (see Notes 1 and 14)	\$/kW	3.3552
Facility Charge for connection to low-voltage (< 13.8 kV secondary) Low Voltage Distribution Station (see Notes 3 and 14)	\$/kW	1.5464
Rate Rider for Disposition of Deferral/Variance Accounts (General) (2017) – effective until December 31, 2017 (see Notes 1, 9 and 14)	\$/kW	0.3126
Rate Rider for Disposition of Deferral/Variance Account (Wholesale Market Service Rate) (2017) – effective until December 31, 2017 (see Notes 1, 10 and 14)	\$/kW	(0.4418)
Rate Rider for Disposition of Global Adjustment Account (2017) – effective until December 31, 2017 Applicable only for Non-RPP Customers (see Note 13)	\$/kWh	(0.0010)
Retail Transmission Service Rates (see Notes 6 and 7)		
Retail Transmission Rate – Network Service Rate (see Note 4)	\$/kW	3.1942
Retail Transmission Rate – Line Connection Service Rate (see Note 5)	\$/kW	0.7710
Retail Transmission Rate – Transformation Connection Service Rate (see Note 5)	\$/kW	1.7493

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate - not including Capacity Based Recovery (see Note 12)	\$/kWh	0.0032
Capacity Based Recovery (CBR) – applicable for Class B customers (see Note 12)	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	\$/kWh	0.0021
Ontario Electricity Support Program Charge (OESP) (see Note 12)	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Hydro One Networks Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2017

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

NOTES:

- (1) The basis of the charge is the customer's monthly maximum demand. For a customer with multiple delivery points served from the same Transformer Station or High Voltage Distribution Station, the aggregated demand will be the applicable billing determinant. Demand is not aggregated between stations.
- (2) The basis of the charge is kilometers of line, within the supplied LDC's service area, supplying solely that LDC.
- (3) The basis of the charge is the "non-coincident demand" at each delivery point of the customer supplied by the station. This is measured as the kW demand at the delivery point at the time in the month of maximum load on the delivery point. For a customer connected through two or more distribution stations, the total charge for the connection to the shared distribution stations is the sum of the relevant charges for each of the distribution stations.
- (4) The monthly billing determinant for the RTSR Network Service rate is:
 - for energy-only metered customers: the customer's metered energy consumption adjusted by the total loss factor as approved by the Ontario Energy Board.
 - for interval-metered customers: the peak demand from 7 AM to 7 PM (local time) on IESO business days in the billing period. The rates shown are to be adjusted by the total loss factor as approved by the Ontario Energy Board.
 - for non-interval-metered demand billed customers: the non-coincident peak demand in the billing period. The rates shown are to be adjusted by the total loss factor as approved by the Ontario Energy Board.
- (5) (a) The monthly billing determinant for the RTSR Line and Transformation Connection Service rates is:
 - for energy-only metered customers: the customer's metered energy consumption adjusted by the total loss factor as approved by the Ontario Energy Board.
 - for all demand billed customers: the non-coincident peak demand in the billing period. The rates shown are to be adjusted by the total loss factor as approved by the Ontario Energy Board.
 (b) For customers with load displacement generation above 1 MW, or 2 MW for renewable generation, installed after October 1998, RTSR connection is billed at the gross demand level.
- (6) Delivery point with respect to RTSR is defined as the low side of the Transformer Station that steps down voltage from above 50 kV to below 50 kV. For customer with multiple interval-metered delivery points served from the same Transformer Station, the aggregated demand at the said delivery points on the low side of the Transformer Station will be the applicable billing determinant.
- (7) The loss factors, and which connection service rates are applied, are determined based on the point at which the distribution utility or customer is metered for its connection to Hydro One Distribution's system. Hydro One Distribution's connection agreements with these distribution utilities and customers will establish the appropriate loss factors and connection rates to apply from Hydro One Distribution's tariff schedules.
- (8) The Common ST Lines rate also applies to the supply to Distributors which use lines in the 12.5 kV to 4.16 kV range from HVDSs or LVDSs.
- (9) Rate Rider for Disposition of Deferral/Variance Accounts (General) is charged based on appropriate billing kW.
- (10) Rate Rider for Disposition of Deferral/Variance Account (Wholesale Market Service Rate) applies to those customers who were charged Wholesale Market Service Charges by Hydro One Distribution.
- (11) The Meter charge is applied per metering facility at delivery points for which Hydro One owns the metering.
- (12) The Wholesale Market Service Rate, the Rural or Remote Electricity Rate Protection Charge and the Ontario Electricity Support Program Charge are applied solely to non-Wholesale Market Participants. For Class A customers, distributors shall bill the actual CBDR costs to Class A customers in proportion to their contribution to peak. These rates pertain to the IESO's defined point of sale; consequently, appropriate loss factors as approved by the Ontario Energy Board must be applied to the customers metered energy.
- (13) The Global Adjustment rate rider applies to the non-LDC, non-RPP and Class B ST customers that were charged Wholesale Market Service Charges by Hydro One Distribution.
- (14) For customers with load displacement generation at 1MW or above, or 2 MW or above for renewable generation, installed after October 1998, the ST volumetric charges are billed at the gross demand level.

EXHIBIT 3:
GROUP 2 DEFERRAL AND
VARIANCE ACCOUNTS
(Accounts 1508, 1518,1548)

OVERVIEW:

Whitby Hydro is requesting the disposition of specific Group 2 Deferral and Variance Account (“DVAs”) balances as of December 31, 2016 with forecasted interest through to December 31, 2017.

A summary of the proposed balances for disposition is provided below.

Summary of Proposed Deferral/Variance Account Balances for Disposition

1508 Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	207,160
1508 Other Regulatory Assets - Sub-Account - Incremental Capital Charges	7,491
1508 Other Regulatory Assets - Sub-Account - OEB Cost Assessment	38,250
1518 Retail Cost Variance Account - Retail	560,569
1548 Retail Cost Variance Account - STR	42,369
	<hr/>
	855,838

Whitby Hydro has prepared this information in accordance with the OEB’s *Filing Requirements For Electricity Distribution Rate Applications – Chapter 2* (“Filing Requirements”) dated July 20, 2017 and the *Report of the Board on Electricity Distributor’s Deferral and Variance Account Review Initiative* EB-2008-0046 (“EDDVAR report”), dated July 31, 2009.

Whitby Hydro has used the Board’s prescribed interest rates when calculating carrying charges on the DVA balances. Interest is calculated based on the opening monthly principal balances. In accordance with the Filing Requirements, the most recently posted interest rate (1.10% for Q3 of 2017) has been used to forecast remaining carrying charges to December 31, 2017.

STATUS OF DEFERRAL AND VARIANCE ACCOUNTS

The Group 2 deferral and variance accounts which have outstanding balances on December 31, 2016 have been identified and described below. Whitby Hydro has used the OEB's Excel model - *2018 DVA_Continuity_Schedule_CoS_20170724* (the "Group 2 Model") to provide the continuity; allocation of balances; and the rate rider calculations specific to the identified Group 2 accounts.

The Group 2 Model is provided in Table 3-1 for those account balances included in this Exhibit for disposition. A description of the accounts is provided below:

1508 Other Regulatory Assets, Sub-account Deferred IFRS Transition Costs

This sub-account is used to record one-time administrative incremental IFRS transition costs which are not already approved and included for recovery in distribution rates. Unless otherwise identified by the Board for further use, this sub-account is not expected to be continued.

1508 Other Regulatory Assets, Sub-account Incremental Capital Charges

This sub-account is used to record charges arising from an incremental capital module approved for Hydro One (EB-2008-0187) which was implemented June 1, 2009 and has since concluded. Unless otherwise identified by the Board for further use, this sub-account is not expected to be continued.

1508 Other Regulatory Assets, Sub-account OEB Cost Assessments

This sub-account is used to record any material differences between OEB cost assessments currently built into rates and cost assessments that will result from the application of the new cost assessment model that was effective April 1, 2016. This sub-account will continue to be used.

1518 RCVA Retail

This account is used to record the difference between the revenue collected from retailers for retail settlement activities and the actual costs associated with providing retail services. This account will continue to be used.

1548 RCVA – Service Transaction Request (STR)

This account is used to record the difference between the amount billed in relation to a STR and the incremental cost of providing these services. This account will continue to be used.

1 **Table 3-1: Continuity Schedule Group 2 Account**

		2012									
Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-12	Transactions(1) Debit/(Credit) during 2012	OEB-Approved Disposition during 2012	Principal Adjustments(2) during 2012	Closing Principal Balance as of Dec-31-12	Opening Interest Amounts as of Jan-1-12	Interest Jan-1 to Dec-31-12	OEB-Approved Disposition during 2012	Interest Adjustments(2) during 2012	Closing Interest Amounts as of Dec-31-12
Group 2 Accounts											
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	\$128,340	\$61,246			\$189,587	\$1,205	\$2,169			\$3,374
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508	\$6,824	\$0			\$6,824	\$156	\$96			\$252
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery	1508	\$0				\$0	\$0				\$0
Other Regulatory Assets - Sub-Account - OEB Cost Assessment	1508	\$0				\$0	\$0				\$0
Retail Cost Variance Account - Retail	1518	\$196,745	\$79,521			\$276,266	\$2,998	\$3,408			\$6,406
Misc. Deferred Debits	1525	\$0				\$0	\$0				\$0
Retail Cost Variance Account - STR	1548	\$6,582	\$2,629			\$9,211	\$113	\$114			\$227
Board-Approved CDM Variance Account	1567	\$0				\$0	\$0				\$0
Extra-Ordinary Event Costs	1572	\$0				\$0	\$0				\$0
Deferred Rate Impact Amounts	1574	\$0				\$0	\$0				\$0
RSVA - One-time	1582	\$0				\$0	\$0				\$0
Other Deferred Credits	2425	\$0				\$0	\$0				\$0
Group 2 Sub-Total		\$338,492	\$143,397	\$0	\$0	\$481,889	\$4,472	\$5,787	\$0	\$0	\$10,259
PILs and Tax Variance for 2006 and Subsequent Years	1592	\$0				\$0	\$0				\$0
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input	1592	\$0				\$0	\$0				\$0
Total of Group 1 and Group 2 Accounts (including 1592)		\$338,492	\$143,397	\$0	\$0	\$481,889	\$4,472	\$5,787	\$0	\$0	\$10,259
LRAM Variance Account¹¹	1568	\$0				\$0	\$0				\$0
Total including Account 1568		\$338,492	\$143,397	\$0	\$0	\$481,889	\$4,472	\$5,787	\$0	\$0	\$10,259

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Exhibit 3: Group 2 DVA
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		2013									
Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-13	Transactions(1) Debit/ (Credit) during 2013	OEB-Approved Disposition during 2013	Principal Adjustments(2) during 2013	Closing Principal Balance as of Dec-31-13	Opening Interest Amounts as of Jan-1-13	Interest Jan-1 to Dec-31-13	OEB-Approved Disposition during 2013	Interest Adjustments(2) during 2013	Closing Interest Amounts as of Dec-31-13
Group 2 Accounts											
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	\$189,587				\$189,587	\$3,374	\$2,796			\$6,170
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508	\$6,824				\$6,824	\$252	\$96			\$348
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery	1508	\$0				\$0	\$0				\$0
Other Regulatory Assets - Sub-Account - OEB Cost Assessment	1508	\$0				\$0	\$0				\$0
Retail Cost Variance Account - Retail	1518	\$276,266	\$63,374			\$339,640	\$6,406	\$4,476			\$10,882
Misc. Deferred Debits	1525	\$0				\$0	\$0				\$0
Retail Cost Variance Account - STR	1548	\$9,211	\$2,596			\$11,807	\$227	\$152			\$379
Board-Approved CDM Variance Account	1567	\$0				\$0	\$0				\$0
Extra-Ordinary Event Costs	1572	\$0				\$0	\$0				\$0
Deferred Rate Impact Amounts	1574	\$0				\$0	\$0				\$0
RSVA - One-time	1582	\$0				\$0	\$0				\$0
Other Deferred Credits	2425	\$0				\$0	\$0				\$0
Group 2 Sub-Total		\$481,889	\$65,970	\$0	\$0	\$547,858	\$10,259	\$7,520	\$0	\$0	\$17,779
PILs and Tax Variance for 2006 and Subsequent Years	1592	\$0				\$0	\$0				\$0
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input	1592	\$0				\$0	\$0				\$0
Total of Group 1 and Group 2 Accounts (including 1592)		\$481,889	\$65,970	\$0	\$0	\$547,858	\$10,259	\$7,520	\$0	\$0	\$17,779
LRAM Variance Account11	1568	\$0				\$0	\$0				\$0
Total including Account 1568		\$481,889	\$65,970	\$0	\$0	\$547,858	\$10,259	\$7,520	\$0	\$0	\$17,779

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Exhibit 3: Group 2 DVA
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		2014									
Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-14	Transactions(1) Debit/ (Credit) during 2014	OEB-Approved Disposition during 2014	Principal Adjustments(2) during 2014	Closing Principal Balance as of Dec-31-14	Opening Interest Amounts as of Jan-1-14	Interest Jan-1 to Dec-31-14	OEB-Approved Disposition during 2014	Interest Adjustments(2) during 2014	Closing Interest Amounts as of Dec-31-14
Group 2 Accounts											
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	\$189,587				\$189,587	\$6,170	\$2,796			\$8,966
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508	\$6,824				\$6,824	\$348	\$96			\$444
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery	1508	\$0				\$0	\$0				\$0
Other Regulatory Assets - Sub-Account - OEB Cost Assessment	1508	\$0				\$0	\$0				\$0
Retail Cost Variance Account - Retail	1518	\$339,640	\$75,786			\$415,426	\$10,882	\$5,492			\$16,374
Misc. Deferred Debits	1525	\$0				\$0	\$0				\$0
Retail Cost Variance Account - STR	1548	\$11,807	\$11,060			\$22,867	\$379	\$191			\$570
Board-Approved CDM Variance Account	1567	\$0				\$0	\$0				\$0
Extra-Ordinary Event Costs	1572	\$0				\$0	\$0				\$0
Deferred Rate Impact Amounts	1574	\$0				\$0	\$0				\$0
RSVA - One-time	1582	\$0				\$0	\$0				\$0
Other Deferred Credits	2425	\$0				\$0	\$0				\$0
Group 2 Sub-Total		\$547,858	\$86,846	\$0	\$0	\$634,704	\$17,779	\$8,575	\$0	\$0	\$26,354
PILs and Tax Variance for 2006 and Subsequent Years	1592	\$0				\$0	\$0				\$0
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input	1592	\$0				\$0	\$0				\$0
Total of Group 1 and Group 2 Accounts (including 1592)		\$547,858	\$86,846	\$0	\$0	\$634,704	\$17,779	\$8,575	\$0	\$0	\$26,354
LRAM Variance Account11	1568	\$0				\$0	\$0				\$0
Total including Account 1568		\$547,858	\$86,846	\$0	\$0	\$634,704	\$17,779	\$8,575	\$0	\$0	\$26,354

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Exhibit 3: Group 2 DVA
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		2015									
Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-15	Transactions(1) Debit/ (Credit) during 2015	OEB-Approved Disposition during 2015	Principal Adjustments(2) during 2015	Closing Principal Balance as of Dec-31-15	Opening Interest Amounts as of Jan-1-15	Interest Jan-1 to Dec-31-15	OEB-Approved Disposition during 2015	Interest Adjustments(2) during 2015	Closing Interest Amounts as of Dec-31-15
Group 2 Accounts											
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	\$189,587	\$2,118			\$191,705	\$8,966	\$2,265			\$11,231
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508	\$6,824	\$0			\$6,824	\$444	\$78			\$522
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery	1508	\$0				\$0	\$0				\$0
Other Regulatory Assets - Sub-Account - OEB Cost Assessment	1508	\$0				\$0	\$0				\$0
Retail Cost Variance Account - Retail	1518	\$415,426	\$54,949			\$470,375	\$16,374	\$5,255			\$21,629
Misc. Deferred Debits	1525	\$0				\$0	\$0				\$0
Retail Cost Variance Account - STR	1548	\$22,867	\$10,221			\$33,088	\$570	\$323			\$893
Board-Approved CDM Variance Account	1567	\$0				\$0	\$0				\$0
Extra-Ordinary Event Costs	1572	\$0				\$0	\$0				\$0
Deferred Rate Impact Amounts	1574	\$0				\$0	\$0				\$0
RSVA - One-time	1582	\$0				\$0	\$0				\$0
Other Deferred Credits	2425	\$0				\$0	\$0				\$0
Group 2 Sub-Total		\$634,704	\$67,288	\$0	\$0	\$701,992	\$26,354	\$7,921	\$0	\$0	\$34,275
PILs and Tax Variance for 2006 and Subsequent Years	1592	\$0				\$0	\$0				\$0
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input	1592	\$0				\$0	\$0				\$0
Total of Group 1 and Group 2 Accounts (including 1592)		\$634,704	\$67,288	\$0	\$0	\$701,992	\$26,354	\$7,921	\$0	\$0	\$34,275
LRAM Variance Account11	1568	\$0				\$0	\$0				\$0
Total including Account 1568		\$634,704	\$67,288	\$0	\$0	\$701,992	\$26,354	\$7,921	\$0	\$0	\$34,275

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		2016									
Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-16	Transactions(1) Debit / (Credit) during 2016	OEB-Approved Disposition during 2016	Principal Adjustments(2) during 2016	Closing Principal Balance as of Dec-31-16	Opening Interest Amounts as of Jan-1-16	Interest Jan-1 to Dec-31-16	OEB-Approved Disposition during 2016	Interest Adjustments(2) during 2016	Closing Interest Amounts as of Dec-31-16
Group 2 Accounts											
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	\$191,705				\$191,705	\$11,231	\$2,112			\$13,343
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508	\$6,824				\$6,824	\$522	\$72			\$594
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery	1508	\$0				\$0	\$0				\$0
Other Regulatory Assets - Sub-Account - OEB Cost Assessment	1508	\$0	\$37,830			\$37,830	\$0				\$0
Retail Cost Variance Account - Retail	1518	\$470,375	\$57,298			\$527,673	\$21,629	\$5,459			\$27,088
Misc. Deferred Debits	1525	\$0				\$0	\$0				\$0
Retail Cost Variance Account - STR	1548	\$33,088	\$7,544			\$40,632	\$893	\$400			\$1,293
Board-Approved CDM Variance Account	1567	\$0				\$0	\$0				\$0
Extra-Ordinary Event Costs	1572	\$0				\$0	\$0				\$0
Deferred Rate Impact Amounts	1574	\$0				\$0	\$0				\$0
RSVA - One-time	1582	\$0				\$0	\$0				\$0
Other Deferred Credits	2425	\$0				\$0	\$0				\$0
Group 2 Sub-Total		\$701,992	\$102,672	\$0	\$0	\$804,664	\$34,275	\$8,043	\$0	\$0	\$42,318
PILs and Tax Variance for 2006 and Subsequent Years	1592	\$0				\$0	\$0				\$0
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input	1592	\$0				\$0	\$0				\$0
Total of Group 1 and Group 2 Accounts (including 1592)		\$701,992	\$102,672	\$0	\$0	\$804,664	\$34,275	\$8,043	\$0	\$0	\$42,318
LRAM Variance Account11	1568	\$0				\$0	\$0	\$0			\$0
Total including Account 1568		\$701,992	\$102,672	\$0	\$0	\$804,664	\$34,275	\$8,043	\$0	\$0	\$42,318

		2017			
Account Descriptions	Account Number	Principal	Interest	Closing Principal	Closing Interest
		Disposition	Disposition	Balances as of	Balances as of
		during 2017 -	during 2017 -	Dec 31-16	Dec 31-16
		instructed by	instructed by	Adjusted for	Adjusted for
		OEB	OEB	Dispositions	Dispositions
Group 2 Accounts					
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508			\$191,705	\$13,343
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508			\$6,824	\$594
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery	1508			\$0	\$0
Other Regulatory Assets - Sub-Account - OEB Cost Assessment	1508			\$37,830	\$0
Retail Cost Variance Account - Retail	1518			\$527,673	\$27,088
Misc. Deferred Debits	1525			\$0	\$0
Retail Cost Variance Account - STR	1548			\$40,632	\$1,293
Board-Approved CDM Variance Account	1567			\$0	\$0
Extra-Ordinary Event Costs	1572			\$0	\$0
Deferred Rate Impact Amounts	1574			\$0	\$0
RSVA - One-time	1582			\$0	\$0
Other Deferred Credits	2425			\$0	\$0
Group 2 Sub-Total		\$0	\$0	\$804,664	\$42,318
PILs and Tax Variance for 2006 and Subsequent Years	1592			\$0	\$0
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input	1592			\$0	\$0
Total of Group 1 and Group 2 Accounts (including 1592)		\$0	\$0	\$804,664	\$42,318
LRAM Variance Account11	1568			\$0	\$0
Total including Account 1568		\$0	\$0	\$804,664	\$42,318

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Projected Interest on Dec-31-16 Balances					2.1.7 RRR		
Account Descriptions	Account Number	Projected Interest from Jan 1, 2017 to December 31, 2017 on Dec 31 -16 balance adjusted	Projected Interest from January 1, 2018 to April 30, 2018 on Dec 31 -16 balance adjusted	Total Interest	Total Claim	As of Dec 31-16	Variance RRR vs. 2016 Balance (Principal + Interest)
Group 2 Accounts							
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	\$2,112		\$15,455	\$207,159.99	\$205,048	\$0
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508	\$72		\$666	\$7,490.95	\$7,419	\$0
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery	1508			\$0	\$0.00		\$0
Other Regulatory Assets - Sub-Account - OEB Cost Assessment	1508	\$420		\$420	\$38,250.00	\$37,830	\$0
Retail Cost Variance Account - Retail	1518	\$5,808		\$32,896	\$560,568.88	\$554,761	\$0
Misc. Deferred Debits	1525			\$0	\$0.00		\$0
Retail Cost Variance Account - STR	1548	\$444		\$1,737	\$42,368.64	\$41,925	-\$0
Board-Approved CDM Variance Account	1567			\$0	\$0.00		\$0
Extra-Ordinary Event Costs	1572			\$0	\$0.00		\$0
Deferred Rate Impact Amounts	1574			\$0	\$0.00		\$0
RSVA - One-time	1582			\$0	\$0.00		\$0
Other Deferred Credits	2425			\$0	\$0.00		\$0
Group 2 Sub-Total		\$8,856	\$0	\$51,174	\$855,838.46	\$846,982	-\$0
PILs and Tax Variance for 2006 and Subsequent Years	1592			\$0	\$0.00		\$0
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input	1592			\$0	\$0.00		\$0
Total of Group 1 and Group 2 Accounts (including 1592)		\$8,856	\$0	\$51,174	\$855,838.46	\$846,982	-\$0
LRAM Variance Account11	1568			\$0	\$0.00		\$0
Total including Account 1568		\$8,856	\$0	\$51,174	\$855,838.46	\$846,982	-\$0

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1 The opening 2012 balances for the continuity schedule match those submitted for the period
2 ending December 31, 2011. Balances for December 31, 2016 are aligned with those reported in
3 Whitby Hydro's RRR filing 2.1.7

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5 **DEFERRED IFRS TRANSITION COSTS**

6 The Board approved Account 1508 – Other Regulatory Assets – Sub-account Deferred IFRS
7 Transition Costs to capture expenses related to the transition to IFRS. Whitby Hydro elected the
8 option of deferring its implementation to IFRS to January 1, 2015 as per the most recent
9 accounting pronouncements.

10 In order to effect a successful transition to IFRS reporting, Whitby Hydro has incurred incremental
11 operating costs to educate and train staff, establish new policies and procedures, establish
12 appropriate depreciation rates for each asset component and make the required non-capital
13 changes to the existing financial system in order to accommodate IFRS. Whitby Hydro has
14 utilized Appendix 2-YA from the OEB's Filing Requirement Appendices to outline the costs.
15 These costs, set out in Table 3-2, are made up of incremental internal labour costs, professional
16 accounting advice and systems development work.

17 The sub-account does not include any capital costs or ongoing IFRS compliance costs and the
18 balance does not reflect any costs that have been included in Whitby Hydro's approved revenue
19 requirement. Carrying charges on accumulated operating costs have been calculated at Board
20 prescribed rates and are included in the sub-account. No additional incremental costs are
21 expected.

22 Whitby Hydro requests disposition and recovery of actual audited costs recorded in this sub-
23 account up to December 31, 2016 and projected interest to the end of 2017.

Table 3-2: Deferred IFRS Transition Costs

**Appendix 2-YA
One-Time Incremental IFRS Transition Costs**

The following table should be completed based on the information requested below. An explanation should be provided for any blank entries. The entries should include one-time incremental IFRS transition costs that are currently included in Account 1508, Other Regulatory Assets, sub-account Deferred IFRS Transition Costs Account, or Account 1508, Other Regulatory Assets, sub-account IFRS Transition Costs Variance Account.

Nature of One-Time Incremental IFRS Transition Costs ¹	Audited Actual Costs Incurred 2009	Audited Actual Costs Incurred 2010	Audited Actual Costs Incurred 2011	Audited Actual Costs Incurred 2012	Audited Actual Costs Incurred 2015	Audited Carrying Charges To December 31, 2016	Carrying Charges January 1, 2017 to December 31, 2017 or April 30, 2017 (As appropriate)	Total Costs and Carrying Charges	Reasons why the costs recorded meet the criteria of one-time IFRS administrative incremental costs
Professional accounting fees	\$ 16,112	\$ -	\$ 46,651	\$ 37,040	\$ 9,750			\$ 109,553	Consulting costs related to IFRS transition
Professional legal fees								\$ -	
Salaries, wages and benefits of staff added to support the transition to IFRS	\$ 7,742	\$ 27,735	\$ 21,745	\$ 3,342	\$ -			\$ 60,563	Temp labour and staff backfill costs for IFRS transition
Associated staff training and development costs	\$ -	\$ -	\$ 1,013	\$ -	\$ -			\$ 1,013	
Costs related to system upgrades, or replacements or changes where IFRS was the major reason for conversion	\$ -	\$ -	\$ 9,606	\$ 10,971	\$ -			\$ 20,577	Reconfigure financial system for IFRS
								\$ -	
								\$ -	
								\$ -	
Amounts, if any, included in previous Board approved rates (amounts should be negative) ²								\$ -	
						\$ 13,343	\$ 2,112	\$ 15,455	
Insert description of additional item(s) and new rows if needed.								\$ -	
Total	\$ 23,854	\$ 27,735	\$ 79,013	\$ 51,353	\$ 9,750	\$ 13,343	\$ 2,112	\$ 207,160	

Note:

- The Deferred IFRS Transition Costs Account and the IFRS Transition Costs Variance Account are exclusively for necessary, incremental transition costs and shall not include ongoing IFRS compliance costs or impacts arising from adopting accounting policy changes that reflect changes in the timing of the recognition of income. The incremental costs in these accounts shall not include costs related to system upgrades, or replacements or changes where IFRS was not the major reason for conversion. In addition, incremental IFRS costs shall not include capital assets or expenditures.
- If there were any amounts approved in previous Board approved rates, please state the EB #:
- Any forecasted One-time costs past 2015 should be fully explained in the application, since distributors were required to adopt IFRS or an alternative accounting standard by January 1, 2015.

INCREMENTAL CAPITAL CHARGES

The Board approved this sub-account for distributors to record the charges arising from the capital rate relief rider (OEB's Accounting Procedures Handbook - Frequently Asked Questions October 2009, Question 18). The balance from this sub-account was not previously addressed in Whitby Hydro's last cost of service as these charges only began in 2009. The last cost of service reflected disposition requests for 2008 balances. Whitby Hydro requests disposition and recovery of the residual amount of \$7,419 recorded in this sub-account up to December 31, 2016 plus projected interest of \$72 to the end of 2017. The total amount proposed for disposition is \$7,491.

OEB COST ASSESSMENT

On February 9, 2016 the OEB issued a letter to regulated entities advising them that the OEB had revised its Cost Assessment Model (CAM) to reflect a change in the methodology used to apportion its costs effective April 1, 2016. The OEB established a variance account for electricity distributors to record any material differences between OEB cost assessments currently built into rates and cost assessments that will result from the application of the new cost assessment model effective April 1, 2016.

Whitby Hydro's COS reflected an amount for 2010 OEB annual assessment costs of \$133,920 (EB-2009-0274, Table 4-9 Regulatory Cost Schedule (Appendix 2-I)). As part of the approved settlement agreement, parties agreed that it would be appropriate to adjust the OM&A to determine the 2011 value that should be included in the approved 2011 revenue requirement calculation. After adjusting the OEB annual assessment costs for settlement, the calculated value was \$137,938 (or \$34,485 quarterly).

Table 3-3 is a calculation of the difference between the actual assessment costs and those approved in Whitby Hydro's last Cost of Service (COS) application EB-2009-0274. Whitby Hydro requests the disposition and recovery of \$38,250, which reflects the audited balance at the end of December 31, 2017 plus the projected interest associated with this sub-account for 2017.

Table 3-3: Calculation of OEB Assessment Cost

	OEB Assessment Costs	OEB Assessment COS	Diff
2016 Jan- Mar	44,639	34,485	n/a
Apr-Jun	47,096	34,485	12,612
Jul-Sept	47,096	34,485	12,612
Oct-Dec	47,091	34,485	12,607
	185,922	137,938 *	37,830
Projected interest to end of 2017			420
			38,250

* EB-2009-0274 Regulatory Cost Schedule (Appendix 2-I) adjusted for settlement

RETAIL COST VARIANCE ACCOUNTS

This application includes a request to dispose of the balances as of December 31, 2016 plus projected interest to December 31, 2017 for Account 1518 and 1548 in the net amount of \$602,938. Table 3-4 provides the account balances for account 1518 Retail Cost Variance Account ("RCVA") Retail and 1548 RCVA STR (Service Transaction Request).

Table 3-4 Account Balances – Account 1518 and 1548

Description	USoA	Principle Dec 31, 2016	Interest Dec 31, 2016	Total Principal & Interest	2.1.7 RRR Dec 31, 2016	Variance	Interest Projected Jan 1-Dec 31 2017	Total Claim
RCVA - Retail	1518	527,673	27,088	554,761	554,761	(0)	5,808	560,569
RCVA - STR	1548	40,632	1,293	41,925	41,925	(0)	444	42,369
Total Retail Cost Variance Accounts		568,305	28,381	596,686	596,686	(0)	6,252	602,938

Whitby Hydro has provided the drivers for the balances in Account 1518 and 1548 in a schedule of revenues and expenses that are incorporated into the variances for 2009–2016 in Table 3-5 below. Whitby Hydro's last disposition of these accounts was in its cost of service application (EB-2009-0274) for 2008 balances and this application includes a disposition request for account activity spanning an eight year period from January 2009 through to December 2016 along with projected interest to the end of 2017.

The costs incorporated into the variances are the costs that are incremental to providing retail services and follows Article 490 of the OEB's Accounting Procedure Handbook ("APH"). Costs related to these accounts are kept separate and have not been included in the development of revenue requirement and related distribution rates. The incremental costs are primarily related to

1 labour costs for billing, settlement, supervisory and customer service efforts related to retail
2 services in addition to costs that have been incurred to operate and maintain the HUB. The HUB
3 is a centralized computer system that enables LDCs and retailers to connect and route EBTs
4 (Electronic Business Transactions) in order to facilitate billing.

5 Whitby Hydro currently administers billing and settlement for 16 active retailers in its service
6 territory with customers across the various rate classes. Whitby Hydro must ensure that billing
7 and customer service is aligned to support those customers who have elected to sign a retailer
8 contract and to manage the billing requirements as well as communication and settlement with
9 each different retailer and type of customer. Rate and billing changes, bill presentment, the
10 addition of new retailers, customer enrollments etc. all require set up, testing and review in order
11 to ensure a high level of billing accuracy. This effort is in addition to what would be required for
12 standard supply service customers. Whitby Hydro must also meet various regulatory
13 requirements, accounting and reporting that is affected by the presence of retailers in the
14 industry.

15 Whitby Hydro understands that the Board is currently in the process of reviewing the
16 methodology to reset the standard Energy Retailer Service Charges (EB-2015-0304) and the
17 mechanism to keep those charges up to date. As a result, Whitby Hydro is not proposing any
18 adjustments to the approved rates and will await the outcome of the current initiative.

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1 **Table 3-5 Schedule of Revenues & Expenses from 2009 – 2016**

Description	2009	2010	2011	2012	2013	2014	2015	2016	Total Principal Claim
RCVA Retail - Acct 1518									
Revenues- USoA 4082 - Retailer Services Revenue:									
One-time Set-Up Charge	(200)	0	(300)	(100)	(100)	(200)	(200)	0	(1,100)
Monthly Fixed Charge	(3,800)	(3,840)	(3,740)	(3,947)	(4,441)	(4,473)	(4,791)	(4,680)	(33,712)
Monthly Variable Charge	(32,058)	(29,659)	(22,288)	(18,636)	(15,482)	(12,337)	(12,290)	(11,076)	(153,824)
Distributor Consolidated Billing Monthly Charge	(19,105)	(17,188)	(13,294)	(11,136)	(9,273)	(7,375)	(7,364)	(6,626)	(91,361)
Total Revenues	(55,162)	(50,687)	(39,622)	(33,819)	(29,296)	(24,385)	(24,644)	(22,382)	(279,996)
Expenses:									
USoA 5315 - Customer Billing	54,131	70,595	70,017	66,733	61,349	66,515	43,552	37,223	470,115
USoA 5305 - Supervision	19,143	19,116	19,959	16,573	19,589	19,783	12,045	12,009	138,216
USoA 5340 - Misc Customer Accounts Expense	28,694	30,040	30,520	30,034	11,733	13,873	23,996	30,448	199,338
Total Expenses	101,969	119,751	120,496	113,340	92,670	100,171	79,593	79,680	807,669
Total RCVA, Retail	46,806	69,064	80,874	79,521	63,374	75,786	54,949	57,298	527,673
RCVA STR - Acct 1548									
Revenues- USoA 4084 - STR Revenues									
Request Fee	(185)	(203)	(169)	(112)	(115)	(81)	(75)	(75)	(1,014)
Processing Fee	(455)	(922)	(417)	(384)	(256)	(212)	(212)	(202)	(3,060)
Total Revenues	(640)	(1,125)	(586)	(496)	(371)	(293)	(287)	(276)	(4,073)
Expenses:									
USoA 5305 - Supervision	0	0	0	0	0	0	0	0	0
USoA 5340 - Misc Customer Accounts Expense	2,967	2,969	2,996	3,126	2,967	11,352	10,508	7,820	44,705
Total Expenses	2,967	2,969	2,996	3,126	2,967	11,352	10,508	7,820	44,705
Total RCVA, Retail	2,328	1,844	2,411	2,629	2,596	11,060	10,221	7,544	40,632
NET TOTAL	49,134	70,908	83,285	82,150	65,970	86,846	65,170	64,842	568,305

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Table 3-7: Allocation of Costs

	Amounts from Sheet 2	Allocator	RESIDENTIAL	GENERAL SERVICE <50	GENERAL SERVICE > 50	UNMETERED SCATTERED LOAD	SENTINEL LIGHT	STREET LIGHTING
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	207,160	kWh	87,445	20,941	96,920	418	0	1,435
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	7,491	kWh	3,162	757	3,505	15	0	52
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery Variance - Ontario Clean Energy Benefit Act	0	kWh	0	0	0	0	0	0
Other Regulatory Assets - Sub-Account - OEB Cost Assessment	38,250	kWh	16,145	3,867	17,895	77	0	265
Retail Cost Variance Account - Retail	560,569	kWh	236,624	56,666	262,263	1,132	0	3,884
Misc. Deferred Debits	0	kWh	0	0	0	0	0	0
Retail Cost Variance Account - STR	42,369	kWh	17,885	4,283	19,822	86	0	294
Board-Approved CDM Variance Account	0	kWh	0	0	0	0	0	0
Extra-Ordinary Event Costs	0	kWh	0	0	0	0	0	0
Deferred Rate Impact Amounts	0	kWh	0	0	0	0	0	0
RSVA - One-time	0	kWh	0	0	0	0	0	0
Other Deferred Credits	0	kWh	0	0	0	0	0	0
Total of Group 2 Accounts	855,838		361,261	86,514	400,405	1,728	0	5,930

PROPOSED RATE RIDERS

Consistent with Board Filing Requirements, Whitby Hydro has calculated the Residential rate rider as a monthly fixed charge rather than a volumetric charge. Whitby Hydro proposes that these balances be disposed over a 1 year period beginning January 1, 2018. The calculated rate riders from the Group 2 Model are summarized in Table 3-8.

Table 3-8: Rate Rider Calculation

Rate Rider Calculation for Group 2 Accounts

Rate Class (Enter Rate Classes in cells below)	Units	# of Customers	Allocated Group 2 Balance	Rate Rider for Group 2 Accounts	
RESIDENTIAL	# of Customers	39,588	\$ 361,261	\$ 0.76	per customer per month
GENERAL SERVICE <50	kWh	88,118,790	\$ 86,514	\$ 0.0010	\$/kWh
GENERAL SERVICE > 50	kW	959,662	\$ 400,405	\$ 0.4172	\$/kW
UNMETERED SCATTERED LOAD	kWh	1,759,728	\$ 1,728	\$ 0.0010	\$/kWh
SENTINEL LIGHT	kW	92	\$ -	\$ -	\$/kW
STREET LIGHTING	kW	16,143	\$ 5,930	\$ 0.3674	\$/kW
	# of Customers	-	\$ -	\$ -	per customer per month
	# of Customers	-	\$ -	\$ -	per customer per month
		-	\$ -	\$ -	
		-	\$ -	\$ -	
		-	\$ -	\$ -	
		-	\$ -	\$ -	
		-	\$ -	\$ -	
		-	\$ -	\$ -	
		-	\$ -	\$ -	
		-	\$ -	\$ -	
		-	\$ -	\$ -	
		-	\$ -	\$ -	
		-	\$ -	\$ -	
Total			\$ 855,838		

APPENDIX B:

BILL IMPACTS

Consumption	750	kWh		kW		Current Loss Factor	1.0454
RPP Tier One	600	kWh	Load Factor			Proposed Loss Factor	1.0454

		Current Board-Approved			Proposed			Impact	
RESIDENTIAL (RPP TOU)		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
A	Monthly Service Charge	\$ 24.57	1	\$ 24.57	\$ 27.93	1	\$ 27.93	\$ 3.36	13.68%
A	-Low Voltage adj to Distribtution Rates			\$ -	\$ (0.16)	1	-\$ 0.16	-\$ 0.16	#DIV/0!
A	-Stranded Meter adj to Distribution Rates			\$ -	\$ (0.44)	1	-\$ 0.44	-\$ 0.44	#DIV/0!
A	Fixed Rate Riders (SMIRR)	\$ 2.20	1	\$ 2.20	\$ 2.37	1	\$ 2.37	\$ 0.17	7.73%
B	Distribution Volumetric Rate	\$ 0.0076	750	\$ 5.70	\$ 0.0038	750	\$ 2.85	-\$ 2.85	-50.00%
	Stranded Meter Disposition Rate Rider			\$ -	\$ 0.6000	1	\$ 0.60	\$ 0.60	#DIV/0!
	Tax Change Rate Rider	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
	Fixed Rate Adder (1576)	-\$ 1.14	1	-\$ 1.14	\$ -	1	\$ -	\$ 1.14	
	Volumetric Rate Riders (LRAM)	\$ 0.0007	750	\$ 0.53	\$ -	750	\$ -	-\$ 0.53	
Sub-Total A (excluding pass through)				\$ 31.86			\$ 33.15	\$ 1.30	4.07%
	Line Losses on Cost of Power	\$ 0.0822	34	\$ 2.80	\$ 0.0822	34	\$ 2.80	\$ -	0.00%
	Low Voltage Rate			\$ -	\$ 0.0008	750	\$ 0.60	\$ 0.60	#DIV/0!
	Group 2 Deferral/Variance Account Rate Rider			\$ -	\$ 0.76	1	\$ 0.76	\$ 0.76	#DIV/0!
	Total Deferral/Variance Account Rate Riders			\$ -	-\$ 0.0028	750	-\$ 2.10	-\$ 2.10	#DIV/0!
	CBR Class B-Rate Rider			\$ -	\$ 0.0002	750	\$ 0.15	\$ 0.15	#DIV/0!
	Smart Meter Entity Charge	\$ 0.79	1	\$ 0.79	\$ 0.79	1	\$ 0.79	\$ -	0.00%
Sub-Total B - Distribution (includes Sub-Total A)				\$ 35.44			\$ 36.15	\$ 0.71	1.99%
	RTSR - Network	\$ 0.0077	784	\$ 6.04	\$ 0.0077	784	\$ 6.04	\$ -	0.00%
	RTSR - Connection and/or Line and Transformation Connection	\$ 0.0063	784	\$ 4.94	\$ 0.0065	784	\$ 5.10	\$ 0.16	3.17%
Sub-Total C - Delivery (including Sub-Total B)				\$ 46.42			\$ 47.28	\$ 0.86	1.86%
	Wholesale Market Service Charge (WMSC)	\$ 0.0032	784	\$ 2.51	\$ 0.0032	784	\$ 2.51	\$ -	0.00%
	Capacity Based Recovery (CBR)	\$ 0.0004	784	\$ 0.31	\$ 0.0004	784	\$ 0.31	\$ -	0.00%
	Rural and Remote Rate Protection (RRRP)	\$ 0.0003	784	\$ 0.24	\$ 0.0003	784	\$ 0.24	\$ -	0.00%
	Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
Sub-Total Regulatory				\$ 3.31			\$ 3.31	\$ -	0.00%
Debt Retirement Charge (DRC)		\$ -	750	\$ -	\$ -	750	\$ -	\$ -	
	TOU - Off Peak	\$ 0.0650	488	\$ 31.69	\$ 0.0650	488	\$ 31.69	\$ -	0.00%
	TOU - Mid Peak	\$ 0.0950	128	\$ 12.11	\$ 0.0950	128	\$ 12.11	\$ -	0.00%
	TOU - On Peak	\$ 0.1320	135	\$ 17.82	\$ 0.1320	135	\$ 17.82	\$ -	0.00%
Sub-Total Energy				\$ 61.62			\$ 61.62	\$ -	0.00%
Total Bill on TOU (before Taxes)				\$ 111.35			\$ 112.21	\$ 0.86	0.77%
	HST	13%		\$ 14.48	13%		\$ 14.59	\$ 0.11	0.77%
	Ontario Rebate for Electricity Consumers	-8%		-\$ 8.91	-8%		-\$ 8.98	-\$ 0.07	0.77%
Total Bill on TOU				\$ 116.91			\$ 117.82	\$ 0.90	0.77%

Summary of Proposed Distribution Rates	Current Board-Approved		Proposed		Impact	
Monthly Service Charge (A)	\$ 26.77	\$ 26.77	\$ 29.70	\$ 29.70		
Distribution Volumetric (B)	\$ 0.0076	\$ 5.70	\$ 0.0038	\$ 2.85		
		\$ 32.47		\$ 32.55	\$ 0.08	0.25%

Consumption	396	kWh			kW	Current Loss Factor		1.0454
RPP Tier One	600	kWh	Load Factor			Proposed Loss Factor		1.0454
RESIDENTIAL (RPP TOU) 10th Percentile	Current Board-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 24.57	1	\$ 24.57	\$ 27.93	1	\$ 27.93	\$ 3.36	13.68%
-Low Voltage adj to Distribtution Rates			\$ -	\$ (0.16)	1	-\$ 0.16	-\$ 0.16	#DIV/0!
-Stranded Meter adj to Distribution Rates			\$ -	\$ (0.44)	1	-\$ 0.44	-\$ 0.44	#DIV/0!
Fixed Rate Riders (SMIRR)	\$ 2.20	1	\$ 2.20	\$ 2.37	1	\$ 2.37	\$ 0.17	7.73%
Distribution Volumetric Rate	\$ 0.0076	396	\$ 3.01	\$0.0038	396	\$ 1.50	-\$ 1.50	-50.00%
Stranded Meter Disposition Rate Rider			\$ -	\$0.6000	1	\$ 0.60	\$ 0.60	#DIV/0!
Tax Change Rate Rider	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Fixed Rate Adder (1576)	-\$ 1.14	1	-\$ 1.14	\$ -	1	\$ -	\$ 1.14	
Volumetric Rate Riders (LRAM)	\$ 0.0007	396	\$ 0.28	\$ -	396	\$ -	-\$ 0.28	
Sub-Total A (excluding pass through)			\$ 28.92			\$ 31.80	\$ 2.89	9.99%
Line Losses on Cost of Power	\$ 0.0822	18	\$ 1.48	\$0.0822	18	\$ 1.48	\$ -	0.00%
Low Voltage Rate			\$ -	\$0.0008	396	\$ 0.32	\$ 0.32	#DIV/0!
Group 2 Deferral/Variance Account Rate Rider			\$ -	\$0.7600	1	\$ 0.76	\$ 0.76	#DIV/0!
Total Deferral/Variance Account Rate Riders			\$ -	-\$0.0028	396	-\$ 1.11	-\$ 1.11	#DIV/0!
CBR Class B-Rate Rider			\$ -	\$0.0002	396	\$ 0.08	\$ 0.08	#DIV/0!
Smart Meter Entity Charge	\$ 0.79	1	\$ 0.79	\$ 0.79	1	\$ 0.79	\$ -	0.00%
Sub-Total B - Distribution (includes Sub-Total A)			\$ 31.18			\$ 34.12	\$ 2.94	9.41%
RTSR - Network	\$ 0.0077	414	\$ 3.19	\$0.0077	414	\$ 3.19	\$ -	0.00%
RTSR - Connection and/or Line and Transformation Connection	\$ 0.0063	414	\$ 2.61	\$0.0065	414	\$ 2.69	\$ 0.08	3.17%
Sub-Total C - Delivery (including Sub-Total B)			\$ 36.98			\$ 40.00	\$ 3.02	8.16%
Wholesale Market Service Charge (WMSC)	\$ 0.0032	414	\$ 1.32	\$0.0032	414	\$ 1.32	\$ -	0.00%
Capacity Based Recovery (CBR)	\$ 0.0004	414	\$ 0.17	\$0.0004	414	\$ 0.17	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	\$ 0.0003	414	\$ 0.12	\$0.0003	414	\$ 0.12	\$ -	0.00%
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
Sub-Total Regulatory			\$ 1.86			\$ 1.86	\$ -	0.00%
Debt Retirement Charge (DRC)	\$ -	396	\$ -	\$ -	396	\$ -	\$ -	
TOU - Off Peak	\$ 0.0650	257	\$ 16.73	\$0.0650	257	\$ 16.73	\$ -	0.00%
TOU - Mid Peak	\$ 0.0950	67	\$ 6.40	\$0.0950	67	\$ 6.40	\$ -	0.00%
TOU - On Peak	\$ 0.1320	71	\$ 9.41	\$0.1320	71	\$ 9.41	\$ -	0.00%
Sub-Total Energy			\$ 32.54			\$ 32.54	\$ -	0.00%
Total Bill on TOU (before Taxes)			\$ 71.38			\$ 74.40	\$ 3.02	4.23%
HST	13%		\$ 9.28	13%		\$ 9.67	\$ 0.39	4.23%
Ontario Rebate for Electricity Consumers	-8%		-\$ 5.71	-8%		-\$ 5.95	-\$ 0.24	4.23%
Total Bill on TOU			\$ 74.95			\$ 78.12	\$ 3.17	4.23%
Summary of Proposed Distribution Rates	Current Board-Approved			Proposed			Impact	
Monthly Service Charge (A)	\$ 26.77		\$ 26.77	\$ 29.70		\$ 29.70		
Distribution Volumetric (B)	\$ 0.0076		\$ 3.01	\$ 0.0038		\$ 1.50		
			\$ 29.78			\$ 31.20	\$ 1.43	4.79%

Consumption	2,000	kWh		kW		Current Loss Factor	1.0454
RPP Tier One	750	kWh	Load Factor			Proposed Loss Factor	1.0454

		Current Board-Approved			Proposed			Impact	
GS<50 kW (RPP TOU)		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
A	Monthly Service Charge	\$ 21.39	1	\$ 21.39	\$ 21.67	1	\$ 21.67	\$ 0.28	1.31%
A	-Stranded Meter adj to Distribution Rates			\$ -	\$ (0.70)	1	-\$ 0.70	-\$ 0.70	#DIV/0!
A	Fixed Rate Riders (SMIRR)	\$ 7.11	1	\$ 7.11	\$ 7.65	1	\$ 7.65	\$ 0.54	7.59%
B	Distribution Volumetric Rate	\$ 0.0210	2,000	\$ 42.00	\$ 0.0213	2,000	\$ 42.60	\$ 0.60	1.43%
B	-Low Voltage adj to Distribution Rates			\$ -	-\$ 0.0003	2,000	-\$ 0.60	-\$ 0.60	#DIV/0!
B	-Stranded Meter adj to Distribution Rates			\$ -	-\$ 0.0007	2,000	-\$ 1.40	-\$ 1.40	#DIV/0!
	Stranded Meter Disposition Rate Rider			\$ -	\$ 4.0200	1	\$ 4.02	\$ 4.02	#DIV/0!
	Volumetric Rate Adder (1576)	-\$ 0.0015	2,000	-\$ 3.00	\$ -	2,000	\$ -	\$ 3.00	
	Volumetric Rate Riders (LRAM)	\$ 0.0007	2,000	\$ 1.40	\$ -	2,000	\$ -	-\$ 1.40	
Sub-Total A (excluding pass through)				\$ 68.90			\$ 73.24	\$ 4.34	6.30%
	Line Losses on Cost of Power	\$ 0.0822	91	\$ 7.46	\$ 0.0822	91	\$ 7.46	\$ -	0.00%
	Low Voltage Rate			\$ -	\$ 0.0009	2,000	\$ 1.80	\$ 1.80	#DIV/0!
	Group 2 Deferral/Variance Account Rate Rider			\$ -	\$ 0.0010	2,000	\$ 2.00	\$ 2.00	#DIV/0!
	Total Deferral/Variance Account Rate Riders			\$ -	-\$ 0.0028	2,000	-\$ 5.60	-\$ 5.60	#DIV/0!
	CBR Class B-Rate Rider			\$ -	\$ 0.0002	2,000	\$ 0.40	\$ 0.40	#DIV/0!
	Smart Meter Entity Charge	\$ 0.79	1	\$ 0.79	\$ 0.79	1	\$ 0.79	\$ -	0.00%
Sub-Total B - Distribution (includes Sub-Total A)				\$ 77.15			\$ 80.09	\$ 2.94	3.81%
	RTSR - Network	\$ 0.0070	2,091	\$ 14.64	\$ 0.0070	2,091	\$ 14.64	\$ -	0.00%
	RTSR - Connection and/or Line and Transformation Connection	\$ 0.0058	2,091	\$ 12.13	\$ 0.0060	2,091	\$ 12.54	\$ 0.42	3.45%
Sub-Total C - Delivery (including Sub-Total B)				\$ 103.91			\$ 107.27	\$ 3.36	3.23%
	Wholesale Market Service Charge (WMSC)	\$ 0.0032	2,091	\$ 6.69	\$ 0.0032	2,091	\$ 6.69	\$ -	0.00%
	Capacity Based Recovery (CBR)	\$ 0.0004	2,091	\$ 0.84	\$ 0.0004	2,091	\$ 0.84	\$ -	0.00%
	Rural and Remote Rate Protection (RRRP)	\$ 0.0003	2,091	\$ 0.63	\$ 0.0003	2,091	\$ 0.63	\$ -	0.00%
	Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
Sub-Total Regulatory				\$ 8.40			\$ 8.40	\$ -	0.00%
Debt Retirement Charge (DRC)		\$ 0.0070	2,000	\$ 14.00	\$ 0.0070	2,000	\$ 14.00	\$ -	0.00%
	TOU - Off Peak	\$ 0.0650	1,300	\$ 84.50	\$ 0.0650	1,300	\$ 84.50	\$ -	0.00%
	TOU - Mid Peak	\$ 0.0950	340	\$ 32.30	\$ 0.0950	340	\$ 32.30	\$ -	0.00%
	TOU - On Peak	\$ 0.1320	360	\$ 47.52	\$ 0.1320	360	\$ 47.52	\$ -	0.00%
Sub-Total Energy				\$ 164.32			\$ 164.32	\$ -	0.00%
Total Bill on TOU (before Taxes)				\$ 290.64			\$ 293.99	\$ 3.36	1.16%
	HST	13%		\$ 37.78	13%		\$ 38.22	\$ 0.44	1.16%
	Ontario Rebate for Electricity Consumers	-8%		-\$ 23.25	-8%		-\$ 23.52	-\$ 0.27	1.16%
Total Bill on TOU				\$ 305.17			\$ 308.69	\$ 3.53	1.16%

Summary of Proposed Distribution Rates	Current Board-Approved		Proposed		Impact	
Monthly Service Charge (A)	\$ 28.50	\$ 28.50	\$ 28.62	\$ 28.62		
Distribution Volumetric (B)	\$ 0.0210	\$ 42.00	\$ 0.0203	\$ 40.60		
		\$ 70.50		\$ 69.22	-\$ 1.28	-1.82%

Consumption		40,000	kWh	100	kW	Current Loss Factor			1.0454
RPP Tier One		n/a	kWh	Load Factor	55%	Proposed Loss Factor			1.0454
		Current Board-Approved			Proposed			Impact	
GENERAL SERVICE 50 to 4,999 KW (Non-RPP)		Rate	Volume	Charge	Rate	Volume	Charge		
		(\$)		(\$)	(\$)		(\$)	\$ Change	% Change
A	Monthly Service Charge	\$ 206.66	1	\$ 206.66	\$ 209.35	1	\$ 209.35	\$ 2.69	1.30%
B	Distribution Volumetric Rate	\$ 4.2316	100	\$ 423.16	\$ 4.2866	100	\$ 428.66	\$ 5.50	1.30%
B	-Low Voltage adj to Distribution Rates			\$ -	-\$ 0.1179	100	-\$ 11.79	-\$ 11.79	#DIV/0!
	Volumetric Rate Adder (1576)	-\$ 0.6365	100	-\$ 63.65	\$ -	100	\$ -	\$ 63.65	
	Volumetric Rate Riders (LRAM)	\$ 0.2684	100	\$ 26.84	\$ -	100	\$ -	-\$ 26.84	
Sub-Total A (excluding pass through)				\$ 593.01			\$ 626.22	\$ 33.21	5.60%
	Line Losses on Cost of Power	\$ 0.1101	1,816	\$ 199.94	\$ 0.1101	1,816	\$ 199.94	\$ -	0.00%
	Low Voltage Rate			\$ -	\$ 0.3670	100	\$ 36.70	\$ 36.70	#DIV/0!
	Group 2 Deferral/Variance Account Rate Rider			\$ -	\$ 0.4172	100	\$ 41.72	\$ 41.72	#DIV/0!
	Total Deferral/Variance Account Rate Riders (kw)			\$ -	-\$ 1.1500	100	-\$ 115.00	-\$ 115.00	#DIV/0!
	CBR Class B-Rate Rider			\$ -	\$ 0.0866	100	\$ 8.66	\$ 8.66	#DIV/0!
	Total Deferral/Variance Account Rate Rider GA (kwh)	\$ -	40,000	\$ -	\$ 0.0013	40,000	\$ 52.00	\$ 52.00	#DIV/0!
Sub-Total B - Distribution (includes Sub-Total A)				\$ 792.95			\$ 850.24	\$ 57.29	7.22%
	RTSR - Network	\$ 2.7996	100	\$ 279.96	\$ 2.8121	100	\$ 281.21	\$ 1.25	0.45%
	RTSR - Connection and/or Line and Transformation Connection	\$ 2.2037	100	\$ 220.37	\$ 2.2794	100	\$ 227.94	\$ 7.57	3.44%
Sub-Total C - Delivery (including Sub-Total B)				\$ 1,293.28			\$ 1,359.39	\$ 66.11	5.11%
	Wholesale Market Service Charge (WMSC)	\$ 0.0032	41,816	\$ 133.81	\$ 0.0032	41,816	\$ 133.81	\$ -	0.00%
	Capacity Based Recovery (CBR)	\$ 0.0004	41,816	\$ 16.73	\$ 0.0004	41,816	\$ 16.73	\$ -	0.00%
	Rural and Remote Rate Protection (RRRP)	\$ 0.0003	41,816	\$ 12.54	\$ 0.0003	41,816	\$ 12.54	\$ -	0.00%
	Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
Sub-Total Regulatory				\$ 163.33			\$ 163.33	\$ -	0.00%
Debt Retirement Charge (DRC)		\$ 0.0070	40,000	\$ 280.00	\$ 0.0070	40,000	\$ 280.00	\$ -	0.00%
	Commodity including Global Adjustment*	\$ 0.1101	40,000	\$ 4,404.00	\$ 0.1101	40,000	\$ 4,404.00	\$ -	0.00%
Sub-Total Energy				\$ 4,404.00			\$ 4,404.00	\$ -	0.00%
Total Bill on Spot (before Taxes)				\$ 6,140.61			\$ 6,206.72	\$ 66.11	1.08%
	HST	13%		\$ 798.28	13%		\$ 806.87	\$ 8.59	1.08%
	Ontario Rebate for Electricity Consumers	0%		\$ -	0%		\$ -	\$ -	
Total Bill on Spot				\$ 6,938.89			\$ 7,013.60	\$ 74.70	1.08%

* Weighted average price including Class B Global Adjustment through end of May 2017 (IESO's Monthly Market Report for May 2017, page 22)

Summary of Proposed Distribution Rates	Current Board-Approved			Proposed			Impact	
Monthly Service Charge (A)	\$ 206.66		\$ 206.66	\$ 209.35		\$ 209.35		
Distribution Volumetric (B)	\$ 4.2316		\$ 423.16	\$ 4.1687		\$ 416.87		
			\$ 629.82			\$ 626.22	-\$ 3.60	-0.57%

Consumption	500	kWh		kW	Current Loss Factor	1.0454
RPP Tier One	750	kWh	Load Factor		Proposed Loss Factor	1.0454

		Current Board-Approved			Proposed			Impact	
UNMETERED SCATTERED LOAD (RPP TIER)		Rate	Volume	Charge	Rate	Volume	Charge		
		(\$)		(\$)	(\$)		(\$)	\$ Change	% Change
A	Monthly Service Charge	\$ 10.01	1	\$ 10.01	\$ 10.14	1	\$ 10.14	\$ 0.13	1.30%
B	Distribution Volumetric Rate	\$ 0.0326	500	\$ 16.30	\$ 0.0330	500	\$ 16.50	\$ 0.20	1.23%
B	-Low Voltage adj to Distribution Rates			\$ -	-\$ 0.0003	500	-\$ 0.15	-\$ 0.15	#DIV/0!
	Volumetric Rate Adder (1576)	-\$ 0.0015	500	-\$ 0.75	\$ -	500	\$ -	\$ 0.75	
	Volumetric Rate Riders (Tax Change)		500	\$ -	\$ -	500	\$ -	\$ -	
Sub-Total A (excluding pass through)				\$ 25.56			\$ 26.49	\$ 0.93	3.64%
	Line Losses on Cost of Power	\$ 0.0770	23	\$ 1.75	\$ 0.0770	23	\$ 1.75	\$ -	0.00%
	Low Voltage Rate			\$ -	\$ 0.0009	500	\$ 0.45	\$ 0.45	#DIV/0!
	Group 2 Deferral/Variance Account Rate Rider			\$ -	\$ 0.0010	500	\$ 0.50	\$ 0.50	#DIV/0!
	Total Deferral/Variance Account Rate Riders			\$ -	-\$ 0.0031	500	-\$ 1.55	-\$ 1.55	#DIV/0!
	CBR Class B-Rate Rider			\$ -	\$ 0.0002	500	\$ 0.10	\$ 0.10	#DIV/0!
Sub-Total B - Distribution (includes Sub-Total A)				\$ 27.31			\$ 27.74	\$ 0.43	1.57%
	RTSR - Network	\$ 0.0070	523	\$ 3.66	\$ 0.0070	523	\$ 3.66	\$ -	0.00%
	RTSR - Connection and/or Line and Transformation Connection	\$ 0.0058	523	\$ 3.03	\$ 0.0060	523	\$ 3.14	\$ 0.10	3.45%
Sub-Total C - Delivery (including Sub-Total B)				\$ 34.00			\$ 34.53	\$ 0.53	1.57%
	Wholesale Market Service Charge (WMSC)	\$ 0.0032	523	\$ 1.67	\$ 0.0032	523	\$ 1.67	\$ -	0.00%
	Capacity Based Recovery (CBR)	\$ 0.0004	523	\$ 0.21	\$ 0.0004	523	\$ 0.21	\$ -	0.00%
	Rural and Remote Rate Protection (RRRP)	\$ 0.0003	523	\$ 0.16	\$ 0.0003	523	\$ 0.16	\$ -	0.00%
	Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
Sub-Total Regulatory				\$ 2.29			\$ 2.29	\$ -	0.00%
Debt Retirement Charge (DRC)		\$ 0.0070	500	\$ 3.50	\$ 0.0070	500	\$ 3.50	\$ -	0.00%
	RPP Tier 1	\$ 0.0770	500	\$ 38.50	\$ 0.0770	500	\$ 38.50	\$ -	0.00%
	RPP Tier 2	\$ 0.0900	-	\$ -	\$ 0.0900	-	\$ -	\$ -	
Sub-Total Energy				\$ 38.50			\$ 38.50	\$ -	0.00%
Total Bill on Tiered (before Taxes)				\$ 78.29			\$ 78.82	\$ 0.53	0.68%
	HST	13%		\$ 10.18	13%		\$ 10.25	\$ 0.07	0.68%
	Ontario Rebate for Electricity Consumers	-8%		-\$ 6.26	-8%		-\$ 6.31	-\$ 0.04	0.68%
Total Bill on Tiered				\$ 82.20			\$ 82.76	\$ 0.56	0.68%

Summary of Proposed Distribution Rates	Current Board-Approved		Proposed		Impact	
Monthly Service Charge (A)	\$ 10.01	\$ 10.01	\$ 10.14	\$ 10.14		
Distribution Volumetric (B)	\$ 0.0326	\$ 16.30	\$ 0.0327	\$ 16.35		
		\$ 26.31		\$ 26.49	\$ 0.18	0.68%

Consumption	150	kWh	1	kW	Current Loss Factor	1.0454
RPP Tier One	n/a	kWh	Load Factor	21%	Proposed Loss Factor	1.0454

		Current Board-Approved			Proposed			Impact	
SENTINEL LIGHTING (RPP TIER)		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
A	Monthly Service Charge	\$ 5.70	1	\$ 5.70	\$ 5.77	1	\$ 5.77	\$ 0.07	1.23%
B	Distribution Volumetric Rate	\$ 15.4050	1	\$ 15.41	\$ 15.6053	1	\$ 15.61	\$ 0.20	1.30%
B	-Low Voltage adj to Distribution Rates			\$ -	-\$ 0.0931	1	-\$ 0.09	-\$ 0.09	#DIV/0!
	Volumetric Rate Riders (Tax Change)	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Sub-Total A (excluding pass through)				\$ 21.11			\$ 21.28	\$ 0.18	0.84%
	Line Losses on Cost of Power	\$ 0.0770	7	\$ 0.52	\$ 0.0770	7	\$ 0.52	\$ -	0.00%
	Low Voltage Rate			\$ -	\$ -	1	\$ -	\$ -	
	Group 2 Deferral/Variance Account Rate Rider			\$ -	\$ -	1	\$ -	\$ -	
	Total Deferral/Variance Account Rate Riders			\$ -	-\$ 0.9666	1	-\$ 0.97	-\$ 0.97	#DIV/0!
	CBR Class B-Rate Rider			\$ -	\$ -	1	\$ -	\$ -	
Sub-Total B - Distribution (includes Sub-Total A)				\$ 21.63			\$ 20.84	-\$ 0.79	-3.65%
	RTSR - Network	\$ 2.1223	1	\$ 2.12	\$ 2.1317	1	\$ 2.13	\$ 0.01	0.44%
	RTSR - Connection and/or Line and Transformation Connection	\$ 1.7393	1	\$ 1.74	\$ 1.7991	1	\$ 1.80	\$ 0.06	3.44%
Sub-Total C - Delivery (including Sub-Total B)				\$ 25.49			\$ 24.77	-\$ 0.72	-2.83%
	Wholesale Market Service Charge (WMSC)	\$ 0.0032	157	\$ 0.50	\$ 0.0032	157	\$ 0.50	\$ -	0.00%
	Capacity Based Recovery (CBR)	\$ 0.0004	157	\$ 0.06	\$ 0.0004	157	\$ 0.06	\$ -	0.00%
	Rural and Remote Rate Protection (RRRP)	\$ 0.0003	157	\$ 0.05	\$ 0.0003	157	\$ 0.05	\$ -	0.00%
	Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
Sub-Total Regulatory				\$ 0.86			\$ 0.86	\$ -	0.00%
Debt Retirement Charge (DRC)		\$ 0.0070	150	\$ 1.05	\$ 0.0070	150	\$ 1.05	\$ -	0.00%
	RPP Tier 1	\$ 0.0770	150	\$ 11.55	\$ 0.0770	150	\$ 11.55	\$ -	0.00%
	RPP Tier 2	\$ 0.0900	0	\$ -	\$ 0.0900	0	\$ -	\$ -	
Sub-Total Energy				\$ 11.55			\$ 11.55	\$ -	0.00%
Total Bill on Tiered (before Taxes)				\$ 38.95			\$ 38.23	-\$ 0.72	-1.85%
	HST	13%		\$ 5.06	13%		\$ 4.97	-\$ 0.09	-1.85%
	Ontario Rebate for Electricity Consumers	-8%		-\$ 3.12	-8%		-\$ 3.06	\$ 0.06	-1.85%
Total Bill on Tiered				\$ 40.90			\$ 40.14	-\$ 0.76	-1.85%

Summary of Proposed Distribution Rates	Current Board-Approved		Proposed		Impact	
Monthly Service Charge (A)	\$ 5.70	\$ 5.70	\$ 5.77	\$ 5.77		
Distribution Volumetric (B)	\$ 15.4050	\$ 15.41	\$ 15.5122	\$ 15.51		
		\$ 21.11		\$ 21.28	\$ 0.18	0.84%

Consumption		420,000	kWh	1,074	kW	Current Loss Factor			1.0454
STREET LIGHTING (Non-RPP)		Rate	Volume	Charge	Rate	Volume	Charge		
		(\$)		(\$)	(\$)		(\$)	\$ Change	% Change
A	Monthly Service Charge	\$ 1.79	11,900	\$ 21,301.00	\$ 1.81	11900	\$ 21,539.00	\$ 238.00	1.12%
B	Distribution Volumetric Rate	\$ 7.1336	1,074	\$ 7,661.49	\$ 7.2263	1,074	\$ 7,761.05	\$ 99.56	1.30%
B	-Low Voltage adj to Distribution Rates			\$ -	-\$ 0.0913	1,074	-\$ 98.06	-\$ 98.06	#DIV/0!
	Volumetric Rate Adder (1576)	-\$ 0.5518	1,074	-\$ 592.63	\$ -	1,074	\$ -	\$ 592.63	
	Volumetric Rate Riders (LRAM)	\$ 0.4452	1,074	\$ 478.14	\$ -	1,074	\$ -	-\$ 478.14	
Sub-Total A (excluding pass through)				\$ 28,848.00			\$ 29,201.99	\$ 353.99	1.23%
	Line Losses on Cost of Power	\$ 0.1101	19,068	\$ 2,099.39	\$ 0.1101	19,068	\$ 2,099.39	\$ -	0.00%
	Low Voltage Rate			\$ -	\$ 0.2841	1,074	\$ 305.12	\$ 305.12	#DIV/0!
	Group 2 Deferral/Variance Account Rate Rider			\$ -	\$ 0.3674	1,074	\$ 394.59	\$ 394.59	#DIV/0!
	Total Deferral/Variance Account Rate Riders (kw)			\$ -	-\$ 1.0827	1,074	-\$ 1,162.82	-\$ 1,162.82	#DIV/0!
	CBR Class B-Rate Rider			\$ -	\$ 0.0810	1,074	\$ 86.99	\$ 86.99	#DIV/0!
	Total Deferral/Variance Account Rate Rider GA (kwh)	\$ -	420,000	\$ -	\$ 0.0013	420,000	\$ 546.00	\$ 546.00	#DIV/0!
Sub-Total B - Distribution (includes Sub-Total A)				\$ 30,947.38			\$ 31,471.26	\$ 523.88	1.69%
	RTSR - Network	\$ 2.1115	1,074	\$ 2,267.75	\$ 2.1209	1,074	\$ 2,277.85	\$ 10.10	0.45%
	RTSR - Connection and/or Line and Transformation Connection	\$ 1.7037	1,074	\$ 1,829.77	\$ 1.7622	1,074	\$ 1,892.60	\$ 62.83	3.43%
Sub-Total C - Delivery (including Sub-Total B)				\$ 35,044.91			\$ 35,641.71	\$ 596.80	1.70%
	Wholesale Market Service Charge (WMSC)	\$ 0.0032	439,068	\$ 1,405.02	\$ 0.0032	439,068	\$ 1,405.02	\$ -	0.00%
	Capacity Based Recovery (CBR)	\$ 0.0004	439,068	\$ 175.63	\$ 0.0004	439,068	\$ 175.63	\$ -	0.00%
	Rural and Remote Rate Protection (RRRP)	\$ 0.0003	439,068	\$ 131.72	\$ 0.0003	439,068	\$ 131.72	\$ -	0.00%
	Standard Supply Service Charge	\$ 0.25	11,900	\$ 2,975.00	\$ 0.25	11,900	\$ 2,975.00	\$ -	0.00%
Sub-Total Regulatory				\$ 4,687.37			\$ 4,687.37	\$ -	0.00%
Debt Retirement Charge (DRC)		\$ 0.0070	420,000	\$ 2,940.00	\$ 0.0070	420,000	\$ 2,940.00	\$ -	0.00%
	Commodity including Global Adjustment*	\$ 0.1101	420,000	\$ 46,242.00	\$ 0.1101	420,000	\$ 46,242.00	\$ -	0.00%
Sub-Total Energy				\$ 46,242.00			\$ 46,242.00	\$ -	0.00%
Total Bill on Spot (before Taxes)				\$ 88,914.27			\$ 89,511.08	\$ 596.80	0.67%
	HST	13%		\$ 11,558.86	13%		\$ 11,636.44	\$ 77.58	0.67%
	Ontario Rebate for Electricity Consumers	0%		\$ -	0%		\$ -	\$ -	
Total Bill on Spot				\$ 100,473.13			\$ 101,147.52	\$ 674.39	0.67%

* Weighted average price including Class B Global Adjustment through end of May 2017 (IESO's Monthly Market Report for May 2017, page 22)

Summary of Proposed Distribution Rates	Current Board-Approved		Proposed		Impact	
Monthly Service Charge (A)	\$ 1.79	\$ 21,301.00	\$ 1.81	\$ 21,539.00		
Distribution Volumetric (B)	\$ 7.1336	\$ 7,661.49	\$ 7.1350	\$ 7,662.99		
		\$ 28,962.49		\$ 29,201.99	\$ 239.50	0.83%

APPENDIX C:

CERTIFICATION OF EVIDENCE



Certification of Evidence

Attestation

With respect to the account balances being disposed I, Ramona Abi-Rashed, Treasurer of Whitby Hydro Electric Corporation, hereby certify that our organization has robust processes and internal controls in place for the preparation, review, verification and oversight of the account balances being disposed.

Company Name:

Whitby Hydro Electric Corporation

Certifier Details:

Name:

Ramona Abi-Rashed

Position:

Treasurer

Signature:

Ramona Abi-Rashed

Date:

Sept. 5, 2017