

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

AND IN THE MATTER OF an Application by InnPower Corporation
Under Section 78 of the Act for an order or orders approving just and
Reasonable rates and other charges for electricity distribution to be effective
May 1, 2018 for 2017 rates.

InnPower Corporation

Draft Rate Order

EB-2016-0085

Filed: April 23, 2018

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InnPower Corporation Draft Rate Order

Background

InnPower filed a Custom IR application on June 6, 2016 to change rates effective January 1, 2017. The OEB found this application to be incomplete. InnPower decided to change its application to a Price Cap IR application, which was filed on November 28, 2016. This application is for the setting of 2017 rates based on a detailed review of InnPower's forecasts.

The OEB issued a Notice of Application on February 22, 2017 inviting parties to apply for intervenor status. Parties that were granted intervenor status in this proceeding are Rogers Communications Canada Inc. (Rogers), School Energy Coalition (SEC), and Vulnerable Energy Consumers Coalition (VECC).

The OEB hosted two community meetings regarding InnPower's 2017 rate application in Innisfil on March 9, 2017. At the meetings and in written comments, customers expressed concerns about high electricity rates, including some comments regarding InnPower's corporate governance and lack of regard for cost control. Subsequent to the community meetings, InnPower filed an amended application with the OEB on May 11, 2017, reducing its requested rate increase and delaying the effective date for the rates to July 1, 2017.

The OEB issued Procedural Order No. 1 on May 16, 2017, which provided for the filing of interrogatories and responses. Procedural Order No. 2 was issued on May 26, 2017 to provide further notice of this application for specific customer groups and allow for additional related interrogatories and responses.

Procedural Order No. 3 was issued on September 1, 2017 in which the OEB established a process for developing a draft issues list and set dates for a technical conference and an oral hearing. In addition, the OEB expressed its intent to establish separate procedural steps regarding InnPower's proposed pole attachment and microFIT charges.

An oral hearing was held on October 3rd and 4th, 2017 regarding all issues raised in the application, except for the pole attachment and microFIT charges. SEC, VECC, OEB staff and InnPower, filed written submissions.

In Procedural Order No. 3, the OEB directed InnPower to give further notice of its application to customers or customer groups that would be affected by the proposed pole attachment and microFIT charges. To avoid further delay to the hearing schedule while further notice was served, the OEB established separate procedural steps for the pole attachment and microFIT charges in its Decision and Procedural Order No. 7 issued November 10, 2017.

In its Decision and Procedural Order No. 7 issued on November 10, 2017, the OEB indicated it would not consider a change to the microFIT charge of \$5.40. However, the OEB would consider a

change to the current pole attachment charge of \$22.35. The OEB established a process related to the pole attachment charge for the filing of interrogatories and responses, and a settlement conference.

A settlement conference was convened on January 8, 2018 and January 9, 2018 related to the charge for pole attachments. InnPower filed a settlement proposal on February 2, 2018 reflecting a complete settlement (Schedule A). Parties to the settlement proposal are InnPower, SEC, VECC and Rogers. A submission from OEB staff on the settlement proposal was filed on February 9, 2018. The parties to the settlement proposal filed a joint reply submission on February 23, 2018.

Introduction

The OEB issued its Decision and Order for InnPower Corporation's 2017 COS Application on March 8, 2018 (the "Decision").

Pursuant to the Decision and Order, InnPower Corporation has undertaken a "Draft Rate Order" and a proposed Tariff of Rates and Charges that is reflective of the findings and cost consequences of the EB-2016-0085 Decision issued on March 8, 2018.

The document is a "Draft Rate Order" as it is a proposal by InnPower Corporation to the Board accepting the changes pursuant to the Decision. To support the Draft Rate Order, InnPower has included customer rate impacts and detailed calculation of final rates. Subsequent to InnPower Corporation's filing of the Draft Rate Order(s) on March 26, 2018 and April 10, 2018, the Board issued Procedural Order Number 9. The procedural Order directed parties to provide any comments on the revised draft rate order. Board Staff and SEC provided a reply submission.

As a result of the OEB's Decision and reply submissions, InnPower Corporation has revised a number of excel models in support of the Draft Rate Order. These live models have been filed through the OEB's e-filing service and include the following:

- 2017_Tariff_Schedule_and_Bill_Impact_Model_EB-2016-0085_TC_20180423Rev.xlsm
- InnPower 2018 Draft Tariff _OEB_EB-2016-0085_20180423Rev.xlsx
- 2017_Cost_Allocation_Model_V3.4_TC_PAWG_38.82.xlsm
- 2017_Filing_Requirements_Chapter2_Appendices_TC.xlsm
- 2017_Rev_Reqt_Work_Form_V7_TC.xlsm
- 2017_RTISR_Workform_TC.xlsm
- Final Forgone Revenue Rate Rider Calculation_20180423Rev.xlsx
- InnPower_2017_Load_Forecast_TC.xlsx
- InnPower_2017_DVA_Continuity_Schedule_CoS_v2_20180409.xlsx
- InnPower_EB-2016_0086_Test_year_Income_Tax_PILs_Workform_TC.xlsm

InnPower Corporation has also provided attachments to this Draft Rate Order, which provide further support of the calculations for the Board.

The next Section of this Draft Rate Order provides a final summary of the changes undertaken to determine 2017 rates.

Implementation Date

The effective date of the Decision and order is effective for January 1, 2018. In order to calculate the Foregone Revenue Rate Riders, InnPower Corporation is proposing an implementation date of May 1, 2018 and a sunset or expiry date of December 31, 2018, as directed in the Decision and Order issued on March 8, 2018.

InnPower Corporation is proposing that the current ICM fixed and variable rate riders to end on April 30, 2018, subject to OEB approval.

Capital Additions

InnPower Corporation has reflected the Net Capital additions of \$4.4 million for 2017 in the appropriate schedules in the 2017 Filing Requirements Chapter 2 Appendices.

- Appendix 2-AA Capital Project Summary
- Appendix 2-AB Capital Expenditure Summary
- Appendix 2-BA 2017 Fixed Asset Continuity Schedule

InnPower Corporation acknowledges and commits to review its capital additions and revise the Distribution Plan to align with the outcome of the implementation of IPC's new business plan.

Table 1: Appendix 2-AB Capital Expenditure Summary

Appendix 2-AB
Table 2 - Capital Expenditure Summary from Chapter 5 Consolidated
Distribution System Plan Filing Requirements

First year of Forecast Period: 2017																					
CATEGORY	Historical Period (previous plan ¹ & actual)															Forecast Period (planned)					
	2012			2013			2014			2015			2016			2017	2018	2019	2020	2021	
	Plan	Actual	Var	Plan	Actual	Var	Plan	Actual	Var	Plan	Actual	Var	Plan	Actual ²	Var						
	\$ '000		%	\$ '000		%	\$ '000		%	\$ '000		%	\$ '000		%						
System Access		1,751	--		1,039	--		1,263	--		896	--	1,084	1,583	46.0%	1,757	2,534	1,658	1,709	2,129	
System Renewal		654	--		987	--		697	--		487	--	999	794	-20.5%	1,216	1,140	2,919	2,400	2,109	
System Service		586	--		1,377	--		2,819	--		2,944	--	1,742	1,754	0.7%	245	79	961	1,006	824	
General Plant		828	--		1,348	--		253	--		10,935	--	660	417	-36.8%	1,187	1,423	897	680	706	
TOTAL EXPENDITURE	6,084	3,818	-37.2%	9,021	4,751	-47.3%	13,038	5,031	-61.4%	5,674	15,263	169.0%	4,485	4,548	1.4%	4,405	5,176	6,435	5,795	5,768	
System O&M	\$	1,761	--	\$	1,787	--	\$	1,814	--	\$	1,805	--	\$	1,986	--	\$	2,179	\$	2,245	\$	2,246

Table 2: Appendix 2-BA 2017 Fixed Asset Continuity Schedule

**Appendix 2-BA
Fixed Asset Continuity Schedule ¹**

Accounting Standard MFRS
Year 2017

CCA Class ²	OEB Account ³	Description ³	Cost				Accumulated Depreciation					Net Book Value
			Opening Balance	Additions ⁴	Disposals ⁶	Closing Balance	Opening Balance	Additions	Disposals ⁶	Closing Balance		
12	1611	Computer Software (Formally known as Account 1925)	\$ 688,702	\$ 339,325	\$ -	\$ 1,028,027	-\$ 465,360	-\$ 286,493	\$ -	-\$ 751,853	\$ 276,174	
CEC	1612	Land Rights (Formally known as Account 1906)	\$ 394,446	\$ -	\$ -	\$ 394,446	-\$ 40,542	-\$ 12,699	\$ -	-\$ 53,241	\$ 341,205	
N/A	1805	Land	\$ 1,049,593	\$ -	\$ -	\$ 1,049,593	\$ -	\$ -	\$ -	\$ -	\$ 1,049,593	
47	1808	Buildings				\$ -				\$ -	\$ -	
13	1810	Leasehold Improvements				\$ -				\$ -	\$ -	
47	1815	Transformer Station Equipment >50 kV				\$ -				\$ -	\$ -	
47	1820	Distribution Station Equipment <50 kV	\$ 7,282,718	\$ 325,114	\$ -	\$ 7,607,832	-\$ 552,117	-\$ 255,544	\$ -	-\$ 807,661	\$ 6,800,171	
47	1825	Storage Battery Equipment				\$ -				\$ -	\$ -	
47	1830	Poles, Towers & Fixtures	\$ 9,727,364	\$ 2,921,679	-\$ 13,200	\$ 12,635,843	-\$ 704,935	-\$ 299,804	\$ 110	-\$ 1,004,629	\$ 11,631,214	
47	1835	Overhead Conductors & Devices	\$ 10,914,695	\$ 2,266,734	\$ 6,600	\$ 13,174,829	-\$ 662,190	-\$ 263,900	\$ 55	-\$ 926,035	\$ 12,248,794	
47	1840	Underground Conduit	\$ 2,978,799	\$ 221,375	\$ -	\$ 3,200,174	-\$ 243,679	-\$ 123,124	\$ -	-\$ 366,802	\$ 2,833,372	
47	1845	Underground Conductors & Devices	\$ 8,006,048	\$ 133,681	\$ 3,080	\$ 8,136,649	-\$ 753,833	-\$ 274,863	\$ 28	-\$ 1,028,668	\$ 7,107,980	
47	1850	Line Transformers	\$ 5,650,377	\$ 746,731	-\$ 151,800	\$ 6,245,308	-\$ 475,914	-\$ 230,096	\$ 660	-\$ 705,350	\$ 5,539,958	
47	1855	Services (Overhead & Underground)	\$ 3,878,392	\$ 505,121	\$ -	\$ 4,383,513	-\$ 275,507	-\$ 125,788	\$ -	-\$ 401,296	\$ 3,982,217	
47	1860	Meters (Smart Meters)	\$ 2,295,454	\$ 250,632	-\$ 9,350	\$ 2,536,736	-\$ 542,522	-\$ 202,134	\$ 83	-\$ 744,573	\$ 1,792,163	
47	1860	Meters				\$ -				\$ -	\$ -	
N/A	1905	Land	\$ 1,015,496	\$ -	\$ -	\$ 1,015,496	\$ -	\$ -	\$ -	\$ -	\$ 1,015,496	
47	1908	Buildings & Fixtures	\$ 10,088,239	\$ 15,000	\$ -	\$ 10,103,239	-\$ 346,408	-\$ 222,587	\$ -	-\$ 568,995	\$ 9,534,244	
13	1910	Leasehold Improvements				\$ -				\$ -	\$ -	
8	1915	Office Furniture & Equipment (10 years)	\$ 230,265	\$ 15,000	\$ -	\$ 245,265	-\$ 58,001	-\$ 29,531	\$ -	-\$ 87,532	\$ 157,733	
8	1915	Office Furniture & Equipment (5 years)				\$ -				\$ -	\$ -	
10	1920	Computer Equipment - Hardware	\$ 498,996	\$ 165,000	\$ -	\$ 663,996	-\$ 235,520	-\$ 140,109	\$ -	-\$ 375,630	\$ 288,367	
45	1920	Computer Equip.-Hardware(Post Mar. 22/04)				\$ -				\$ -	\$ -	
45.1	1920	Computer Equip.-Hardware(Post Mar. 19/07)				\$ -				\$ -	\$ -	
10	1930	Transportation Equipment	\$ 524,917	\$ 505,500	\$ -	\$ 1,030,417	-\$ 349,371	-\$ 173,935	\$ -	-\$ 523,305	\$ 507,111	
8	1935	Stores Equipment	\$ 135,335	\$ 5,250	\$ -	\$ 140,585	-\$ 25,481	-\$ 15,225	\$ -	-\$ 40,706	\$ 99,878	
8	1940	Tools, Shop & Garage Equipment	\$ 331,421	\$ 39,900	\$ -	\$ 371,321	-\$ 123,972	-\$ 49,159	\$ -	-\$ 173,131	\$ 198,190	
8	1945	Measurement & Testing Equipment	\$ 29,667	\$ 69,760	\$ -	\$ 99,427	-\$ 12,291	-\$ 9,149	\$ -	-\$ 21,441	\$ 77,987	
8	1950	Power Operated Equipment				\$ -				\$ -	\$ -	
8	1955	Communications Equipment				\$ -				\$ -	\$ -	
8	1955	Communication Equipment (Smart Meters)				\$ -				\$ -	\$ -	
8	1960	Miscellaneous Equipment				\$ -				\$ -	\$ -	
47	1970	Load Management Controls Customer Premises				\$ -				\$ -	\$ -	
47	1975	Load Management Controls Utility Premises				\$ -				\$ -	\$ -	
47	1980	System Supervisor Equipment	\$ 2,558,336	\$ 32,400	\$ -	\$ 2,590,736	-\$ 420,336	-\$ 159,163	\$ -	-\$ 579,499	\$ 2,011,237	
47	1985	Miscellaneous Fixed Assets				\$ -				\$ -	\$ -	
47	1990	Other Tangible Property				\$ -				\$ -	\$ -	
47	1995	Contributions & Grants	-\$ 13,624,079	-\$ 4,153,553	\$ -	\$ 17,777,632	\$ 955,730	\$ 547,497	\$ -	\$ 1,503,227	-\$ 16,274,405	
47	2440	Deferred Revenue ⁵				\$ -				\$ -	\$ -	
		Sub-Total	\$ 54,655,180	\$ 4,404,649	-\$ 184,030	\$ 58,875,799	-\$ 5,332,249	-\$ 2,325,807	\$ 936	-\$ 7,657,119	\$ 51,218,680	
		Less Socialized Renewable Energy Generation Investments (input as negative)				\$ -				\$ -	\$ -	
		Less Other Non Rate-Regulated Utility Assets (input as negative)				\$ -				\$ -	\$ -	
		Total PP&E	\$ 54,655,180	\$ 4,404,649	-\$ 184,030	\$ 58,875,799	-\$ 5,332,249	-\$ 2,325,807	\$ 936	-\$ 7,657,119	\$ 51,218,680	
		Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable ⁶										
		Total						-\$ 2,325,807				

10	Transportation
8	Stores Equipment

Less: Fully Allocated Depreciation
Transportation \$ 173,935
Contributions \$ 547,497
Net Depreciation \$ 2,699,369

Distribution System Plan

InnPower Corporation commits to adhere to the principle of “growth will pay for growth” with the implementation of IPC’s new business plan and the associated updating of the Distribution System Plan.

Rate Base – Corporate Headquarters and Operations Centre

InnPower Corporation has re-calculated a 2017 rate base and depreciation expense to reflect the Decision and Order. The revised calculations presented in the 2017 Filing Requirements Chapter 2 Appendices – Appendix 2-BA Fixed Asset Continuity Schedules, for 2015, 2016, and 2017 reflect the response provided by InnPower Corporation in Undertaking J2.3 filed October 6, 2017.

Response:

The \$10,896,704 approved in the ICM settlement EB-2014-0085 is allocated as follows in the Continuity Schedules:

- 1) 1905 LAND asset addition in 2013 Continuity Schedule of \$1,015,496
- 2) 1908 BUILDING asset addition in 2015 Continuity Schedule of \$10,000,549. The remainder of the additions in this category pertain to two other asset additions separate from the New Building asset; \$68,583 (pole bunks) and \$11,377 (storage yard fence), for a total of \$10,080,510 in the schedule.
- 3) 1915 FURNITURE asset addition in 2015 Continuity Schedule of \$125,165. The remainder of the additions in this category pertain to smaller additions during the year totaling \$29,066 and unrelated to New Building requirements, for a total of \$154,231 in the schedule.

The total of these three New Building asset amounts is \$11,141,210. This is \$244,506 in excess of the \$10,896,704 approved in the ICM as a result of cost overruns. InnPower's total actual cost is \$13,491,210, and for the purpose of this application, InnPower has removed the \$2,350,000 from the 1908 Building additions to reflect the removal of the leasing space from rate base.

The aforementioned updates result in revised rate base calculation of \$52,584,820 and accumulated depreciation expense of **(\$6,494,684)**. The following table from the RRWF model Tab 4 presents the changes in Rate Base throughout this application.

Rate Base Amounts Related to 2073 Commerce Park Drive

OEB staff identified a potential difference in the amounts related to the old building removed from Appendix 2-BA compared to Table 3: ICM Capital Components in IPC's Settlement Agreement in EB-2014-0086. Following is the table provided by Board Staff.

			Appendix 2-BA cells F235, F236, K236	EB-2014-0086 Settlement Agreement Table 3: ICM Capital Components	Unexplained Difference
Account 1905	Land	Disposals	\$201,049	\$124,000	\$77,049
Account 1908	Buildings & Fixtures	Disposals	\$451,878	\$435,000	\$16,878
Account 1908	Buildings & Fixtures	Acc Dep - Disposals	(\$17,051)	\$0	(\$17,051)
			\$635,876	\$559,000	\$76,876

IPC Explanation

Account 1905 Land – the amount of \$201,049 represents three disposals

2073 Commerce Park - \$75,871.27

2061 Commerce Park - \$47,621.74

Total - \$123,493.01

The remaining amount is for 2033 Commerce Park for a value of \$77,555.99, which was not associated with the ICM application. The sum of all land disposals is \$201,049.

Account 1908 Building and Fixtures

The difference between Appendix 2-BA cells F236, K236 and the summarized values in Table 3: ICM Capital Components is the value of the disposal \$451,878 minus the accumulated depreciation of (\$17,051) for the rounded value of \$435,000.

Rate Base – Amounts Related to Net Book Value Used for Rate Base

With the updates undertaken in this response submission for the InnPower Draft Rate Order, IPC has recreated Table 4 provided in Board Staff's response. The table now reflects that the evidence reconciles to Appendix 2-BA of the Chapter 2 Appendices.

	NBV used for Rates				
	Appendix 2- BA Balance as of January 1, 2017	Appendix 2- BA Balance as of December 31, 2017	Average	RRWF Tab 4 Rate Base	Difference
Gross Plant	54,655,180	58,875,799	56,765,489	56,765,489	-
Accumalted Deprecition	(5,332,249)	(7,657,119)	(6,494,684)	(6,494,684)	-

Revised Rate Base Calculation

The aforementioned updates result in revised rate base calculation of \$52,584,820 and accumulated depreciation expense of **(\$6,494,684)**. The following table from the RRWF model Tab 4 presents the changes in Rate Base throughout this application.

Table 3: Rate Base

Line No.	Rate Base Particulars	Initial Application	Adjustments	Settlement Agreement	Adjustments	Per Board Decision
1	Gross Fixed Assets (average) ⁽²⁾	\$57,907,639	(\$1,142,150)	\$56,765,489	\$ -	\$56,765,489
2	Accumulated Depreciation (average) ⁽²⁾	(\$6,507,375)	\$ -	(\$6,507,375)	\$12,691	(\$6,494,684)
3	Net Fixed Assets (average) ⁽²⁾	\$51,400,264	(\$1,142,150)	\$50,258,115	\$12,691	\$50,270,805
4	Allowance for Working Capital ⁽¹⁾	\$2,874,695	(\$510,162)	\$2,364,533	(\$50,518)	\$2,314,015
5	Total Rate Base	\$54,274,959	(\$1,652,311)	\$52,622,648	(\$37,828)	\$52,584,820

Working Capital

InnPower Corporation has utilized the OEB's 7.5% working capital default rate to calculate the working capital allowance.

The cost of power and OM&A expenses have been updated to reflect the Decision and following reply submission resulting in a working capital allowance of \$2,314,015. The following table from the RRWF model Tab 4 presents the changes in the Allowance for Working Capital throughout this application.

Table 4: Allowance for Working Capital Derivation

(1) Allowance for Working Capital - Derivation

6	Controllable Expenses	\$6,101,306		(\$173,935)		\$5,927,371		(\$673,579)		\$5,253,792
7	Cost of Power	\$32,227,960		(\$6,628,221)		\$25,599,739		\$ -		\$25,599,739
8	Working Capital Base	\$38,329,266		(\$6,802,155)		\$31,527,110		(\$673,579)		\$30,853,531
9	Working Capital Rate %	(1) 7.50%		0.00%		7.50%		0.00%		7.50%
10	Working Capital Allowance	\$2,874,695		(\$510,162)		\$2,364,533		(\$50,518)		\$2,314,015

Cost of Capital

InnPower Corporation has utilized a weighted average cost of capital of 5.58%. The following table presents the capitalization ratios and cost rate utilized.

Table 5: Cost of Power - Weighted Average Cost of Capital

Particulars	Per Board Decision		Cost Rate	Return
	Capitalization Ratio			
	(%)	(\$)	(%)	(\$)
Debt				
Long-term Debt	56.00%	\$29,447,496	3.57%	\$1,051,168
Short-term Debt	4.00%	\$2,103,393	1.76%	\$37,020
Total Debt	<u>60.00%</u>	<u>\$31,550,889</u>	<u>3.45%</u>	<u>\$1,088,188</u>
Equity				
Common Equity	40.00%	\$21,033,926	8.78%	\$1,846,779
Preferred Shares	0.00%	\$ -	0.00%	\$ -
Total Equity	<u>40.00%</u>	<u>\$21,033,926</u>	<u>8.78%</u>	<u>\$1,846,779</u>
Total	<u>100.00%</u>	<u>\$52,584,815</u>	<u>5.58%</u>	<u>\$2,934,967</u>

Load Forecast

InnPower Corporation has updated the load forecast for billed energy utilizing the five year average of 1.0604 for the total loss factor and consistent with undertaking J1.9 for inclusion in the Draft Rate Order.

Additionally, the OESP Rate is removed, the Rural Rate Assistance is reflected at \$0.0003 and the total kWh now reflect 242,584,957 kWh versus 239,667,884 kWh. InnPower Corporation has also updated Appendix 2-IB Load Analysis of the Chapter 2 Appendices.

The total Cost of Power is calculated at \$25,599,739 for this application and is consistent with Table 4: Allowance for Working Capital Derivation on page 11 of this Draft Rate order.

Table 6: Updated Cost of Power Forecast

<u>2017 Load Forecast</u>	kWh	kW	2015 %RPP
Residential	145,847,424		94%
General Service < 50 kW	31,828,340		83%
General Service 50 to 4,999 kW	63,763,903	176,744	4%
Street Lighting	561,223	1,599	0%
Sentinel Lighting	103,052	286	84%
Unmetered Scattered Load	461,015		94%
TOTAL	242,564,957	178,629	

<u>Electricity - Commodity RPP</u>	2017	2017 Loss			
Class per Load Forecast RPP -4705	Forecasted	Factor	2017		
Residential	137,096,578	1.0604	145,377,212	\$0.08190	\$11,906,394
General Service < 50 kW	26,417,523	1.0604	28,013,141	\$0.08190	\$2,294,276
General Service 50 to 4,999 kW	2,550,556	1.0604	2,704,610	\$0.08190	\$221,508
Street Lighting	0	1.0604	0	\$0.08190	\$0
Sentinel Lighting	86,563	1.0604	91,792	\$0.08190	\$7,518
Unmetered Scattered Load	433,354	1.0604	459,529	\$0.08190	\$37,635
TOTAL	166,584,574		176,646,283		\$14,467,331

<u>Electricity - Commodity Non-RPP</u>	2017	2017 Loss			
Class per Load Forecast - 4707	Forecasted	Factor	2017		
Residential	8,750,845	1.0604	9,279,396	\$0.07775	\$721,473
General Service < 50 kW	5,410,818	1.0604	5,737,631	\$0.07775	\$446,101
General Service 50 to 4,999 kW	61,213,347	1.0604	64,910,633	\$0.07775	\$5,046,802
Street Lighting	561,223	1.0604	595,121	\$0.07775	\$46,271
Sentinel Lighting	16,488	1.0604	17,484	\$0.07775	\$1,359
Unmetered Scattered Load	27,661	1.0604	29,332	\$0.07775	\$2,281
TOTAL	75,980,383		80,569,598		\$6,264,286

<u>Transmission - Network</u>		Volume			
Class per Load Forecast - 4714		Metric	2017		
Residential		kWh	154,656,608	\$0.0067	\$1,036,199
General Service < 50 kW		kW	33,750,772	\$0.0061	\$205,880
General Service 50 to 4,999 kW		kW	176,744	\$2.3860	\$421,711
Street Lighting		kWh	1,599	\$1.8579	\$2,970
Sentinel Lighting		kW	286	\$1.8673	\$535
Unmetered Scattered Load		kW	488,860	\$0.0061	\$2,982
TOTAL					\$1,670,277

<u>Transmission - Connection</u>		Volume			
Class per Load Forecast - 4716		Metric	2017		
Residential		kWh	154,656,608	\$0.0050	\$773,283
General Service < 50 kW		kWh	33,750,772	\$0.0047	\$158,629
General Service 50 to 4,999 kW		kW	176,744	\$2.6359	\$465,879
Street Lighting		kW	1,599	\$1.3895	\$2,221
Sentinel Lighting		kW	286	\$2.0600	\$590
Unmetered Scattered Load		kWh	488,860	\$0.0047	\$2,298
TOTAL					\$1,402,900

<u>Wholesale Market Service</u>		Volume			
Class per Load Forecast - 4708		Metric	2017		
Residential		kWh	154,656,608	\$0.0036	\$556,764
General Service < 50 kW		kWh	33,750,772	\$0.0036	\$121,503
General Service 50 to 4,999 kW		kWh	67,615,243	\$0.0036	\$243,415
Street Lighting		kWh	595,121	\$0.0036	\$2,142
Sentinel Lighting		kWh	109,276	\$0.0036	\$393
Unmetered Scattered Load		kWh	488,860	\$0.0036	\$1,760
TOTAL			257,215,881		\$925,977

<u>Rural Rate Assistance</u>		Volume			
Class per Load Forecast -4730		Metric	2017		
Residential		kWh	154,656,608	\$0.0003	\$46,397
General Service < 50 kW		kWh	33,750,772	\$0.0003	\$10,125
General Service 50 to 4,999 kW		kWh	67,615,243	\$0.0003	\$20,285
Street Lighting		kWh	595,121	\$0.0003	\$179
Sentinel Lighting		kWh	109,276	\$0.0003	\$33
Unmetered Scattered Load		kWh	488,860	\$0.0003	\$147
TOTAL			257,215,881		\$77,165

LV		Volume			
Class per Load Forecast	Metric(w/o losses)		2017		
Residential	kWh	145,847,424	\$0.0025		\$364,619
General Service < 50 kW	kWh	31,828,340	\$0.0024		\$76,388
General Service 50 to 4,999 kW	kW	176,744	\$1.3285		\$234,804
Street Lighting	kW	1,599	\$0.7003		\$1,120
Sentinel Lighting	kW	286	\$1.0383		\$297
Unmetered Scattered Load	kWh	461,015	\$0.0024		\$1,106
TOTAL		178,315,408			\$678,334

Summary		2017	Calculation Of SME Charges			
4062-OESP	\$	-				
SME	\$	113,470				
4705 & 4707-Power Purchased		\$20,731,617	Customers	Rate		
4708-Charges-WMS		\$925,977	Residential	15,555	0.57	\$106,394
4714-Charges-NW		\$1,670,277	GS<50	1,034	0.57	\$7,075
4716-Charges-CN		\$1,402,900				\$113,470
4730-Rural Rate Assistance		\$77,165				
4750-Low Voltage		\$678,334				
TOTAL		25,599,739				

Revenues and Costs Related to Affiliate – InnServices

InnPower Corporation has undertaken the following changes with respect to the Decision and Order with respect to costs related to InnServices, Account 4380, 4375 and 4390.

- Account 4375 is amended to reflect a total of \$757,539 resulting in a revised total of \$1,599,850. The breakdown of the revenues is presented in the following table from Appendix 2-H from the Chapter 2 Appendices.

Table 7: Account 4375 Revenues from Non-Utility Operations

Account 4375 -Revenues from Non Utility Operations						
	2013 Actual	2014 Actual	2015 Actual ¹	Actual Year ²	Bridge Year ²	Test Year
				2015	2016	2017
Reporting Basis	CGAAP	CGAAP	CGAAP	MIFRS	MIFRS	MIFRS
Bill Services InnServices 4375-902	-\$ 251,044	\$ 204,916	-\$ 269,614	-\$ 269,614	-\$ 235,000	-\$ 245,000
Bill Services Overhead						-\$ 125,240
Financial Services InnServices						-\$ 346,309
Financial Services InnServices Overhead						-\$ 40,990
MIESL Management Fee	-\$ 3,758	-\$ 74,549	-\$ 12,319	-\$ 12,319	\$ 12,319	-\$ 12,000
Misc. Non Utility Income OPA	-\$ 427,658	\$ 585,368	-\$ 493,187	-\$ 493,187	-\$ 830,311	-\$ 830,311
etc. ¹						
Total	-\$ 682,460	\$ 715,734	-\$ 775,120	-\$ 775,120	-\$ 1,052,992	-\$ 1,599,850

- Account 4380 is amended to reflect the addition of \$472,741 for expenses for Billing and Financial Services and the inclusion of \$232,198 for Financial Service expenses resulting in a revised total for Account 4380 of \$1,543,250 of which \$704,939 is related to expenses for Billing and Financial Services. The breakdown of the expense is presented in the following table from Appendix 2-H from the Chapter 2 Appendices.

Table 8: Account 4380 Expenses of Non-Utility Operations

Account 4380 - Expenses of Non Utility Operations						
	2013 Actual	2014 Actual	2015 Actual ¹	Actual Year ²	Bridge Year ²	Test Year
				2015	2016	2017
Reporting Basis	CGAAP	CGAAP	CGAAP	MIFRS	MIFRS	MIFRS
Billing and Financial Services	\$ 190,269	\$ 74,549	\$ 184,243	\$ 184,243	\$ 142,000	\$ 472,741
IESL Expenses	\$ 5,174	\$ 8,865	\$ 9,244	\$ 9,244	\$ 8,000	\$ 8,000
Misc. Non Utility Exp-OPA	\$ 432,342	\$ 634,981	\$ 496,336	\$ 496,336	\$ 830,311	\$ 830,311
Financial Services						\$ 232,198
Total	\$ 627,785	\$ 718,395	\$ 689,823	\$ 689,823	\$ 980,311	\$ 1,543,250

- Account 4390 is amended to add in the forecasted \$33,000 of leasing revenue for the “leasing area” at IPC’s new Corporate Headquarters.

Table 9: Account 4390

Account 4390 - Misc Non Operating Expense

	2013 Actual	2014 Actual	2015 Actual ²	Actual Year ²	Bridge Year ²	Test Year
				2015	2016	2017
Reporting Basis	CGAAP	CGAAP	CGAAP	MIFRS	MIFRS	MIFRS
Misc Non-Utility Income - Office rental	-\$ 11,016	\$ 10,882	\$ 20,000	\$ 20,000	\$ 50,160	\$ 50,160
Carrying Charges - Reg. Ass.	\$ -	\$ -	-\$ 50,000	-\$ 50,000	\$ -	\$ -
Misc Non-Utility Income - Scrap wire, misc revenues					\$ 7,832	\$ 9,840
Leasing Revenue						\$ 33,000
Total	-\$ 11,016	\$ 10,882	-\$ 30,000	-\$ 30,000	\$ 57,992	\$ 93,000

Table 10: Account 4245

Account 4245 - Deferred Revenues - Contributions

	2013 Actual	2014 Actual	2015 Actual ²	Actual Year ²	Bridge Year ²	Test Year
				2015	2016	2017
Reporting Basis	CGAAP	CGAAP	CGAAP	MIFRS	MIFRS	MIFRS
Deferred Revenue	\$ -	\$ -	\$ -	-\$ 313,336	-\$ 376,051	-\$ 547,497
etc. ¹						
Total	\$ -	\$ -	\$ -	-\$ 313,336	-\$ 376,051	-\$ 547,497

- Account 4245 is amended to reflect deferred revenues from contributions to \$547,497 as per Undertaking J2.4 filed October 6, 2017. This change is also reflected in cell J378 in Appendix 2-BA Fixed Asset Continuity Schedule.

The revised total of Other Revenue as per the Decision and Order, (Costs and Expenses for Affiliate Services, Pole Attachment, Deferred Revenues and Leasing Revenue) result in a revenue offset of \$1,094,472. The following tables presents the revised Appendix 2-H from the Chapter 2 Appendices and Tab 5: Utility Income from the RRWF model.

Table 11: Appendix 2-H Other Operating Revenue

**Appendix 2-H
Other Operating Revenue**

USoA #	USoA Description	2013 Actual 2013	2014 Actual 2014	2015 Actual ² 2015	Actual Year ² 2015	Bridge Year ² 2016	Test Year 2017
	<i>Reporting Basis</i>	<i>CGAAP</i>	<i>CGAAP</i>	<i>CGAAP</i>	<i>MIFRS</i>	<i>MIFRS</i>	<i>MIFRS</i>
4210	Rent from Electric Property	-\$ 153,289	-\$ 169,620	-\$ 161,207	-\$ 162,034	-\$ 162,034	-\$ 269,217
4225	Late Payment Charges	-\$ 73,904	-\$ 84,703	-\$ 96,925	-\$ 96,925	-\$ 111,252	-\$ 111,252
4235	Specific Service Charges	-\$ 116,157	-\$ 139,676	-\$ 156,170	-\$ 156,170	-\$ 159,223	-\$ 170,000
4245	Deferred Revenues - Contributions	\$ -	\$ -	\$ -	-\$ 313,330	-\$ 376,051	-\$ 547,497
4355	Gain on Dispositions	\$ -	\$ 4,450	-\$ 440,397	-\$ 440,397	\$ 8,791	\$ 183,094
4375	Revenues from Non Utility Operations	-\$ 682,460	-\$ 801,855	-\$ 775,120	-\$ 775,120	-\$ 1,354,978	-\$ 1,599,850
4380	Expenses of Non Utility Operations	\$ 627,785	\$ 718,395	\$ 689,823	\$ 689,823	\$ 1,250,847	\$ 1,543,250
4390	Misc Non Operating Expense	-\$ 11,015	-\$ 10,882	-\$ 30,116	-\$ 30,116	-\$ 57,992	-\$ 93,000
4405	Interest and Dividend Income	-\$ 26,558	-\$ 39,974	-\$ 27,918	-\$ 27,918	-\$ 29,388	-\$ 30,000
	Total	-\$ 435,598	-\$ 532,765	-\$ 998,029	-\$ 1,312,186	-\$ 991,280	-\$ 1,094,472
	Specific Service Charges	-\$ 116,157	-\$ 139,676	-\$ 156,170	-\$ 156,170	-\$ 159,223	-\$ 170,000
	Late Payment Charges	-\$ 73,904	-\$ 84,703	-\$ 96,925	-\$ 96,925	-\$ 111,252	-\$ 111,252
	Other Operating Revenues (4210 & 4245)	-\$ 153,289	-\$ 169,620	-\$ 161,207	-\$ 475,364	-\$ 538,084	-\$ 816,714
	Other Income or Deductions (4355, 4375, 4380, 4390, 4405)	-\$ 92,248	-\$ 138,766	-\$ 583,728	-\$ 583,728	-\$ 182,721	\$ 3,494
	Total	-\$ 435,598	-\$ 532,765	-\$ 998,029	-\$ 1,312,186	-\$ 991,280	-\$ 1,094,472

Table 12: Summary of Other Revenues/Revenue Offsets (RRWF)

Notes

Other Revenues / Revenue Offsets

(1)	Specific Service Charges	\$170,000	\$ -	\$170,000	\$ -	\$170,000
	Late Payment Charges	\$78,000	\$33,252	\$111,252	\$ -	\$111,252
	Other Distribution Revenue	\$829,121	(\$164,615)	\$664,506	\$118,714	\$783,220
	Other Income and Deductions	\$30,000	\$ -	\$30,000	\$ -	\$30,000
	Total Revenue Offsets	\$1,107,121	(\$131,363)	\$975,758	\$118,714	\$1,094,472

Establishment of Draft Accounting Orders – Account 1508

InnPower Corporation acknowledges that the aforementioned amendments were for the intent of rate-making and is aware that an audit of IPC's affiliate transactions to ensure the allocation of costs and approach to costing and applicable revenue. The undertaking of the audit is to be completed in a timeframe as such the audit findings will be implemented by IPC prior to the end of 2018.

As directed, InnPower Corporation has included the draft Accounting Order for the Group 2 variance Accounts. The Draft Accounting Orders are presented on the following pages and in Schedule 1 of this document.

In the DRO Submissions by SEC on April 11, 2018 (April 11, 2018), the following recommendations were put forth for changes in the wording of the Draft Accounting Order:

Page 49. The accounting order for affiliate revenues refers to “actual revenues”. We believe that this misses the point of the audit ordered by the Board. The audit is to determine the costs to serve affiliates, and therefore the appropriate charges to those affiliates. The “actual revenues” are driven solely by the non-arms-length agreement between the Applicant and its related company. This is not what is supposed to be measured. Once the actual costs are determined by the OEB Staff audit, the correct charge consistent with ARC will be apparent, and it is that charge that is key here. Therefore, we believe that the phrase “actual revenues” should be replaced with “appropriate revenues” in the two places where it is used.

Further to SEC’s recommendations, Board Staff’s DRO Reply Submission (April 17, 2018), agreed with SEC’s comments and directed InnPower Corporation to replace the phrase “actual revenues” with “appropriate revenues”.

InnPower Corporation has carefully considered the request to change the Draft Accounting Order’s, however, after reviewing the Decision and Order issued on March 8, 2018 (page 17 and 18), IPC has elected to utilize the exact wording in the Decision and Order for the two new Group 2 variance accounts.

The revised Draft Accounting Order’s are presented on the following pages. Wording changes have been *italicized* for reference from IPC’s April 9, 2018 submission.

Draft Accounting Order – Revenues from Affiliate Services (Revised)

Accounting Order Account 1508 –Other Regulatory Assets, Sub-account Difference in Revenues from Affiliate Services

InnPower shall establish Account 1508 – Other Regulatory Assets, Sub-account Difference in Revenues from Affiliate Services. This sub-account shall have an effective date of January 1, 2018.

This sub-account will record the difference between the approved forecast of affiliate service revenues of \$757,539 and actual revenues determined as a result of the audit. The approved affiliate forecast is being used to calculate rates for 2017, yet the variance account will be based on the appropriate actual amount, following the OEB audit results.

Items will be recorded in the sub-account until the date of InnPower's next cost of service rate order or until the OEB closes this account. This account is eligible for carrying charges at the OEB prescribed rate.

Sample accounting entries are provided below.

- A. This sub-account records the difference between the approved forecast of affiliate service revenues of \$757,539 and actual revenues determined as a result of the audit.

DR/CR 4080	Distribution Services Revenue
CR/DR 1508	Other Regulatory Assets, Sub-account Difference in Revenues from Affiliate Services

- B. This sub-account records the carrying charges associated with Other Regulatory Assets, Sub-account Sub-account Difference in Revenues from Affiliate Services.

DR 6035	Other Interest Expense (applies to Account 1508 credit balances)
CR 4405	Interest and Dividend Income (applies to Account 1508 debit balances)
CR/DR 1508	Other Regulatory Assets, Sub-account Difference in Revenues from Affiliate Services, Carrying Charges

All records shall be maintained at an appropriate level to permit OEB review and verification of amounts recorded therein.

Draft Accounting Order – Expenses from Affiliate Services (Revised)

Accounting Order Account 1508 – Other Regulatory Assets, Sub-account Difference in Expenses from Affiliate Services

InnPower shall establish Account 1508 – Other Regulatory Assets, Sub-account Sub-account Difference in Expenses from Affiliate Services. This sub-account shall have an effective date of January 1, 2018. *This sub-account will record the difference between the approved forecast of affiliate service expenses approved in the Decision, as discussed in the OM&A section of the Decision, and the fully-allocated costs as determined by the OEB audit.*

Items will be recorded in the sub-account until the date of InnPower’s next cost of service rate order or until the OEB closes this account. This account is eligible for carrying charges at the OEB prescribed rate.

Sample accounting entries are provided below.

- A. This sub-account records the between the approved forecast of affiliate service expenses of \$704,939 and the fully-allocated costs as determined by the OEB audit.

DR/CR 4080	Distribution Services Revenue
CR/DR 1508	Other Regulatory Assets, Other Regulatory Assets, Sub-account Sub-account Difference in Expenses from Affiliate Services

- B. This sub-account records the carrying charges associated with Other Regulatory Assets, Sub-account Sub-account Difference in Expenses from Affiliate Services.

DR 6035	Other Interest Expense (applies to Account 1508 credit balances)
CR 4405	Interest and Dividend Income (applies to Account 1508 debit balances)
CR/DR 1508	Other Regulatory Assets, Sub-account Difference in Expenses from Affiliate Services, Carrying Charges

All records shall be maintained at an appropriate level to permit OEB review and verification of amounts recorded therein.

Operations, Maintenance & Administration Expenses

The OEB Decision and Order approved an OM&A budget for 2017 of \$5,317,000, which represents a reduction of \$673,000 from InnPower Corporation's proposed 2017 OM&A budget of \$5,990,000.

For the purposes of updating the relevant OEB models and determining final rates for 2017, InnPower Corporation has reflected an envelope reduction across all categories in Operations, Maintenance and Administration.

InnPower Corporation notes that actual OM&A reductions will likely be achieved across a variety of accounts and cost categories in line with the implementation of IPC's new Business Plan, however any distinct allocation between categories, accounts, and programs now would be arbitrary.

The OM&A reduction of \$673,000 has also resulted in a reduction of working capital allowance at the rate of 7.5% of \$50,518. The following tables from the Chapter 2 Appendices reflect the envelope deduction across the cost categories and by programs.

Table 13: Appendix 2-JA Summary of Recoverable OM&A Expenses

Appendix 2-JA Summary of Recoverable OM&A Expenses

	Last Rebasing Year (2013 Board- Approved)	Last Rebasing Year (2013 Actuals)	2014 Actuals	2015 Actuals	2016 Actuals	2017 Test Year
<i>Reporting Basis</i>	CGAAP	CGAAP	CGAAP	MIFRS	MIFRS	MIFRS
Operations	\$ 1,234,230	\$ 1,323,999	\$ 1,342,978	\$ 1,377,569	\$ 1,352,091	\$ 1,358,963
Maintenance	\$ 506,161	\$ 463,151	\$ 471,477	\$ 427,525	\$ 731,242	\$ 574,925
SubTotal	\$ 1,740,391	\$ 1,787,150	\$ 1,814,455	\$ 1,805,094	\$ 2,083,333	\$ 1,933,888
%Change (year over year)			1.5%	-0.5%	15.4%	-7.2%
%Change (Test Year vs Last Rebasing Year - Actual)						8.2%
Billing and Collecting	\$ 997,953	\$ 1,054,939	\$ 1,169,535	\$ 1,096,116	\$ 1,051,073	\$ 1,020,051
Community Relations	\$ 8,586	\$ 5,419	\$ 5,663	\$ 8,066	\$ 14,699	\$ 10,331
Administrative and General	\$ 2,143,263	\$ 2,147,695	\$ 2,234,998	\$ 2,648,314	\$ 2,539,709	\$ 2,352,507
SubTotal	\$ 3,149,801	\$ 3,208,053	\$ 3,410,196	\$ 3,752,497	\$ 3,605,481	\$ 3,382,889
%Change (year over year)			6.3%	10.0%	-3.9%	-6.2%
%Change (Test Year vs Last Rebasing Year - Actual)						5.4%
Total	\$ 4,890,192	\$ 4,995,203	\$ 5,224,651	\$ 5,557,591	\$ 5,688,814	\$ 5,316,777
%Change (year over year)			4.6%	6.4%	2.4%	-6.5%

Table 14: Appendix 2-JC OM&A Programs

**Appendix 2-JC
OM&A Programs Table**

Programs	Last Rebasings Year (2013 Board- Approved)	Last Rebasings Year (2013 Actuals)	2014 Actuals	2015 Actuals	2016 Bridge Year	2017 Test Year	Variance (Test Year vs. 2015 Actuals)	Variance Test Year to 2016 Actuals	Variance (Test Year vs. Last Rebasings Year (2013 Board-Approved)
Reporting Basis	CGAAP	CGAAP	CGAAP	MIFRS	MIFRS	MIFRS			
Operations									
1) Distribution Station	54,624	65,902	60,220	63,521	66,663	59,254	-4,268	-7,410	4,630
2) Overhead Distribution Operations	101,453	123,146	125,841	156,658	145,183	150,522	-6,137	5,339	49,069
3) Underground Distribution Operations	71,932	107,020	121,324	118,116	111,574	121,273	3,157	9,699	49,341
4) Distribution Meters	215,732	186,719	215,366	241,353	239,835	233,188	-8,165	-6,646	17,456
5) Customer Workorders	42,222	139,974	155,948	156,993	141,486	153,730	-3,263	12,244	111,508
6) Engineering/Systems Ops/Line Constr/SCADA/Ops Admin	748,268	701,238	664,279	640,928	647,351	640,997	69	-6,354	-107,270
Sub-Total	1,234,230	1,323,999	1,342,978	1,377,569	1,352,091	1,358,963	-18,606	6,872	124,733
Maintenance									
1) Overhead Distribution Lines/Feeders	379,731	326,707	275,315	281,961	545,783	364,046	82,085	-181,737	-15,685
2) Underground Distribution Lines/Feeders	73,103	74,486	142,880	105,037	146,802	120,778	15,741	-26,024	47,675
3) Distribution Meters	34,732	27,299	23,803	23,319	23,216	24,752	1,433	1,536	-9,980
4) Distribution Transformers	18,595	34,660	29,480	17,208	15,441	65,349	48,141	49,908	46,754
Sub-Total	506,161	463,151	471,477	427,525	731,242	574,925	147,400	-156,317	68,764
Community Relations									
1) Community Relations	8,586	5,419	5,663	8,066	14,699	10,331	2,265	-4,368	1,745
Sub-Total	8,586	5,419	5,663	8,066	14,699	10,331	2,265	-4,368	1,745
Customer Service									
1) Bad Debts	60,017	86,391	119,440	59,455	85,973	68,874	9,419	-17,099	8,857
2) Customer Service & Billings	610,762	613,080	690,010	691,348	608,683	623,898	-67,450	15,215	13,135
3) Customer Collections	327,173	355,468	360,085	345,313	356,417	327,279	-18,034	-29,138	106
Sub-Total	997,953	1,054,939	1,169,535	1,096,116	1,051,073	1,020,051	-76,065	-31,021	22,099
Administration									
1) Information Systems	193,625	242,079	233,742	282,148	319,264	297,605	15,458	-21,658	103,980
2) Insurance	82,174	94,194	95,797	93,838	110,826	94,702	864	-16,124	12,528
3) Audit, Legal and Consulting	132,208	123,227	131,529	199,342	129,454	155,911	-43,431	26,457	23,702
4) Building and Office Supplies	239,681	166,531	221,715	349,377	309,304	286,302	-63,074	-23,001	46,622
5) Management, Administrative, Finance, Regulatory and IT	1,382,509	1,344,476	1,469,885	1,603,271	1,479,095	1,431,893	-171,378	-47,202	49,384
6) Regulatory Affairs (assessment & application costs)	113,064	177,188	82,330	120,339	191,767	86,093	-34,246	-105,674	-26,971
Sub-Total	2,143,263	2,147,695	2,234,998	2,648,314	2,539,709	2,352,507	-295,807	-187,203	209,244
Miscellaneous				0			0	0	0
Total	4,890,192	4,995,203	5,224,651	5,557,591	5,688,814	5,316,777	-240,814	-372,037	426,585

Cost drivers are derived from the Test Year Forecast and Business Plan. In this case, the final OM&A is based on a reduction resulting from the Decision and Order and IPC's Business Plan is still under development. IPC has updated Appendix 2-JB reflecting the OM&A envelope reductions that will need to be achieved.

Table 15: Appendix 2-JB OM&A Cost Driver

**Appendix 2-JB
Recoverable OM&A Cost Driver Table**

OM&A	Notes:	Last Rebasing Year (2013 Actuals)	2014 Actuals	2015 Actuals	2016 Actuals	2017 Test Year
<i>Reporting Basis</i>			CGAAP	MIFRS	MIFRS	MIFRS
Opening Balance		\$ 4,890,192	\$ 4,995,203	\$ 5,224,651	\$ 5,557,591	\$ 5,688,814
Locates/ON1CALL	1	\$ 115,997	\$ 30,278	-\$ 2,352		
Human Resources	2		\$ 225,603	\$ 93,858	\$ 111,457	.
New Corporate Headquarters	3			\$ 114,988		\$ 136,000
One time IFRS Adjustment to Emp Pensions/Benefits	4		\$ -	\$ 60,050	(60,050)	
Operations Impact	5			\$ 25,987		\$ 6,872
Maintenance Impacts	6				\$ 79,816	\$ (156,317.00)
Billing and Collecting	7				\$ -	(31,022)
Admin & General						\$ (323,202.00)
Community Relations		-\$ 10,986	(26,433)	\$ 40,409		\$ (4,368.00)
Closing Balance		\$ 4,995,203	\$ 5,224,651	\$ 5,557,591	\$ 5,688,814	\$ 5,316,777

Payment in Lieu of Taxes

The updated PILS provision for the 2017 test year resulting from the updates in the Decision and Order and reply submissions is \$149,534. InnPower Corporation has enclosed Tab 6: Taxes_PILS from the RRWF Model.

Table 16: Calculation of Taxes/PILs

Taxes/PILs

Line No.	Particulars	Application	Settlement Agreement	Per Board Decision
<u>Determination of Taxable Income</u>				
1	Utility net income before taxes	\$1,906,137	\$1,848,107	\$1,846,779
2	Adjustments required to arrive at taxable utility income	(\$1,519,555)	(\$1,406,651)	(\$1,432,033)
3	Taxable income	<u>\$386,582</u>	<u>\$441,456</u>	<u>\$414,746</u>
<u>Calculation of Utility income Taxes</u>				
4	Income taxes	<u>\$102,444</u>	<u>\$135,430</u>	<u>\$109,908</u>
6	Total taxes	<u>\$102,444</u>	<u>\$135,430</u>	<u>\$109,908</u>
7	Gross-up of Income Taxes	<u>\$36,936</u>	<u>\$48,829</u>	<u>\$39,627</u>
8	Grossed-up Income Taxes	<u>\$139,380</u>	<u>\$184,259</u>	<u>\$149,534</u>
9	PILs / tax Allowance (Grossed-up Income taxes + Capital taxes)	<u>\$139,380</u>	<u>\$184,259</u>	<u>\$149,534</u>
10	Other tax Credits	\$ -	\$ -	\$ -
<u>Tax Rates</u>				
11	Federal tax (%)	15.00%	15.00%	15.00%
12	Provincial tax (%)	11.50%	11.50%	11.50%
13	Total tax rate (%)	<u>26.50%</u>	<u>26.50%</u>	<u>26.50%</u>

Cost Allocation and Rate Design

Residential Rate Class Transition to Fully Fixed Rates

InnPower Corporation has adjusted the remaining transitional years to a fully fixed rate from four to three years. Based on the revised rate class revenue the transitional impact is \$4.38. The resulting bill impact for the 10th percentile consumption is an increase of 12.4% or \$9.67 for the overall bill.

Table 17: New Rate Design Policy for Residential Customers

New Rate Design Policy For Residential Customers

Please complete the following tables.

A Data Inputs (from Sheet 10. Load Forecast)

Test Year Billing Determinants for Residential Class	
Customers	15,555
kWh	145,847,424

Proposed Residential Class Specific Revenue Requirement ¹	\$ 8,064,052.55
--	-----------------

Residential Base Rates on Current Tariff	
Monthly Fixed Charge (\$)	\$ 24.85
Distribution Volumetric Rate (\$/kWh)	\$ 0.0139

B Current Fixed/Variable Split

	Base Rates	Billing Determinants	Revenue	% of Total Revenue
Fixed	24.85	15,555	\$ 4,638,426.45	69.59%
Variable	0.0139	145,847,424	\$ 2,027,279.19	30.41%
TOTAL	-	-	\$ 6,665,705.64	-

C Calculating Test Year Base Rates

Number of Remaining Rate Design Policy Transition Years ²	3
--	---

	Test Year Revenue @ Current F/V Split	Test Year Base Rates @ Current F/V Split	Reconciliation - Test Year Base Rates @ Current F/V Split
Fixed	\$ 5,611,486.12	30.06	\$ 5,610,909.42
Variable	\$ 2,452,566.43	0.0168	\$ 2,450,236.72
TOTAL	\$ 8,064,052.55	-	\$ 8,061,146.14

	New F/V Split	Revenue @ new F/V Split	Final Adjusted Base Rates	Revenue Reconciliation @ Adjusted Rates
Fixed	79.72%	\$ 6,429,008.26	\$ 34.44	\$ 6,428,467.08
Variable	20.28%	\$ 1,635,044.29	\$ 0.0112	\$ 1,633,491.14
TOTAL	-	\$ 8,064,052.55	-	\$ 8,061,958.22

Checks ³	
Change in Fixed Rate	\$ 4.38
Difference Between Revenues @ Proposed Rates and Class Specific	(\$2,094.33)
	-0.03%

Table 18: Bill Impact for 10th Percentile Consumption

Customer Class:	RESIDENTIAL SERVICE CLASSIFICATION		
RPP / Non-RPP:	RPP		
Consumption	340	kWh	
Demand	-	kW	
Current Loss Factor	1.0723		
Proposed/Approved Loss Factor	1.0604		

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 24.85	1	\$ 24.85	\$ 34.44	1	\$ 34.44	\$ 9.59	38.59%
Distribution Volumetric Rate	\$ 0.0139	340	\$ 4.73	\$ 0.0112	340	\$ 3.81	\$ (0.92)	-19.42%
Fixed Rate Riders	\$ 2.21	1	\$ 2.21	\$ 2.03	1	\$ 2.03	\$ (0.18)	-8.14%
Volumetric Rate Riders	\$ 0.0013	340	\$ 0.43	\$ -	340	\$ -	\$ (0.43)	-100.00%
Sub-Total A (excluding pass through)			\$ 32.22			\$ 40.28	\$ 8.06	25.01%
Line Losses on Cost of Power	\$ 0.0822	25	\$ 2.02	\$ 0.0822	21	\$ 1.69	\$ (0.33)	-16.46%
Total Deferral/Variance Account Rate Riders	\$ 0.0002	340	\$ 0.07	\$ 0.0005	340	\$ 0.17	\$ 0.10	150.00%
GA Rate Riders								
Low Voltage Service Charge	\$ 0.0022	340	\$ 0.75	\$ 0.0025	340	\$ 0.85	\$ 0.10	13.64%
Smart Meter Entity Charge (if applicable)	\$ 0.5700	1	\$ 0.57	\$ 0.5700	1	\$ 0.57	\$ -	0.00%
Sub-Total B - Distribution (includes Sub-Total A)			\$ 35.62			\$ 43.56	\$ 7.93	22.26%
RTSR - Network	\$ 0.0057	365	\$ 2.08	\$ 0.0067	361	\$ 2.42	\$ 0.34	16.24%
RTSR - Connection and/or Line and Transformation Connection	\$ 0.0041	365	\$ 1.49	\$ 0.0050	361	\$ 1.80	\$ 0.31	20.60%
Sub-Total C - Delivery (including Sub-Total B)			\$ 39.20			\$ 47.77	\$ 8.58	21.88%
Wholesale Market Service Charge (WMSC)	\$ 0.0036	365	\$ 1.31	\$ 0.0036	361	\$ 1.30	\$ (0.01)	-1.11%
Rural and Remote Rate Protection (RRRP)	\$ 0.0003	365	\$ 0.11	\$ 0.0003	361	\$ 0.11	\$ (0.00)	-1.11%
Standard Supply Service Charge	\$ 0.2500	1	\$ 0.25	\$ 0.2500	1	\$ 0.25	\$ -	0.00%
Debt Retirement Charge (DRC)								
TOU - Off Peak	\$ 0.0650	221	\$ 14.37	\$ 0.0650	221	\$ 14.37	\$ -	0.00%
TOU - Mid Peak	\$ 0.0950	58	\$ 5.49	\$ 0.0950	58	\$ 5.49	\$ -	0.00%
TOU - On Peak	\$ 0.1320	61	\$ 8.08	\$ 0.1320	61	\$ 8.08	\$ -	0.00%
Total Bill on TOU (before Taxes)			\$ 68.80			\$ 77.36	\$ 8.56	12.44%
HST	13%		\$ 8.94	13%		\$ 10.06	\$ 1.11	12.44%
8% Rebate	8%		\$ (5.50)	8%		\$ (6.19)	\$ (0.68)	
Total Bill on TOU			\$ 77.75			\$ 87.42	\$ 9.67	12.44%

Cost Allocation

InnPower Corporation has maintained the proposed cost allocation methodology and has adjusted the fixed variable ratios for the GS > 50 rate class to reflect 2016 approved rates at the approved 2017 load forecast. The resulting fixed /variable splits have been utilized in the determination of rates for this application.

Customer and Load Forecast					From Sheet 11. Cost Allocation and Sheet 12. Residential Rate Design			Fixed / Variable Splits ²	
Customer Class	Volumetric Charge Determinant	Customers / Connections	kWh	kW or kVA	Total Class Revenue Requirement	Monthly Service Charge	Volumetric	Percentage to be entered as a fraction between 0 and 1	
From sheet 10. Load Forecast								Fixed	Variable
Residential	kWh	15,555	145,847,424	-	\$ 8,064,053	\$ 6,429,008	\$ 1,635,044	79.72%	20.28%
GS < 50	kWh	1,034	31,828,340	-	\$ 835,151	\$ 515,548	\$ 319,603	61.73%	38.27%
GS > 50 to 4,999	kW	88	63,763,903	176,744	\$ 958,338	\$ 223,001	\$ 735,337	23.27%	76.73%
Sentinel Lights	kW	161	103,052	286	\$ 43,848	\$ 26,179	\$ 17,670	59.70%	40.30%
Streetlights	kW	2,995	561,223	1,599	\$ 194,479	\$ 148,729	\$ 45,750	76.48%	23.52%
USL	kWh	74	461,015	-	\$ 21,269	\$ 11,342	\$ 9,927	53.33%	46.67%

The following tables present the cost allocation outcomes as per the RRWF model.

Table 19: Allocated Costs by Rate Class

A) Allocated Costs

Name of Customer Class ⁽³⁾	Costs Allocated from Previous Study ⁽¹⁾	%	Allocated Class Revenue Requirement ⁽¹⁾	%
From Sheet 10. Load Forecast				
			(7A)	
1 Residential	\$ 6,624,935	81.51%	\$ 9,022,460	80.47%
2 GS < 50	\$ 579,592	7.13%	\$ 888,367	7.92%
3 GS > 50 to 4,999	\$ 461,496	5.68%	\$ 1,054,533	9.41%
4 Sentinel Lights	\$ 48,922	0.60%	\$ 47,408	0.42%
5 Streetlights	\$ 396,838	4.88%	\$ 174,734	1.56%
6 USL	\$ 15,862	0.20%	\$ 24,096	0.21%
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
Total	\$ 8,127,645	100.00%	\$ 11,211,597	100.00%

Table 20: Calculated Class Revenues

B) Calculated Class Revenues

Name of Customer Class	Load Forecast (LF) X current approved rates (7B)	LF X current approved rates X (1+d) (7C)	LF X Proposed Rates (7D)	Miscellaneous Revenues (7E)
1 Residential	\$ 6,665,706	\$ 8,064,199	\$ 8,064,053	\$ 907,881
2 GS < 50	\$ 690,314	\$ 835,144	\$ 835,151	\$ 84,664
3 GS > 50 to 4,999	\$ 684,069	\$ 827,589	\$ 958,338	\$ 79,428
4 Sentinel Lights	\$ 36,244	\$ 43,848	\$ 43,848	\$ 4,844
5 Streetlights	\$ 268,799	\$ 325,194	\$ 194,479	\$ 15,210
6 USL	\$ 17,483	\$ 21,151	\$ 21,269	\$ 2,444
7				
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15				
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17				
18				
19				
20				

Table 21: Rebalancing Revenue to Cost Ratios

C) Rebalancing Revenue-to-Cost Ratios

Name of Customer Class	Previously Approved Ratios Most Recent Year: 2013 %	Status Quo Ratios (7C + 7E) / (7A) %	Proposed Ratios (7D + 7E) / (7A) %	Policy Range %
1 Residential	97.60%	99.44%	99.44%	85 - 115
2 GS < 50	120.00%	103.54%	103.54%	85 - 115
3 GS > 50 to 4,999	120.00%	86.01%	98.41%	80 - 120
4 Sentinel Lights	97.60%	102.71%	102.71%	80 - 120
5 Streetlights	97.60%	194.81%	120.00%	80 - 120
6 USL	120.00%	97.92%	98.41%	80 - 120
7				
8				
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20				

Table 22: Proposed Revenue to Cost Ratios

(D) *Proposed Revenue-to-Cost Ratios* ⁽¹⁾

Name of Customer Class		Proposed Revenue-to-Cost Ratio			Policy Range
		Test Year	Price Cap IR Period		
		2017	2018	2019	
1	Residential	99.44%	99.44%	99.44%	85 - 115
2	GS < 50	103.54%	103.54%	103.54%	85 - 115
3	GS > 50 to 4,999	98.41%	98.41%	98.41%	80 - 120
4	Sentinel Lights	102.71%	102.71%	102.71%	80 - 120
5	Streetlights	120.00%	120.00%	120.00%	80 - 120
6	USL	98.41%	98.41%	98.41%	80 - 120
7					
8					
9					
10					
11					
12					

Retail Transmission & Low Voltage Rates

RTSR

RTSR rates have been calculated based on the most recent RTSR rates approved for Hydro One. The following table presents the RTSR rates utilized in this DRO.

Table 23: RTSR Rates

Rate Class	Rate Description	Unit	Adjusted RTSR- Network	Loss Adjusted Billed kWh	Billed kW	Billed Amount	Billed Amount %	Current Wholesale Billing	Proposed RTSR- Network
Residential	RTSR - Network	kWh	0.0070	159,434,854	0	1,114,359	65.3%	1,063,683	0.0067
General Service Less Than 50 kW	RTSR - Network	kWh	0.0064	36,017,209	0	229,657	13.5%	219,214	0.0061
General Service 50 to 4,999 kW	RTSR - Network	kW	2.4996		66,619	166,524	9.8%	158,951	2.3860
General Service 50 to 4,999 kW – Interval Metered	RTSR - Network	kW	2.4996		74,982	187,428	11.0%	178,905	2.3860
Unmetered Scattered Load	RTSR - Network	kWh	0.0064	494,490	0	3,153	0.2%	3,010	0.0061
Sentinel Lighting	RTSR - Network	kW	1.9563		298	583	0.0%	556	1.8673
Street Lighting	RTSR - Network	kW	1.9464		2,886	5,617	0.3%	5,362	1.8579

The purpose of this table is to update the re-aligned RTS Connection Rates to recover future wholesale connection costs.

Rate Class	Rate Description	Unit	Adjusted RTSR- Connection	Loss Adjusted Billed kWh	Billed kW	Billed Amount	Billed Amount %	Current Wholesale Billing	Proposed RTSR- Connection
Residential	RTSR - Connection	kWh	0.0050	159,434,854	0	802,519	59.6%	791,941	0.0050
General Service Less Than 50 kW	RTSR - Connection	kWh	0.0048	36,017,209	0	172,450	12.8%	170,177	0.0047
General Service 50 to 4,999 kW	RTSR - Connection	kW	2.6711		66,619	177,945	13.2%	175,599	2.6359
General Service 50 to 4,999 kW – Interval Metered	RTSR - Connection	kW	2.5026		74,982	187,653	13.9%	185,180	2.4697
Unmetered Scattered Load	RTSR - Connection	kWh	0.0048	494,490	0	2,368	0.2%	2,336	0.0047
Sentinel Lighting	RTSR - Connection	kW	2.0876		298	622	0.0%	614	2.0600
Street Lighting	RTSR - Connection	kW	1.4080		2,886	4,064	0.3%	4,010	1.3895

Low Voltage Rates

InnPower Corporation will continue to monitor its collection of LV rates to ensure that the account maintains a debit position. If the credit trend continues, IPC will propose an update to LV rates as part of a future IRM application.

Table 24: Low Voltage Rates

InnPower						
RATES - Low Voltage Adjustment						
Customer Class	LV Adj. Allocated	Calculated kWh	Calculated kW	Volumetric Rate Type	LV/ Adj. Rates/kWh	LV Adj. Rates/ kW
Residential	365,140	145,847,424		kWh	0.0025	
GS < 50 kW	75,797	31,828,340		kWh	0.0024	
GS >50 to 4999 kW	234,812	63,763,903	176,744	kW		1.3285
Sentinel Lights	297	103,052	286	kW		1.0383
Street Lighting	1,120	561,223	1,599	kW		0.7003
Unmetered and Scattered	1,098	461,015		kWh	0.0024	
TOTALS	678,263	242,564,957	178,629			

Deferral and Variance Accounts

InnPower Corporation has corrected the overwritten hard number in cell D7 on Tab 5 – Allocation of Balances with the correct formula. This correction has now included the \$3,701 balance in the 1580 Sub Account WMS CBR Class B balance. To this end, IPC has updated Table 22: DVA Balances as per Board Decision EB-2016-0085, which also incorporates the projected interest to December 31, 2017 on the Group 2 balances. Additionally, the appropriate load forecast values have been updated on Tab 4: Billing Determinants.

InnPower Corporation has requested a two-year timeframe for the calculated DVA Rate Riders, commencing May 1, 2018 and ending April 30, 2020, subject to Board Approval.

The revised table is presented below:

Table 25: Updated DVA Balances (Excluding Accounts 1568, 1572, 1588 and 1589)

		December 31, 2015 Balances with projected Interest to December 31, 2016	December 31, 2015 Balances with projected Interest to December 31, 2017
Group 1	Account No.		
LV Variance Account	1550	\$ 307,729	\$ 311,371
Smaret Metering Entity Charge Variance Account	1551	\$ (5,532)	\$ (5,598)
RSVA - Wholesale Market Charge	1580	\$ (539,081)	\$ (545,280)
Variance WMS - Sub Account CBR Class B	1580	\$ 3,823	\$ 3,701
RSVA - Retail Transmission Network Charge	1584	\$ 94,572	\$ 95,687
RSVA - Retail Transmission Connection Charge	1586	\$ 188,124	\$ 190,348
Disposition and Recovery/Refund of Regulatory Balances (2009)	1595	\$ (352)	\$ (352)
Disposition and Recovery/Refund of Regulatory Balances (2012)	1595	\$ 6,711	\$ 6,791
Disposition and Recovery/Refund of Regulatory Balances (2013)	1595	\$ 104	\$ 106
Disposition and Recovery/Refund of Regulatory Balances (2014)	1595	\$ (13,803)	\$ (28,862)
Disposition and Recovery/Refund of Regulatory Balances (2015)	1595	\$ 203,730	\$ 205,483
Total of Group 1 Balances		\$ 246,025	\$ 233,394
Group 2	Account No.	December 31, 2015 Balances with projected Interest to December 31, 2016	December 31, 2015 Balances with projected Interest to December 31, 2017
Other Regulatory Assets - Sub Account Def. IFRS Transition Costs	1508	\$ 11,929	\$ 11,925
Other Regulatory Assets - Sub Account - Other	1508	\$ 2,565	\$ 2,596
Retail Cost Variance Account - Retail	1518	\$ 61,171	\$ 61,883
Retail Cost Variance Account - STR	1548	\$ 26,247	\$ 26,548
Total of Group 2 Balances		\$ 101,912	\$ 102,952

Accounts 1568, 1572, 1588, and 1589

Account 1568 - InnPower Corporation will continue to record balances in Account 1568 commencing January 1, 2016 onwards for future consideration

Account 1572 – InnPower Corporation will be foregoing the amount of \$296,000 to be recorded in Account 1572

Account 1588/1589 – InnPower Corporation will be requesting disposition of Account 1588/1589 in its next IRM application after a complete review of the accounts.

New DVA Accounts

The Decision and Order approves two new variance Accounts to be effective January 1, 2018,

- Account 1508 – Other Regulatory Assets, Sub-Account Difference in Revenues from Affiliate Services
- Account 1508 - Other Regulatory Assets, Sub-Account Difference in Expenses from Affiliate Services
- Account 1508 – Other Regulatory Assets, Sub Account – Vegetation Management Revenues on Joint Use Poles

InnPower Corporation has enclosed the Draft Accounting Orders for the aforementioned Accounts in Schedule 1 of this document.

Rate Riders

InnPower Corporation extended three rate riders beyond the approved expiry or sunset date of December 31, 2016. The Rate Riders were ended effective December 31, 2017.

Rate Rider for Disposition of Capital Gains

As directed, InnPower Corporation will transfer any over refunded balances for the Rate Rider for Disposition of Capital Gains to a sub-account in Account 1595 for future disposition.

Rate Rider for Disposition of Deferral/Variance Account (2016) & Rate Rider for Disposition of Global Adjustment Account (2016)

To the extent of under and or over collection of the 2016 DVA and 2016 Global Adjustment balances, the residual balances in Account 1595 will be addressed in a future application.

Calculation of Foregone Revenue Rate Rider

InnPower Corporation is in agreement with Board Staff on the calculation of the Foregone Revenue in that it should deduct revenue collected in 2018 under 2016 rates. IPC has adopted the methodology put forth by Board Staff however has updated some of the calculations due to corrections in the load forecast, COP and determination of 2017 fixed and variable rates. The revised changes result in a Foregone Revenue of \$288,941.30.

IPC will end the current ICM Rate Riders on April 30, 2018, subject to OEB approval. The 2017 Rate Riders for Foregone Revenue will commence on May 1, 2018 and expire on December 31, 2018 for a period of 8 months as per the Decision and Order issued on March 8, 2018.

Step 1 - Calculation of Forgone Revenue						
Forgone Revenue under Fixed Charges						
Fixed	Customers and or Connections	2016 Rate Charged	ICM Rate Rider Charged	2017 Rate Per Decision	Net Rate Differential	Forgone Revenue
RESIDENTIAL	15,555	\$ 24.85	\$ 2.21	\$ 34.44	\$ 7.38	\$ 459,183.60
GS < 50 KW	1,034	\$ 34.33	\$ 3.65	\$ 41.53	\$ 3.55	\$ 14,694.82
GS > 50 KW TO 4,999 KW	88	\$ 151.60	\$ 16.12	\$ 212.38	\$ 44.66	\$ 15,721.08
STREET LIGHTING	2,995	\$ 5.72	\$ 0.61	\$ 4.14	\$ (2.19)	\$ (26,254.44)
SENTINEL	161	\$ 11.20	\$ 1.19	\$ 13.55	\$ 1.16	\$ 747.03
USL	74	\$ 10.57	\$ 1.12	\$ 12.86	\$ 1.17	\$ 346.12
	19,907					\$ 464,438.21
Forgone Revenue under Variable Charges						
Volumetric	kWh/kW	2016 Rate Charged	ICM Rate Rider Charged	2017 Rate Per Decision	Net Rate Differential	Forgone Revenue
RESIDENTIAL (kWh)	145,847,424	\$ 0.0139	\$ 0.0020	\$ 0.0112	\$ (0.0047)	\$ (227,796.28)
GS < 50 KW (kWh)	31,828,340	\$ 0.0083	\$ 0.0009	\$ 0.0100	\$ 0.0008	\$ 8,927.36
GS > 50 KW TO 4,999 (KW)	176,744	\$ 3.1132	\$ 0.3311	\$ 4.3039	\$ 0.8596	\$ 50,642.63
STREET LIGHTING (kW)	1,599	\$ 39.5544	\$ 4.2063	\$ 28.6180	\$ (15.1427)	\$ (8,071.06)
SENTINEL (kW)	286	\$ 51.0173	\$ 5.4252	\$ 61.7217	\$ 5.2792	\$ 503.29
USL (kWh)	461,015	\$ 0.0177	\$ 0.0019	\$ 0.0215	\$ 0.0019	\$ 297.14
						\$ (175,496.92)

Step 2 - Calculation of Rate Riders to recover Forgone Revenue				
Fixed Rate Riders for recovery of Forgone Revenue				
Fixed	Customers and or Connections	Total Forgone Reveue Fixed	Fixed Rate Rider	
RESIDENTIAL	15,555	\$ 231,387	\$ 1.86	
GS < 50 KW	1,034	\$ 14,695	\$ 1.78	
GS > 50 KW TO 4,999 KW	88	\$ 15,721	\$ 22.33	
STREET LIGHTING	2,995	\$ (26,254)	\$ (1.10)	
SENTINEL	161	\$ 747	\$ 0.58	
USL	74	\$ 346	\$ 0.58	
	19,907	\$ 236,642		
Note: the Residential recovery includes both fixed and variable forgone revenue under a fixed rate rider				
Variable Rate Riders for recovery of Forgone Revenue				
Volumetric	kWh/kW	Total Forgone Reveue Vol	Vol Rate Rider	
RESIDENTIAL (kWh)	145,847,424	\$ -	\$ -	
GS < 50 KW (kWh)	31,828,340	\$ 8,927	\$ 0.0004	
GS > 50 KW TO 4,999 (KW)	176,744	\$ 50,643	\$ 0.4298	
STREET LIGHTING (kW)	1,599	\$ (8,071)	\$ (7.5713)	
SENTINEL (kW)	286	\$ 503	\$ 2.6396	
USL (kWh)	461,015	\$ 297	\$ 0.0010	
		\$ 52,299		

The resulting Foregone Revenue Rate Riders (Fixed and Variable) were then updated to the Bill Impact model to create the revised Tariff and resulting bill impacts. InnPower Corporation has included the excel spreadsheet which presents the calculation of the Foregone Revenue Rate Riders.

Other Operating Revenue

Specific Service Charges

The following Specific Service Charges have been updated in the revised Tariff.

- An increase in the “Disconnect/reconnect charge – at meter- during regular hours” charge from \$40 to \$65 to better reflect current contractor average costs for disconnects/reconnects. InnPower Corporation notes that this charge should only apply upon the reconnection of a service that has been disconnected.
- An increase in the “Temporary Service – Install & Removal – Underground – No Transformer” charge from \$300 to \$468, to better reflect actual costs associated with both the install and removal portions of the activity.
- An increase in the “Temporary Service – Install & Remove – Overhead – No Transformer” charge from \$500 to \$632, to better reflect the actual costs associated with both the installation and removal activities.
- An increase in the “Temporary Service – Install & Remove – Overhead – With Transformer” charge from \$1000 to \$2525, to better reflect the actual costs associated with both installation and removal activities.

MicroFIT Charges

InnPower Corporation has updated the microFIT charge to be \$5.40 per month in the revised Tariff.

Pole Attachment Charge

InnPower Corporation has updated the appropriate models to reflect the Settlement Agreement increase in Other Revenues for Account 4210 to \$269,217. Please refer to Table 9: Appendix 2-H Summary of Other Revenue contained in this document.

InnPower Corporation has also filed a Draft Accounting Order to record revenue for Vegetation Management consistent with the Settlement Agreement. The Draft Accounting Order is presented in Schedule 1 of this document.

Other Income

InnPower Corporation has updated all aspects of Other Income as detailed in this Decision and Order, including the proposed operating revenue related to revenues related to affiliate services, pole attachment settlement agreement, and the inclusion of \$33,000 for leasing revenues related to the Corporate Headquarters and Operations Centre. The overall changes within this Decision and Order result in the following for the purposes of rate setting for this application:

Service Revenue Requirement - \$11,211,597

Less Revenue Offsets - \$1,094,472

Base Revenue Requirement - \$10,117,125

The following tables present the updated revenue deficiency/sufficiency and revenue offsets from the RRWF model.

Table 26: Revenue Deficiency/Sufficiency RRWF

Summary Table of Revenue Requirement and Revenue Deficiency/Sufficiency

	Application	Settlement Agreement	Δ% ⁽²⁾	Per Board Decision	Δ% ⁽²⁾
Service Revenue Requirement	\$12,015,057	\$11,922,011	(\$0)	\$11,211,597	(\$1)
Grossed-Up Revenue					
Deficiency/(Sufficiency)	\$2,436,466	\$2,592,883	\$0	\$1,788,848	(\$1)
Base Revenue Requirement (to be recovered from Distribution Rates)	\$10,907,936	\$10,946,254	\$0	\$10,117,125	(\$1)
Revenue Deficiency/(Sufficiency)					
Associated with Base Revenue Requirement	\$2,436,466	\$1,788,848	(\$0)	\$1,788,848	(\$1)

Table 27: Summary of Other Revenues & Revenue Offsets

Notes

Other Revenues / Revenue Offsets

(1)	Specific Service Charges	\$170,000	\$ -	\$170,000	\$ -	\$170,000
	Late Payment Charges	\$78,000	\$33,252	\$111,252	\$ -	\$111,252
	Other Distribution Revenue	\$829,121	(\$164,615)	\$664,506	\$118,714	\$783,220
	Other Income and Deductions	\$30,000	\$ -	\$30,000	\$ -	\$30,000
	Total Revenue Offsets	\$1,107,121	(\$131,363)	\$975,758	\$118,714	\$1,094,472

InnPower Corporation has updated and enclosed Appendix 2-H – Other Operating Revenue from the Chapter 2 Appendices.

Table 28: Appendix 2-H Other Operating Revenue

**Appendix 2-H
Other Operating Revenue**

USoA #	USoA Description	2013 Actual	2014 Actual	2015 Actual ²	Actual Year ²	Bridge Year ²	Test Year
	Reporting Basis	2013 CGAAP	2014 CGAAP	2015 CGAAP	2015 MIFRS	2016 MIFRS	2017 MIFRS
4210	Rent from Electric Property	-\$ 153,289	-\$ 169,620	-\$ 161,207	-\$ 162,034	-\$ 162,034	-\$ 269,217
4225	Late Payment Charges	-\$ 73,904	-\$ 84,703	-\$ 96,925	-\$ 96,925	-\$ 111,252	-\$ 111,252
4235	Specific Service Charges	-\$ 116,157	-\$ 139,676	-\$ 156,170	-\$ 156,170	-\$ 159,223	-\$ 170,000
4245	Deferred Revenues - Contributions	\$ -	\$ -	\$ -	-\$ 313,330	-\$ 376,051	-\$ 547,497
4355	Gain on Dispositions	\$ -	-\$ 4,450	-\$ 440,397	-\$ 440,397	\$ 8,791	\$ 183,094
4375	Revenues from Non Utility Operations	-\$ 682,460	-\$ 801,855	-\$ 775,120	-\$ 775,120	-\$ 1,354,978	-\$ 1,599,850
4380	Expenses of Non Utility Operations	\$ 627,785	\$ 718,395	\$ 689,823	\$ 689,823	\$ 1,250,847	\$ 1,543,250
4390	Misc Non Operating Expense	-\$ 11,015	-\$ 10,882	-\$ 30,116	-\$ 30,116	-\$ 57,992	-\$ 93,000
4405	Interest and Dividend Income	-\$ 26,558	-\$ 39,974	-\$ 27,918	-\$ 27,918	-\$ 29,388	-\$ 30,000
	Total	-\$ 435,598	-\$ 532,765	-\$ 998,029	-\$ 1,312,186	-\$ 991,280	-\$ 1,094,472
	Specific Service Charges	-\$ 116,157	-\$ 139,676	-\$ 156,170	-\$ 156,170	-\$ 159,223	-\$ 170,000
	Late Payment Charges	-\$ 73,904	-\$ 84,703	-\$ 96,925	-\$ 96,925	-\$ 111,252	-\$ 111,252
	Other Operating Revenues (4210 & 4245)	-\$ 153,289	-\$ 169,620	-\$ 161,207	-\$ 475,364	-\$ 538,084	-\$ 816,714
	Other Income or Deductions (4355, 4375, 4380, 4390, 4405)	-\$ 92,248	-\$ 138,766	-\$ 583,728	-\$ 583,728	-\$ 182,721	\$ 3,494
	Total	-\$ 435,598	-\$ 532,765	-\$ 998,029	-\$ 1,312,186	-\$ 991,280	-\$ 1,094,472

InnPower Corporation's Collection Process

InnPower Corporation has initiated a full review of its collection process with a focus on the following areas:

- Timing and nature of notices
- Providing descriptions of miscellaneous charges in IPC's Conditions of Service
- Update IPC's Conditions of Service to reflect Customer service policies, specifically disconnect and reconnect policies
- Consider Customer feedback on the design of collection policies
- Incorporate the collection process in conjunction with our policies in our Conditions of Service
- Ensure that revised policies are readily available to customers, Conditions of Service, website updates, and consumer education

InnPower Corporation will monitor the progress of the OEB's review of customer service policies (EB-2017-0183) ensure that any resulting changes align with our internal collection process review.

Bill Impacts and Draft Rate Order

InnPower Corporation has updated all applicable models and work forms to undertake the issuance of the Draft Rate Order for this application EB-2016-0085. IPC has enclosed the live excel Bill Impact model and DRO. InnPower Corporation's 2018 Draft Tariff, has not been generated by the Bill Impact Model. OEB Staff provided InnPower an updated excel file to populate the rates outside of the model as the wording contained in the (for the tariff generation) Bill Impact Model was outdated. The Bill Impact Model was utilized primarily to generate bill impacts for the respective rate classes.

- 2017_Tariff_Schedule_and_Bill_Impact_Model_EB-2016-0085 TC_20180423Rev.xlsx
- InnPower 2018 Draft Tariff _OEB_EB-2016-0085_20180423Rev.xlsx

Bill Impacts

InnPower Corporation would like to note that the majority of the bill impacts identified on page 17 and 18 of the reply submission are outside of IPC's control to rectify. As with the March 26, 2018 Draft Rate order submission, IPC required Board Staff IT personnel to modify the model to calculate the bill impacts bases on inputs provided on the Tariff Tab provided by IPC. In many cases, the tariff reflected a change but it did not carry-over to the Bill impact derivation. Multiple iterations of the models were exchanged with Board Staff and IPC appreciates the support/assistance provided to generate appropriate bill impacts.

Items that IPC had no impact on were,

- OESP
- TOU Commodity Rates
- Tax impacts

IPC understands the need for the modifications as this model was designed for 2016 Bill Impacts and did not reflect many of the market changes since that time.

With the updates provided in this reply response, the following table provides a summary of the Bill Impacts by Rate Class. InnPower Corporation has also provided bill impacts to reflect Non-RPP rate classes for the General Service > 50 Rate Class and Street Lighting for comparison purposes.

The aforementioned table identifies four rate classes that are greater than a 10 % on the total bill, Residential RPP 10th Percentile, General Service > 50 kW RPP, Unmetered Scattered Load and Sentinel Lighting.

1. Residential Transition to Fully Fixed Rate impact is \$4.38 for the 10th percentile consumer
2. Foregone Revenue Rate Rider to be collected over a 8 month timeframe May 1, 2018 to December 31, 2018
3. Fixed/Variable split for the General Service > 50 rate class, 2016 rates applied to 2017 load forecast
4. InnPower Corporation customers have not had a rate increase since January 1, 2016

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Residential RPP

Customer Class:	RESIDENTIAL SERVICE CLASSIFICATION	
RPP / Non-RPP:	RPP	
Consumption	750	kWh
Demand	-	kW
Current Loss Factor	1.0723	
Proposed/Approved Loss Factor	1.0604	

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 24.85	1	\$ 24.85	\$ 34.44	1	\$ 34.44	\$ 9.59	38.59%
Distribution Volumetric Rate	\$ 0.0139	750	\$ 10.43	\$ 0.0112	750	\$ 8.40	\$ (2.03)	-19.42%
Fixed Rate Riders	\$ 2.21	1	\$ 2.21	\$ 2.03	1	\$ 2.03	\$ (0.18)	-8.14%
Volumetric Rate Riders	\$ 0.0013	750	\$ 0.96	\$ -	750	\$ -	\$ (0.96)	-100.00%
Sub-Total A (excluding pass through)			\$ 38.44			\$ 44.87	\$ 6.43	16.73%
Line Losses on Cost of Power	\$ 0.0822	54	\$ 4.46	\$ 0.0822	45	\$ 3.72	\$ (0.73)	-16.46%
Total Deferral/Variance Account Rate Riders	\$ 0.0002	750	\$ 0.15	\$ 0.0005	750	\$ 0.38	\$ 0.23	150.00%
GA Rate Riders								
Low Voltage Service Charge	\$ 0.0022	750	\$ 1.65	\$ 0.0025	750	\$ 1.88	\$ 0.23	13.64%
Smart Meter Entity Charge (if applicable)	\$ 0.5700	1	\$ 0.57	\$ 0.5700	1	\$ 0.57	\$ -	0.00%
Sub-Total B - Distribution (includes Sub-Total A)			\$ 45.27			\$ 51.41	\$ 6.15	13.58%
RTSR - Network	\$ 0.0057	804	\$ 4.58	\$ 0.0067	795	\$ 5.33	\$ 0.74	16.24%
RTSR - Connection and/or Line and Transformation Connection	\$ 0.0041	804	\$ 3.30	\$ 0.0050	795	\$ 3.98	\$ 0.68	20.60%
Sub-Total C - Delivery (including Sub-Total B)			\$ 53.15			\$ 60.72	\$ 7.57	14.24%
Wholesale Market Service Charge (WMS)	\$ 0.0036	804	\$ 2.90	\$ 0.0036	795	\$ 2.86	\$ (0.03)	-1.11%
Rural and Remote Rate Protection (RRRP)	\$ 0.0003	804	\$ 0.24	\$ 0.0003	795	\$ 0.24	\$ (0.00)	-1.11%
Standard Supply Service Charge	\$ 0.2500	1	\$ 0.25	\$ 0.2500	1	\$ 0.25	\$ -	0.00%
Debt Retirement Charge (DRC)								
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%
Total Bill on TOU (before Taxes)			\$ 118.15			\$ 125.69	\$ 7.54	6.38%
HST	13%		\$ 15.36	13%		\$ 16.34	\$ 0.98	6.38%
8% Rebate	8%		\$ (9.45)	8%		\$ (10.06)	\$ (0.60)	
Total Bill on TOU			\$ 133.51			\$ 142.03	\$ 8.51	6.38%

Residential Non RPP

Customer Class:	RESIDENTIAL SERVICE CLASSIFICATION	
RPP / Non-RPP:	Non-RPP (Retailer)	
Consumption	750	kWh
Demand	-	kW
Current Loss Factor	1.0723	
Proposed/Approved Loss Factor	1.0604	

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 24.85	1	\$ 24.85	\$ 34.44	1	\$ 34.44	\$ 9.59	38.59%
Distribution Volumetric Rate	\$ 0.0139	750	\$ 10.43	\$ 0.0112	750	\$ 8.40	\$ (2.03)	-19.42%
Fixed Rate Riders	\$ 2.21	1	\$ 2.21	\$ 2.03	1	\$ 2.03	\$ (0.18)	-8.14%
Volumetric Rate Riders	\$ 0.0013	750	\$ 0.96	\$ -	750	\$ -	\$ (0.96)	-100.00%
Sub-Total A (excluding pass through)			\$ 38.44			\$ 44.87	\$ 6.43	16.73%
Line Losses on Cost of Power	\$ 0.1130	54	\$ 6.13	\$ 0.1130	45	\$ 5.12	\$ (1.01)	-16.46%
Total Deferral/Variance Account Rate Riders	\$ 0.0002	750	\$ 0.15	\$ 0.0005	750	\$ 0.38	\$ 0.23	150.00%
GA Rate Riders	\$ 0.0067	750	\$ 5.03	\$ -	750	\$ -	\$ (5.03)	-100.00%
Low Voltage Service Charge	\$ 0.0022	750	\$ 1.65	\$ 0.0025	750	\$ 1.88	\$ 0.23	13.64%
Smart Meter Entity Charge (if applicable)	\$ 0.5700	1	\$ 0.57	\$ 0.5700	1	\$ 0.57	\$ -	0.00%
Sub-Total B - Distribution (includes Sub-Total A)			\$ 51.96			\$ 52.81	\$ 0.85	1.63%
RTSR - Network	\$ 0.0057	804	\$ 4.58	\$ 0.0067	795	\$ 5.33	\$ 0.74	16.24%
RTSR - Connection and/or Line and Transformation Connection	\$ 0.0041	804	\$ 3.30	\$ 0.0050	795	\$ 3.98	\$ 0.68	20.60%
Sub-Total C - Delivery (including Sub-Total B)			\$ 59.84			\$ 62.11	\$ 2.27	3.79%
Wholesale Market Service Charge (WMSC)	\$ 0.0036	804	\$ 2.90	\$ 0.0036	795	\$ 2.86	\$ (0.03)	-1.11%
Rural and Remote Rate Protection (RRRP)	\$ 0.0003	804	\$ 0.24	\$ 0.0003	795	\$ 0.24	\$ (0.00)	-1.11%
Standard Supply Service Charge								
Debt Retirement Charge (DRC)								
Non-RPP Retailer Avg. Price	\$ 0.1130	750	\$ 84.75	\$ 0.1130	750	\$ 84.75	\$ -	0.00%
Total Bill on Non-RPP Avg. Price			\$ 147.73			\$ 149.97	\$ 2.23	1.51%
HST	13%		\$ 19.21	13%		\$ 19.50	\$ 0.29	1.51%
8% Rebate	8%		\$ (11.82)	8%		\$ (12.00)	\$ (0.18)	-1.51%
Total Bill on Non-RPP Avg. Price			\$ 166.94			\$ 169.46	\$ 2.53	1.51%

Residential RPP 10th Percentile

Customer Class:	RESIDENTIAL SERVICE CLASSIFICATION	
RPP / Non-RPP:	RPP	
Consumption	340	kWh
Demand	-	kW
Current Loss Factor	1.0723	
Proposed/Approved Loss Factor	1.0604	

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 24.85	1	\$ 24.85	\$ 34.44	1	\$ 34.44	\$ 9.59	38.59%
Distribution Volumetric Rate	\$ 0.0139	340	\$ 4.73	\$ 0.0112	340	\$ 3.81	\$ (0.92)	-19.42%
Fixed Rate Riders	\$ 2.21	1	\$ 2.21	\$ 2.03	1	\$ 2.03	\$ (0.18)	-8.14%
Volumetric Rate Riders	\$ 0.0013	340	\$ 0.43	\$ -	340	\$ -	\$ (0.43)	-100.00%
Sub-Total A (excluding pass through)			\$ 32.22			\$ 40.28	\$ 8.06	25.01%
Line Losses on Cost of Power	\$ 0.0822	25	\$ 2.02	\$ 0.0822	21	\$ 1.69	\$ (0.33)	-16.46%
Total Deferral/Variance Account Rate Riders	\$ 0.0002	340	\$ 0.07	\$ 0.0005	340	\$ 0.17	\$ 0.10	150.00%
GA Rate Riders								
Low Voltage Service Charge	\$ 0.0022	340	\$ 0.75	\$ 0.0025	340	\$ 0.85	\$ 0.10	13.64%
Smart Meter Entity Charge (if applicable)	\$ 0.5700	1	\$ 0.57	\$ 0.5700	1	\$ 0.57	\$ -	0.00%
Sub-Total B - Distribution (includes Sub-Total A)			\$ 35.62			\$ 43.56	\$ 7.93	22.26%
RTSR - Network	\$ 0.0057	365	\$ 2.08	\$ 0.0067	361	\$ 2.42	\$ 0.34	16.24%
RTSR - Connection and/or Line and Transformation Connection	\$ 0.0041	365	\$ 1.49	\$ 0.0050	361	\$ 1.80	\$ 0.31	20.60%
Sub-Total C - Delivery (including Sub-Total B)			\$ 39.20			\$ 47.77	\$ 8.58	21.88%
Wholesale Market Service Charge (WMSC)	\$ 0.0036	365	\$ 1.31	\$ 0.0036	361	\$ 1.30	\$ (0.01)	-1.11%
Rural and Remote Rate Protection (RRRP)	\$ 0.0003	365	\$ 0.11	\$ 0.0003	361	\$ 0.11	\$ (0.00)	-1.11%
Standard Supply Service Charge	\$ 0.2500	1	\$ 0.25	\$ 0.2500	1	\$ 0.25	\$ -	0.00%
Debt Retirement Charge (DRC)								
TOU - Off Peak	\$ 0.0650	221	\$ 14.37	\$ 0.0650	221	\$ 14.37	\$ -	0.00%
TOU - Mid Peak	\$ 0.0950	58	\$ 5.49	\$ 0.0950	58	\$ 5.49	\$ -	0.00%
TOU - On Peak	\$ 0.1320	61	\$ 8.08	\$ 0.1320	61	\$ 8.08	\$ -	0.00%
Total Bill on TOU (before Taxes)			\$ 68.80			\$ 77.36	\$ 8.56	12.44%
HST	13%		\$ 8.94	13%		\$ 10.06	\$ 1.11	12.44%
8% Rebate	8%		\$ (5.50)	8%		\$ (6.19)	\$ (0.68)	
Total Bill on TOU			\$ 77.75			\$ 87.42	\$ 9.67	12.44%

General Service < 50

Customer Class:	GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	
RPP / Non-RPP:	RPP	
Consumption	2,000	kWh
Demand	-	kW
Current Loss Factor	1.0723	
Proposed/Approved Loss Factor	1.0604	

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 34.33	1	\$ 34.33	\$ 41.53	1	\$ 41.53	\$ 7.20	20.97%
Distribution Volumetric Rate	\$ 0.0083	2000	\$ 16.60	\$ 0.0100	2000	\$ 20.00	\$ 3.40	20.48%
Fixed Rate Riders	\$ 3.65	1	\$ 3.65	\$ 1.78	1	\$ 1.78	\$ (1.87)	-51.23%
Volumetric Rate Riders	\$ 0.0006	2000	\$ 1.18	\$ 0.0006	2000	\$ 1.20	\$ 0.02	2.04%
Sub-Total A (excluding pass through)			\$ 55.76			\$ 64.51	\$ 8.75	15.70%
Line Losses on Cost of Power	\$ 0.0822	145	\$ 11.88	\$ 0.0822	121	\$ 9.92	\$ (1.96)	-16.46%
Total Deferral/Variance Account Rate Riders	\$ 0.0002	2,000	\$ 0.40	\$ 0.0005	2,000	\$ 1.00	\$ 0.60	150.00%
GA Rate Riders								
Low Voltage Service Charge	\$ 0.0020	2,000	\$ 4.00	\$ 0.0024	2,000	\$ 4.80	\$ 0.80	20.00%
Smart Meter Entity Charge (if applicable)	\$ 0.5700	1	\$ 0.57	\$ 0.5700	1	\$ 0.57	\$ -	0.00%
Sub-Total B - Distribution (includes Sub-Total A)			\$ 72.61			\$ 80.80	\$ 8.20	11.29%
RTSR - Network	\$ 0.0052	2,145	\$ 11.15	\$ 0.0061	2,121	\$ 12.94	\$ 1.78	16.01%
RTSR - Connection and/or Line and Transformation Connection	\$ 0.0039	2,145	\$ 8.36	\$ 0.0047	2,121	\$ 9.97	\$ 1.60	19.18%
Sub-Total C - Delivery (including Sub-Total B)			\$ 92.12			\$ 103.71	\$ 11.59	12.58%
Wholesale Market Service Charge (WMSC)	\$ 0.0036	2,145	\$ 7.72	\$ 0.0036	2,121	\$ 7.63	\$ (0.09)	-1.11%
Rural and Remote Rate Protection (RRRP)	\$ 0.0003	2,145	\$ 0.64	\$ 0.0003	2,121	\$ 0.64	\$ (0.01)	-1.11%
Standard Supply Service Charge	\$ 0.2500	1	\$ 0.25	\$ 0.2500	1	\$ 0.25	\$ -	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%
Total Bill on TOU (before Taxes)			\$ 279.06			\$ 290.55	\$ 11.49	4.12%
HST	13%		\$ 36.28	13%		\$ 37.77	\$ 1.49	4.12%
8% Rebate	8%		\$ (22.32)	8%		\$ (23.24)	\$ (0.92)	
Total Bill on TOU			\$ 315.33			\$ 328.32	\$ 12.99	4.12%

General Service > 50 kW RPP

Customer Class:	GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION	
RPP / Non-RPP:	RPP	
Consumption:	25,000	kWh
Demand:	100	kW
Current Loss Factor:	1.0723	
Proposed/Approved Loss Factor:	1.0604	

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 151.60	1	\$ 151.60	\$ 212.38	1	\$ 212.38	\$ 60.78	40.09%
Distribution Volumetric Rate	\$ 3.1132	100	\$ 311.32	\$ 4.3039	100	\$ 430.39	\$ 119.07	38.25%
Fixed Rate Riders	\$ 16.12	1	\$ 16.12	\$ 22.33	1	\$ 22.33	\$ 6.21	38.52%
Volumetric Rate Riders	\$ 0.2689	100	\$ 26.89	\$ 0.5063	100	\$ 50.63	\$ 23.74	88.31%
Sub-Total A (excluding pass through)			\$ 505.93			\$ 715.73	\$ 209.80	41.47%
Line Losses on Cost of Power	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	
Total Deferral/Variance Account Rate Riders	\$ 0.0690	100	\$ 6.90	\$ 0.1617	100	\$ 16.17	\$ 9.27	134.35%
GA Rate Riders								
Low Voltage Service Charge	\$ 0.7883	100	\$ 78.83	\$ 1.3285	100	\$ 132.85	\$ 54.02	68.53%
Smart Meter Entity Charge (if applicable)	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Sub-Total B - Distribution (includes Sub-Total A)			\$ 591.66			\$ 864.75	\$ 273.09	46.16%
RTSR - Network	\$ 2.1047	100	\$ 210.47	\$ 2.3860	100	\$ 238.60	\$ 28.13	13.37%
RTSR - Connection and/or Line and Transformation Connection	\$ 1.4837	100	\$ 148.37	\$ 2.6359	100	\$ 263.59	\$ 115.22	77.66%
Sub-Total C - Delivery (including Sub-Total B)			\$ 950.50			\$ 1,366.94	\$ 416.44	43.81%
Wholesale Market Service Charge (WMSC)	\$ 0.0036	26,808	\$ 96.51	\$ 0.0036	26,510	\$ 95.44	\$ (1.07)	-1.11%
Rural and Remote Rate Protection (RRRP)	\$ 0.0003	26,808	\$ 8.04	\$ 0.0003	26,510	\$ 7.95	\$ (0.09)	-1.11%
Standard Supply Service Charge	\$ 0.2500	1	\$ 0.25	\$ 0.2500	1	\$ 0.25	\$ -	0.00%
Debt Retirement Charge (DRC)	\$ 0.0070	25,000	\$ 175.00	\$ 0.0070	25,000	\$ 175.00	\$ -	0.00%
TOU - Off Peak	\$ 0.0650	17,425	\$ 1,132.62	\$ 0.0650	17,232	\$ 1,120.05	\$ (12.57)	-1.11%
TOU - Mid Peak	\$ 0.0950	4,557	\$ 432.94	\$ 0.0950	4,507	\$ 428.14	\$ (4.80)	-1.11%
TOU - On Peak	\$ 0.1320	4,825	\$ 636.95	\$ 0.1320	4,772	\$ 629.88	\$ (7.07)	-1.11%
Total Bill on TOU (before Taxes)			\$ 3,432.80			\$ 3,823.64	\$ 390.84	11.39%
HST	13%		\$ 446.26	13%		\$ 497.07	\$ 50.81	11.39%
Total Bill on TOU			\$ 3,879.06			\$ 4,320.71	\$ 441.65	11.39%

General Service > 50 kW Non RPP

Customer Class:	GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION
RPP / Non-RPP:	Non-RPP (Other)
Consumption	25,000 kWh
Demand	100 kW
Current Loss Factor	1.0723
Proposed/Approved Loss Factor	1.0604

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 151.60	1	\$ 151.60	\$ 212.38	1	\$ 212.38	\$ 60.78	40.09%
Distribution Volumetric Rate	\$ 3.1132	100	\$ 311.32	\$ 4.3039	100	\$ 430.39	\$ 119.07	38.25%
Fixed Rate Riders	\$ 16.12	1	\$ 16.12	\$ 22.33	1	\$ 22.33	\$ 6.21	38.52%
Volumetric Rate Riders	\$ 0.2689	100	\$ 26.89	\$ 0.5063	100	\$ 50.63	\$ 23.74	88.31%
Sub-Total A (excluding pass through)			\$ 505.93			\$ 715.73	\$ 209.80	41.47%
Line Losses on Cost of Power	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	
Total Deferral/Variance Account Rate Riders	\$ 0.0690	100	\$ 6.90	\$ 0.1617	100	\$ 16.17	\$ 9.27	134.35%
GA Rate Riders	\$ 2.5505	100	\$ 255.05	\$ -	25,000	\$ -	\$ (255.05)	-100.00%
Low Voltage Service Charge	\$ 0.7883	100	\$ 78.83	\$ 1.3285	100	\$ 132.85	\$ 54.02	68.53%
Smart Meter Entity Charge (if applicable)	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Sub-Total B - Distribution (includes Sub-Total A)			\$ 846.71			\$ 864.75	\$ 18.04	2.13%
RTSR - Network	\$ 2.1047	100	\$ 210.47	\$ 2.3860	100	\$ 238.60	\$ 28.13	13.37%
RTSR - Connection and/or Line and Transformation Connection	\$ 1.4837	100	\$ 148.37	\$ 2.6359	100	\$ 263.59	\$ 115.22	77.66%
Sub-Total C - Delivery (including Sub-Total B)			\$ 1,205.55			\$ 1,366.94	\$ 161.39	13.39%
Wholesale Market Service Charge (WMSC)	\$ 0.0036	26,808	\$ 96.51	\$ 0.0036	26,510	\$ 95.44	\$ (1.07)	-1.11%
Rural and Remote Rate Protection (RRRP)	\$ 0.0003	26,808	\$ 8.04	\$ 0.0003	26,510	\$ 7.95	\$ (0.09)	-1.11%
Standard Supply Service Charge								
Debt Retirement Charge (DRC)	\$ 0.0070	25,000	\$ 175.00	\$ 0.0070	25,000	\$ 175.00	\$ -	0.00%
Average IESO Wholesale Market Price	\$ 0.1130	26,808	\$ 3,029.25	\$ 0.1130	26,510	\$ 2,995.63	\$ (33.62)	-1.11%
Total Bill on Average IESO Wholesale Market Price			\$ 4,514.34			\$ 4,640.96	\$ 126.62	2.80%
HST	13%		\$ 586.86	13%		\$ 603.32	\$ 16.46	2.80%
Total Bill on Average IESO Wholesale Market Price			\$ 5,101.21			\$ 5,244.28	\$ 143.08	2.80%

Unmetered Scattered Load

Customer Class:	UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION		
RPP / Non-RPP:	RPP		
Consumption	68	kWh	
Demand	-	kW	
Current Loss Factor	1.0723		
Proposed/Approved Loss Factor	1.0604		

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 10.57	1	\$ 10.57	\$ 12.86	1	\$ 12.86	\$ 2.29	21.67%
Distribution Volumetric Rate	\$ 0.0177	68	\$ 1.20	\$ 0.0215	68	\$ 1.46	\$ 0.26	21.47%
Fixed Rate Riders	\$ 1.12	1	\$ 1.12	\$ 0.58	1	\$ 0.58	\$ (0.54)	-48.21%
Volumetric Rate Riders	\$ 0.0013	68	\$ 0.09	\$ 0.0012	68	\$ 0.08	\$ (0.01)	-6.69%
Sub-Total A (excluding pass through)			\$ 12.98			\$ 14.98	\$ 2.00	15.43%
Line Losses on Cost of Power	\$ 0.0822	5	\$ 0.40	\$ 0.0822	4	\$ 0.34	\$ (0.07)	-16.46%
Total Deferral/Variance Account Rate Riders	\$ -	68	\$ -	\$ 0.0008	68	\$ 0.05	\$ 0.05	
GA Rate Riders								
Low Voltage Service Charge	\$ 0.0020	68	\$ 0.14	\$ 0.0024	68	\$ 0.16	\$ 0.03	20.00%
Smart Meter Entity Charge (if applicable)	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Sub-Total B - Distribution (includes Sub-Total A)			\$ 13.52			\$ 15.54	\$ 2.02	14.92%
RTSR - Network	\$ 0.0052	73	\$ 0.38	\$ 0.0061	72	\$ 0.44	\$ 0.06	16.01%
RTSR - Connection and/or Line and Transformation Connection	\$ 0.0039	73	\$ 0.28	\$ 0.0047	72	\$ 0.34	\$ 0.05	19.18%
Sub-Total C - Delivery (including Sub-Total B)			\$ 14.18			\$ 16.32	\$ 2.13	15.04%
Wholesale Market Service Charge (WMSC)	\$ 0.0036	73	\$ 0.26	\$ 0.0036	72	\$ 0.26	\$ (0.00)	-1.11%
Rural and Remote Rate Protection (RRRP)	\$ 0.0003	73	\$ 0.02	\$ 0.0003	72	\$ 0.02	\$ (0.00)	-1.11%
Standard Supply Service Charge	\$ 0.2500	1	\$ 0.25	\$ 0.2500	1	\$ 0.25	\$ -	0.00%
Debt Retirement Charge (DRC)	\$ 0.0070	68	\$ 0.48	\$ 0.0070	68	\$ 0.48	\$ -	0.00%
TOU - Off Peak	\$ 0.0650	44	\$ 2.87	\$ 0.0650	44	\$ 2.87	\$ -	0.00%
TOU - Mid Peak	\$ 0.0950	12	\$ 1.10	\$ 0.0950	12	\$ 1.10	\$ -	0.00%
TOU - On Peak	\$ 0.1320	12	\$ 1.62	\$ 0.1320	12	\$ 1.62	\$ -	0.00%
Total Bill on TOU (before Taxes)			\$ 20.78			\$ 22.91	\$ 2.13	10.25%
HST	13%		\$ 2.70	13%		\$ 2.98	\$ 0.28	10.25%
Total Bill on TOU			\$ 23.48			\$ 25.89	\$ 2.41	10.25%

Sentinel Lights

Customer Class:	SENTINEL LIGHTING SERVICE CLASSIFICATION	
RPP / Non-RPP:	RPP	
Consumption	150	kWh
Demand	1	kW
Current Loss Factor	1.0723	
Proposed/Approved Loss Factor	1.0604	

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 11.20	1	\$ 11.20	\$ 13.55	1	\$ 13.55	\$ 2.35	20.98%
Distribution Volumetric Rate	\$ 51.0173	1	\$ 51.02	\$ 61.7217	1	\$ 61.72	\$ 10.70	20.98%
Fixed Rate Riders	\$ 1.19	1	\$ 1.19	\$ 0.58	1	\$ 0.58	\$ (0.61)	-51.26%
Volumetric Rate Riders	\$ 2.8891	1	\$ 2.89	\$ 2.7160	1	\$ 2.72	\$ (0.17)	-5.99%
Sub-Total A (excluding pass through)			\$ 66.30			\$ 78.57	\$ 12.27	18.51%
Line Losses on Cost of Power	\$ 0.0822	11	\$ 0.89	\$ 0.0822	9	\$ 0.74	\$ (0.15)	-16.46%
Total Deferral/Variance Account Rate Riders	\$ 0.0655	1	\$ 0.07	\$ 0.0684	1	\$ 0.07	\$ 0.00	4.43%
GA Rate Riders								
Low Voltage Service Charge	\$ 0.6065	1	\$ 0.61	\$ 1.0383	1	\$ 1.04	\$ 0.43	71.20%
Smart Meter Entity Charge (if applicable)	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Sub-Total B - Distribution (includes Sub-Total A)			\$ 67.86			\$ 80.42	\$ 12.56	18.51%
RTSR - Network	\$ 1.5954	1	\$ 1.60	\$ 1.8673	1	\$ 1.87	\$ 0.27	17.04%
RTSR - Connection and/or Line and Transformation Connection	\$ 1.7004	1	\$ 1.70	\$ 2.0600	1	\$ 2.06	\$ 0.36	21.15%
Sub-Total C - Delivery (including Sub-Total B)			\$ 71.16			\$ 84.35	\$ 13.19	18.54%
Wholesale Market Service Charge (WMSC)	\$ 0.0036	161	\$ 0.58	\$ 0.0036	159	\$ 0.57	\$ (0.01)	-1.11%
Rural and Remote Rate Protection (RRRP)	\$ 0.0003	161	\$ 0.05	\$ 0.0003	159	\$ 0.05	\$ (0.00)	-1.11%
Standard Supply Service Charge	\$ 0.2500	1	\$ 0.25	\$ 0.2500	1	\$ 0.25	\$ -	0.00%
Debt Retirement Charge (DRC)	\$ 0.0070	150	\$ 1.05	\$ 0.0070	150	\$ 1.05	\$ -	0.00%
TOU - Off Peak	\$ 0.0650	98	\$ 6.34	\$ 0.0650	98	\$ 6.34	\$ -	0.00%
TOU - Mid Peak	\$ 0.0950	26	\$ 2.42	\$ 0.0950	26	\$ 2.42	\$ -	0.00%
TOU - On Peak	\$ 0.1320	27	\$ 3.56	\$ 0.1320	27	\$ 3.56	\$ -	0.00%
Total Bill on TOU (before Taxes)			\$ 85.41			\$ 98.59	\$ 13.18	15.44%
HST	13%		\$ 11.10	13%		\$ 12.82	\$ 1.71	15.44%
Total Bill on TOU			\$ 96.51			\$ 111.41	\$ 14.90	15.44%

Street Lighting RPP

Customer Class:	STREET LIGHTING SERVICE CLASSIFICATION		
RPP / Non-RPP:	RPP		
Consumption	46,770	kWh	
Demand	133	kW	
Current Loss Factor	1.0723		
Proposed/Approved Loss Factor	1.0604		

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 5.72	2995	\$ 17,131.40	\$ 4.14	2995	\$ 12,399.30	\$ (4,732.10)	-27.62%
Distribution Volumetric Rate	\$ 39.5544	133	\$ 5,260.74	\$ 28.6180	133	\$ 3,806.19	\$ (1,454.54)	-27.65%
Fixed Rate Riders	\$ 0.61	2995	\$ 1,826.95	\$ (1.10)	2995	\$ (3,294.50)	\$ (5,121.45)	-280.33%
Volumetric Rate Riders	\$ 2.8705	133	\$ 381.77	\$ 7.4968	133	\$ (997.07)	\$ (1,378.85)	-361.17%
Sub-Total A (excluding pass through)			\$ 24,600.86			\$ 11,913.92	\$ (12,686.94)	-51.57%
Line Losses on Cost of Power	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	
Total Deferral/Variance Account Rate Riders	\$ 4.3196	133	\$ 574.51	\$ 0.2072	133	\$ 27.56	\$ (546.95)	-95.20%
GA Rate Riders								
Low Voltage Service Charge	\$ 1.6331	133	\$ 217.20	\$ 0.7003	133	\$ 93.14	\$ (124.06)	-57.12%
Smart Meter Entity Charge (if applicable)	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Sub-Total B - Distribution (includes Sub-Total A)			\$ 25,392.57			\$ 12,034.62	\$ (13,357.95)	-52.61%
RTSR - Network	\$ 1.5873	133	\$ 211.11	\$ 1.8579	133	\$ 247.10	\$ 35.99	17.05%
RTSR - Connection and/or Line and Transformation Connection	\$ 1.1469	133	\$ 152.54	\$ 1.3895	133	\$ 184.80	\$ 32.27	21.15%
Sub-Total C - Delivery (including Sub-Total B)			\$ 25,756.21			\$ 12,466.52	\$ (13,289.69)	-51.60%
Wholesale Market Service Charge (WMSC)	\$ 0.0036	50,151	\$ 180.55	\$ 0.0036	49,595	\$ 178.54	\$ (2.00)	-1.11%
Rural and Remote Rate Protection (RRRP)	\$ 0.0003	50,151	\$ 15.05	\$ 0.0003	49,595	\$ 14.88	\$ (0.17)	-1.11%
Standard Supply Service Charge	\$ 0.2500	1	\$ 0.25	\$ 0.2500	1	\$ 0.25	\$ -	0.00%
Debt Retirement Charge (DRC)	\$ 0.0070	46,770	\$ 327.39	\$ 0.0070	46,770	\$ 327.39	\$ -	0.00%
TOU - Off Peak	\$ 0.0650	32,598	\$ 2,118.90	\$ 0.0650	32,237	\$ 2,095.38	\$ (23.51)	-1.11%
TOU - Mid Peak	\$ 0.0950	8,526	\$ 809.95	\$ 0.0950	8,431	\$ 800.96	\$ (8.99)	-1.11%
TOU - On Peak	\$ 0.1320	9,027	\$ 1,191.60	\$ 0.1320	8,927	\$ 1,178.38	\$ (13.22)	-1.11%
Total Bill on TOU (before Taxes)			\$ 30,399.89			\$ 17,062.30	\$ (13,337.59)	-43.87%
HST	13%		\$ 3,951.99	13%		\$ 2,218.10	\$ (1,733.89)	-43.87%
Total Bill on TOU			\$ 34,351.88			\$ 19,280.40	\$ (15,071.48)	-43.87%

Street Lighting Non RPP

Customer Class:	STREET LIGHTING SERVICE CLASSIFICATION	
RPP / Non-RPP:	Non-RPP (Other)	
Consumption	46,770	kWh
Demand	133	kW
Current Loss Factor	1.0723	
Proposed/Approved Loss Factor	1.0640	

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 5.72	2995	\$ 17,131.40	\$ 4.14	2995	\$ 12,399.30	\$ (4,732.10)	-27.62%
Distribution Volumetric Rate	\$ 39.5544	133	\$ 5,260.74	\$ 28.6180	133	\$ 3,806.19	\$ (1,454.54)	-27.65%
Fixed Rate Riders	\$ 0.61	2995	\$ 1,826.95	\$ (1.10)	2995	\$ (3,294.50)	\$ (5,121.45)	-280.33%
Volumetric Rate Riders	\$ 2.8705	133	\$ 381.77	\$ 7.4968	133	\$ (997.07)	\$ (1,378.85)	-361.17%
Sub-Total A (excluding pass through)			\$ 24,600.86			\$ 11,913.92	\$ (12,686.94)	-51.57%
Line Losses on Cost of Power	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	
Total Deferral/Variance Account Rate Riders	\$ 4.3196	133	\$ 574.51	\$ 0.2072	133	\$ 27.56	\$ (546.95)	-95.20%
GA Rate Riders	\$ 2.2385	133	\$ 297.72	\$ -	46,770	\$ -	\$ (297.72)	-100.00%
Low Voltage Service Charge	\$ 1.6331	133	\$ 217.20	\$ 0.7003	133	\$ 93.14	\$ (124.06)	-57.12%
Smart Meter Entity Charge (if applicable)	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Sub-Total B - Distribution (includes Sub-Total A)			\$ 25,690.29			\$ 12,034.62	\$ (13,655.67)	-53.15%
RTSR - Network	\$ 1.5873	133	\$ 211.11	\$ 1.8579	133	\$ 247.10	\$ 35.99	17.05%
RTSR - Connection and/or Line and Transformation Connection	\$ 1.1469	133	\$ 152.54	\$ 1.3895	133	\$ 184.80	\$ 32.27	21.15%
Sub-Total C - Delivery (including Sub-Total B)			\$ 26,053.94			\$ 12,466.52	\$ (13,587.41)	-52.15%
Wholesale Market Service Charge (WMSC)	\$ 0.0036	50,151	\$ 180.55	\$ 0.0036	49,763	\$ 179.15	\$ (1.40)	-0.77%
Rural and Remote Rate Protection (RRRP)	\$ 0.0003	50,151	\$ 15.05	\$ 0.0003	49,763	\$ 14.93	\$ (0.12)	-0.77%
Standard Supply Service Charge								
Debt Retirement Charge (DRC)	\$ 0.0070	46,770	\$ 327.39	\$ 0.0070	46,770	\$ 327.39	\$ -	0.00%
Average IESO Wholesale Market Price	\$ 0.1130	50,151	\$ 5,667.12	\$ 0.1130	49,763	\$ 5,623.25	\$ (43.87)	-0.77%
Total Bill on Average IESO Wholesale Market Price			\$ 32,244.03			\$ 18,611.24	\$ (13,632.79)	-42.28%
HST	13%		\$ 4,191.72	13%		\$ 2,419.46	\$ (1,772.26)	-42.28%
Total Bill on Average IESO Wholesale Market Price			\$ 36,435.76			\$ 21,030.70	\$ (15,405.06)	-42.28%

Draft Tariff

InnPower Corporation TARIFF OF RATES AND CHARGES

Effective Date January 1, 2018

Implementation Date May 1, 2018

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

EB-2016-0085

RESIDENTIAL SERVICE CLASSIFICATION

This classification refers to the supply of electrical energy to residential customers residing in detached, semi detached, townhouse (freehold or condominium) dwelling units, duplexes or triplexes. Supply will be limited up to a maximum of 200 amp @ 240/120 volt. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	34.44
Smart Metering Entity Charge - effective until December 31, 2022	\$	0.57
Rate Rider for Recovery of Foregone Revenue - effective until December 31, 2018	\$	1.86
Rate Rider for Disposition of Group 2 Deferral/Variance Accounts (2017) - effective until April 30, 2020	\$	0.17
Distribution Volumetric Rate	\$/kWh	0.0112
Low Voltage Service Rate	\$/kWh	0.0025
Rate Rider for Disposition of Deferral/Variance Accounts (2017) - effective until April 30, 2020	\$/kWh	0.0016
Rate Rider for Disposition of Deferral/Variance Accounts (2017) - effective until April 30, 2020 - Applicable only for Non-Wholesale Market Participants	\$/kWh	(0.0011)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0067
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0050

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0032
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

InnPower Corporation

TARIFF OF RATES AND CHARGES

Effective Date January 1, 2018

Implementation Date May 1, 2018

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

EB-2016-0085

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

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

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	41.53
Smart Metering Entity Charge - effective until December 31, 2022	\$	0.57
Rate Rider for Recovery of Foregone Revenue - effective until December 31, 2018	\$	1.78
Distribution Volumetric Rate	\$/kWh	0.0100
Low Voltage Service Rate	\$/kWh	0.0024
Rate Rider for Disposition of Deferral/Variance Accounts (2017) - effective until April 30, 2020	\$/kWh	0.0016
Rate Rider for Disposition of Deferral/Variance Accounts (2017) - effective until April 30, 2020 - Applicable only for Non-Wholesale Market Participants	\$/kWh	(0.0011)
Rate Rider for Disposition of Group 2 Deferral/Variance Accounts (2017) - effective until April 30, 2020	\$/kWh	0.0002
Rate Rider for Recovery of Foregone Revenue - effective until December 31, 2018	\$/kWh	0.0004
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0061
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0047

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0032
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

InnPower Corporation
TARIFF OF RATES AND CHARGES
Effective Date January 1, 2018 - Implementation May 1, 2018
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EB-2016-0085

GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION

This classification refers to a non-residential account whose monthly average peak demand is equal to or greater than, or expected to be equal to or greater than 50 kW but less than 5,000 kW. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	212.38
Rate Rider for Recovery of Foregone Revenue - effective until December 31, 2018	\$	22.33
Distribution Volumetric Rate	\$/kW	4.3039
Low Voltage Service Rate	\$/kW	1.3285
Rate Rider for Disposition of Deferral/Variance Accounts (2017) - effective until April 30, 2020	\$/kW	0.5644
Rate Rider for Disposition of Deferral/Variance Accounts (2017) - effective until April 30, 2020 - Applicable only for Non-Wholesale Market Participants	\$/kW	(0.4027)
Rate Rider for Disposition of Group 2 Deferral/Variance Accounts (2017) - effective until April 30, 2020	\$/kW	0.0766
Rate Rider for Recovery of Foregone Revenue - effective until December 31, 2018	\$/kW	0.4298
Retail Transmission Rate - Network Service Rate	\$/kW	2.3860
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.6359
Retail Transmission Rate - Network Service Rate - Interval Metered	\$/kW	2.3860
Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered	\$/kW	2.4697

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0032
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

InnPower Corporation
TARIFF OF RATES AND CHARGES
Effective Date January 1, 2018 - Implementation May 1, 2018
This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2016-0085

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification refers to a non-residential account taking electricity at 240/120 or 120 volts whose monthly peak demand is less than, or expected to be less than, 50kW and the consumption is unmetered. A detailed calculation of the load will be calculated for billing purposes. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	12.86
Rate Rider for Recovery of Foregone Revenue - effective until December 31, 2018	\$	0.58
Distribution Volumetric Rate	\$/kWh	0.0215
Low Voltage Service Rate	\$/kWh	0.0024
Rate Rider for Disposition of Deferral/Variance Accounts (2017) - effective until April 30, 2020	\$/kWh	0.0019
Rate Rider for Disposition of Deferral/Variance Accounts (2017) - effective until April 30, 2020 - Applicable only for Non-Wholesale Market Participants	\$/kWh	(0.0011)
Rate Rider for Disposition of Group 2 Deferral/Variance Accounts (2017) - effective until April 30, 2020	\$/kWh	0.0002
Rate Rider for Recovery of Foregone Revenue - effective until December 31, 2018	\$/kWh	0.0010
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0061
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0047

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0032
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

InnPower Corporation
TARIFF OF RATES AND CHARGES
Effective Date January 1, 2018 - Implementation May 1, 2018
This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2016-0085

SENTINEL LIGHTING SERVICE CLASSIFICATION

This classification refers to accounts that are an unmetered lighting load supplied to a sentinel light. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	13.55
Rate Rider for Recovery of Foregone Revenue - effective until December 31, 2018	\$	0.58
Distribution Volumetric Rate	\$/kW	61.7217
Low Voltage Service Rate	\$/kW	1.0383
Rate Rider for Disposition of Deferral/Variance Accounts (2017) - effective until April 30, 2020	\$/kW	0.4703
Rate Rider for Disposition of Deferral/Variance Accounts (2017) - effective until April 30, 2020 - Applicable only for Non-Wholesale Market Participants	\$/kW	(0.4019)
Rate Rider for Disposition of Group 2 Deferral/Variance Accounts (2017) - effective until April 30, 2020	\$/kW	0.0764
Rate Rider for Recovery of Foregone Revenue - effective until December 31, 2018	\$/kW	2.6396
Retail Transmission Rate - Network Service Rate	\$/kW	1.8673
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.0600

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0032
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

InnPower Corporation
TARIFF OF RATES AND CHARGES
Effective Date January 1, 2018 - Implementation May 1, 2018
This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2016-0085

STREET LIGHTING SERVICE CLASSIFICATION

This classification refers to accounts concerning roadway lighting for a Municipality, Regional Municipality, and/or the Ministry of Transportation. This lighting will be controlled by photocells. The consumption for these customers will be based on the calculated connected load times as established in the approved Ontario Energy Board Street Lighting Load Shape Template. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	4.14
Rate Rider for Recovery of Foregone Revenue - effective until December 31, 2018	\$	(1.10)
Distribution Volumetric Rate	\$/kW	28.6180
Low Voltage Service Rate	\$/kW	0.7003
Rate Rider for Disposition of Deferral/Variance Accounts (2017) - effective until April 30, 2020	\$/kW	0.5991
Rate Rider for Disposition of Deferral/Variance Accounts (2017) - effective until April 30, 2020 - Applicable only for Non-Wholesale Market Participants	\$/kW	(0.3919)
Rate Rider for Disposition of Group 2 Deferral/Variance Accounts (2017) - effective until April 30, 2020	\$/kW	0.0745
Rate Rider for Recovery of Foregone Revenue - effective until December 31, 2018	\$/kW	(7.5713)
Retail Transmission Rate - Network Service Rate	\$/kW	1.8579
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.3895

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0032
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

InnPower Corporation
TARIFF OF RATES AND CHARGES
Effective Date January 1, 2018 - Implementation May 1, 2018
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EB-2016-0085

microFIT SERVICE CLASSIFICATION

This classification applies to an electricity generation facility contracted under the Independent Electricity System Operator's microFIT program and connected to the distributor's distribution system.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	5.40
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ALLOWANCES

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

InnPower Corporation
TARIFF OF RATES AND CHARGES
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EB-2016-0085

SPECIFIC SERVICE CHARGES

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

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

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

Customer Administration

Arrears certificate	\$	15.00
Easement letter	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Returned cheque (plus bank charges)	\$	15.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00

Non-Payment of Account

Late payment - per month	%	1.50
Late payment - per annum	%	19.56
Collection of account charge - no disconnection	\$	15.00
Collection of account charge - no disconnection - after regular hours	\$	165.00
Disconnect/reconnect charge - at meter - during regular hours	\$	65.00
Disconnect/reconnect at meter - after regular hours	\$	185.00
Disconnect/reconnect at pole - during regular hours	\$	185.00
Disconnect/reconnect at pole - after regular hours	\$	415.00
Install/remove load control device - during regular hours	\$	40.00
Install/remove load control device - after regular hours	\$	185.00

Other

Special meter reads	\$	30.00
Temporary service - install & remove - overhead - no transformer	\$	632.00
Temporary service - installation and removal - underground - no transformer	\$	468.00
Temporary service - installation and removal - overhead - with transformer	\$	2,525.00
Specific charge for access to the power poles - per pole/year	\$	38.82

InnPower Corporation
TARIFF OF RATES AND CHARGES
Effective Date January 1, 2018 - Implementation May 1, 2018
This schedule supersedes and replaces all previously
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EB-2016-0085

RETAIL SERVICE CHARGES (if applicable)

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

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

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

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

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

One-time charge, per retailer, to establish the service agreement between the distributor and the retailer	\$	100.00
Monthly Fixed Charge, per retailer	\$	20.00
Monthly Variable Charge, per customer, per retailer	\$/cust.	0.50
Distributor-consolidated billing monthly charge, per customer, per retailer	\$/cust.	0.30
Retailer-consolidated billing monthly credit, per customer, per retailer	\$/cust.	(0.30)
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	\$	0.25
Processing fee, per request, applied to the requesting party	\$	0.50
Request for customer information as outlined in Section 10.6.3 and Chapter 11 of the Retail Settlement Code directly to retailers and customers, if not delivered electronically through the Electronic Business Transaction (EBT) system, applied to the requesting party		
Up to twice a year	\$	no charge
More than twice a year, per request (plus incremental delivery costs)	\$	2.00

LOSS FACTORS

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

Total Loss Factor - Secondary Metered Customer < 5,000 kW	1.0604
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0498

Schedule 1 – Draft Accounting Work Orders

Schedule 1
To Draft Rate Order
Accounting Order
InnPower Corporation
EB-2016-0085
Dated: April 23, 2018

Account 1508 –Other Regulatory Assets, Sub-account Difference in Revenues from Affiliate Services

InnPower shall establish Account 1508 – Other Regulatory Assets, Sub-account Difference in Revenues from Affiliate Services. This sub-account shall have an effective date of January 1, 2018.

This sub-account will record the difference between the approved forecast of affiliate service revenues of \$757,539 and actual revenues determined as a result of the audit. The approved affiliate forecast is being used to calculate rates for 2017, yet the variance account will be based on the appropriate actual amount, following the OEB audit results.

Items will be recorded in the sub-account until the date of InnPower's next cost of service rate order or until the OEB closes this account. This account is eligible for carrying charges at the OEB prescribed rate.

Sample accounting entries are provided below.

- C. This sub-account records the difference between the approved forecast of affiliate service revenues of \$757,539 and actual revenues determined as a result of the audit.

DR/CR 4080	Distribution Services Revenue
CR/DR 1508	Other Regulatory Assets, Sub-account Difference in Revenues from Affiliate Services

- D. This sub-account records the carrying charges associated with Other Regulatory Assets, Sub-account Sub-account Difference in Revenues from Affiliate Services.

DR 6035	Other Interest Expense (applies to Account 1508 credit balances)
CR 4405	Interest and Dividend Income (applies to Account 1508 debit balances)
CR/DR 1508	Other Regulatory Assets, Sub-account Difference in Revenues from Affiliate Services, Carrying Charges

All records shall be maintained at an appropriate level to permit OEB review and verification of amounts recorded therein.

Account 1508 – Other Regulatory Assets, Sub-account Difference in Expenses from Affiliate Services

InnPower shall establish Account 1508 – Other Regulatory Assets, Sub-account Difference in Expenses from Affiliate Services. This sub-account shall have an effective date of January 1, 2018.

This sub-account will record the difference between the approved forecast of affiliate service expenses approved in the Decision, as discussed in the OM&A section of the Decision, and the fully-allocated costs as determined by the OEB audit.

Items will be recorded in the sub-account until the date of InnPower's next cost of service rate order or until the OEB closes this account. This account is eligible for carrying charges at the OEB prescribed rate.

Sample accounting entries are provided below.

- C. This sub-account records the between the approved forecast of affiliate service expenses of \$704,939 and the fully allocated costs as determined by the OEB audit.

DR/CR 4080	Distribution Services Revenue
CR/DR 1508	Other Regulatory Assets, Other Regulatory Assets, Sub-account Difference in Expenses from Affiliate Services

- D. This sub-account records the carrying charges associated with Other Regulatory Assets, Sub-account Difference in Expenses from Affiliate Services.

DR 6035	Other Interest Expense (applies to Account 1508 credit balances)
CR 4405	Interest and Dividend Income (applies to Account 1508 debit balances)
CR/DR 1508	Other Regulatory Assets, Sub-account Difference in Expenses from Affiliate Services, Carrying Charges

All records shall be maintained at an appropriate level to permit OEB review and verification of amounts recorded therein.

Account 1508 – Other Regulatory Assets, Sub-account Vegetation Management Revenues on Joint-Use Poles

InnPower shall establish Account 1508 – Other Regulatory Assets, Sub-account Vegetation Management Revenues on Joint-Use Poles. This sub-account shall have an effective date of January 1, 2018.

This sub-account will be used to record any revenues received by InnPower prior to its next cost of service application for the provision of vegetation management services pursuant to the terms of any joint-use agreement for wireline communications attachments.

Items will be recorded in the sub-account until the date of InnPower's next cost of service rate order or until the OEB closes this account. This account is eligible for carrying charges at the OEB prescribed rate.

Sample accounting entries are provided below.

- A. This sub-account records any revenues received by InnPower for the provision of vegetation management services pursuant to the terms of any joint-use agreement for wireline communications attachments.

DR 4080	Distribution Services Revenue
CR 1508	Other Regulatory Assets, Sub-account Vegetation Management Revenues on Joint-Use Poles

All records shall be maintained at an appropriate level to permit OEB review and verification of amounts recorded therein.

All of which is respectfully submitted