



Margaret Nanninga, MBA, CPA, CGA
Vice President Finance & CFO
T | 519-749-6177
F | 519-745-2360
mnanninga@kwhydro.ca

November 7, 2019

BY COURIER and RESS

Ms. Christine E. Long, Registrar and Board Secretary
ONTARIO ENERGY BOARD
2300 Yonge Street, 26th Floor, P.O. Box 2319
TORONTO, ON M4P 1E4

Re: Board File No. EB-2019-0049 - 2020 Cost of Service Application
Kitchener-Wilmot Hydro Inc. - Licence No. ED-2002-0573

Dear Ms. Long:

On April 30, 2019, Kitchener-Wilmot Hydro Inc. ("KWHI") filed its Cost of Service application for rates effective January 1, 2020. The Board issued its Decision and Order in this rates case on October 17, 2019.

According to the Decision, KWHI is scheduled to file its Draft Rate Order for application EB-2019-0049 by November 7th, 2019. As per the settlement proposal, KWHI agreed to update the cost of capital parameters with 2020 values when they become available.

Attached please find the Draft Rate Order with the updates as per the Decision issued October 17th. KWHI's submission, which has been electronically filed through the Board's web portal, consists of two (2) hard copies of the Draft Rate Order.

Questions or concerns in this matter should be addressed to the undersigned.

Respectfully submitted,

Original Signed By:

Margaret Nanninga, MBA, CPA, CGA
Vice President Finance & CFO

cc: Intervenors on Record
John Vellone, BLG

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

AND IN THE MATTER OF an Application by Kitchener-Wilmot Hydro Inc. to the Ontario Energy Board for an Order or Orders approving or fixing just and reasonable rates and other service charges for electricity distribution to be effective January 1, 2020.

**DRAFT RATE ORDER OF
KITCHENER-WILMOT HYDRO INC.**

FILED NOVEMBER 7, 2019

A. BACKGROUND

Kitchener-Wilmot Hydro Inc. (“KWHI”) filed an Application (the “Application”) with the Ontario Energy Board (the “Board”) on April 30, 2019 seeking approval for changes to the rates that KWHI charges for electricity distribution, to be effective January 1, 2020. The Board assigned the Application file number EB-2019-0049.

On June 20, 2019, the OEB issued Procedural Order No. 1 approving Energy Probe (“EP”), School Energy Coalition (“SEC”), and Vulnerable Energy Consumers Coalition (“VECC”) as intervenors in this proceeding.

On August 14th and 15th, 2019, a Settlement Conference was held. A full settlement was reached. On September 13th, 2019, KWHI filed a Settlement Proposal with the OEB representing a full settlement of the issues in this Application (the “Settlement Proposal”):

On October 17, 2019, the OEB issued its Decision and Order (“Decision”). In its Decision, the OEB approved the settlement proposal as filed and made the following findings:

Kitchener-Wilmot shall update the cost of capital parameters with 2020 values when they become available and file a draft rate order with detailed supporting material showing the impact

KWHI submits this draft rate order (“DRO”), which incorporates the information directed by the Board from the Board’s Decision of October 17, 2019, including the Board findings of the Settlement Proposal. Included in this DRO are the following Appendices:

- Appendix A - Draft Tariff of Rates and Charges effective January 1, 2020
- Appendix B - Bill Impacts
- Appendix C - Revenue Requirement Work Form
- Appendix D - Cost Allocation (sheets O1 & O2)

Also included as part of this DRO are the following “live” Excel workbooks:

- EB-2019-0049_KWHI_DRF_RO_2020_Rev Reqt_Work_Form_20191107
- EB-2019-0049_KWHI_DRF_RO_2020_Tariff_Schedule_and_Bill_Impact_Model_20191107
- EB-2019-0049_KWHI_DRF_RO_2019_Cost Allocation Model_20191107
- EB-2019-0049_KWHI_DRF_RO_PILs_Workform_20191107

The DRO has been prepared on the basis that KWHI’s new rates will be effective January 1, 2020.

B. BILL IMPACTS

A summary of the bill impacts is presented in the table below. A full account of all the bill impacts is presented in Appendix B attached.

**Table 1
 Bill Impacts**

| | Distribution (Fixed and Volumetric) | | | | | | Total Bill (Including HST & OER) | | | |
|--------------------------|-------------------------------------|-------|--------------|--------------|-------------|----------|----------------------------------|--------------|-------------|----------|
| | kWh | kW | Current | Proposed | \$ Change | % Impact | Current | Proposed | \$ Change | % Impact |
| | | | 2019 | 2020 | | | 2019 | 2020 | | |
| Residential | 750 | | \$ 22.66 | \$ 22.49 | \$ (0.17) | -0.8% | \$ 105.79 | \$ 107.60 | \$ 1.81 | 1.7% |
| Residential | 280 | | \$ 22.66 | \$ 22.49 | \$ (0.17) | -0.8% | \$ 51.44 | \$ 52.03 | \$ 0.59 | 1.1% |
| GS<50 kW | 2,000 | | \$ 54.36 | \$ 53.91 | \$ (0.45) | -0.8% | \$ 274.38 | \$ 279.37 | \$ 4.99 | 1.8% |
| GS>50 kW | 20,000 | 60 | \$ 469.06 | \$ 466.27 | \$ (2.79) | -0.6% | \$ 3,430.15 | \$ 3,422.93 | \$ (7.22) | -0.2% |
| Large User | 2,650,000 | 5,250 | \$ 25,450.21 | \$ 25,261.82 | \$ (188.39) | -0.7% | \$365,560.30 | \$373,069.16 | \$ 7,508.86 | 2.1% |
| Unmetered Scattered Load | 2,000 | | \$ 36.23 | \$ 35.97 | \$ (0.26) | -0.7% | \$ 360.70 | \$ 366.73 | \$ 6.03 | 1.7% |
| Street Lighting | 2,500 | 7 | \$ 110.09 | \$ 101.49 | \$ (8.60) | -7.8% | \$ 474.94 | \$ 461.19 | \$ (13.75) | -2.9% |
| Embedded Distributor | 1,500,000 | 3,600 | \$ 8,527.32 | \$ 8,704.44 | \$ 177.12 | 2.1% | \$ 29,386.57 | \$ 31,725.42 | \$ 2,338.85 | 8.0% |

As a result of the Board’s Decision, no customer’s bill impact exceeds 10%, therefore no rate mitigation is required.

C. DECISION

As a result of the Board Decision, KWHI’s revenue sufficiency has been calculated to be \$359,193 as per the attached Revenue Requirement Work Form (Appendix C). KWHI has filed the live Excel sheet EB-2019-0049_ KWHI_DRF_RO_2020_Rev Reqt_Work_Form_20191107 and has attached the output as Appendix C to this filing.

Cost of Capital

Due to the changes in cost of capital parameters, total return on debt was reduced from \$5,811,219 to \$4,570,202. The total return on equity is reduced to \$8,164,839, from \$8,605,664.

Table 2
Cost of Capital

| | Capitalization Ratio | | Settlement | | Draft Rate Order | |
|---------------------|----------------------|-------------|------------|------------|------------------|------------|
| | | | Cost Rate | Return | Cost Rate | Return |
| Debt | | | | | | |
| Long-term Debt | 56% | 134,164,022 | 4.13% | 5,540,974 | 3.21% | 4,306,665 |
| Short-term Debt | 4% | 9,583,144 | 2.82% | 270,245 | 2.75% | 263,536 |
| Total Debt | 60% | 143,747,166 | 4.04% | 5,811,219 | 3.18% | 4,570,202 |
| Equity | | | | | | |
| Common Equity | 40% | 95,831,445 | 8.98% | 8,605,664 | 8.52% | 8,164,839 |
| Preferred Shares | 0% | - | 0.00% | - | 0.00% | - |
| Total Equity | 40% | 95,831,445 | 8.98% | 8,605,664 | 8.52% | 8,164,839 |
| Total | 100% | 239,578,611 | 6.02% | 14,416,883 | 5.32% | 12,735,041 |

Cost Allocation

As a result of the changes to the cost of capital parameters, the Cost Allocation model was updated with the new data. KWHI has attached sheets O1 and O2 of the Board's Cost Allocation model as Appendix D to this filing.

As per the Settlement Agreement, KWHI has moved the revenue-to-cost ratios Street lighting rate class to 120%; maintained the GS<50 kW, GS>50 kW, Large User and Unmetered Scattered Load rate classes as calculated by the Cost Allocation model, and moved the Residential and Embedded Distributor class to a percentage that will maintain revenue neutrality.

A summary of the changes to the Cost Allocation model are provided below in Table 3:

Table 3
Revenue to Cost Ratios

| Customer Class | Cost Ratio from 2020 Cost Allocation Model - Line 75 Tab O1 | Proposed Revenue to Cost Ratio | Board Target Low | Board Target High |
|--------------------------|-------------------------------------------------------------------------|--------------------------------------|---------------------|----------------------|
| Residential | 97.1% | 97.2% | 85% | 115% |
| GS<50 kW | 118.9% | 118.9% | 80% | 120% |
| GS>50 kW | 97.7% | 97.7% | 80% | 120% |
| Large User | 100.9% | 100.9% | 80% | 120% |
| Unmetered Scattered Load | 116.1% | 116.1% | 80% | 120% |
| Street Lighting | 128.0% | 120.0% | 80% | 120% |
| Embedded Distributor | 94.6% | 97.2% | 80% | 120% |

Rate Design

As a result of the updating the cost of capital parameters, distribution rates have been adjusted for all rate classes. In the Settlement Agreement, the Parties agreed to maintain the monthly fixed charge for the GS>50kW class at \$183.23 and maintain the same fixed/variable split for all other rate classes. The resulting monthly fixed/variable splits are provided below in the Table 4:

Table 4
Fixed / Variable Split

| Rate Class | Per Settlement Agreement | | Per Draft Rate Order | |
|--------------------------|--------------------------|---------|----------------------|---------|
| | Variable | Fixed | Variable | Fixed |
| Residential | 0.00% | 100.00% | 0.00% | 100.00% |
| GS<50 kW | 52.93% | 47.07% | 52.93% | 47.07% |
| GS>50 kW | 82.16% | 17.84% | 81.42% | 18.59% |
| Large User | 24.87% | 75.13% | 24.87% | 75.13% |
| Unmetered Scattered Load | 41.38% | 58.62% | 41.38% | 58.62% |
| Street Lighting | 30.87% | 69.13% | 30.87% | 69.13% |
| Embedded Distributor | 100.00% | 0.00% | 100.00% | 0.00% |

The resulting adjustments result in distribution rates shown below in Table 5, and included in Appendix A – Tariff Schedule:

Table 5
Summary of Distribution Only Rates

| | 2019 Distribution Rates Current | | 2020 Distribution Rates Draft Rate Order | |
|---------------------------------|---------------------------------------|-----------|------------------------------------------------|-----------|
| Residential | | | | |
| Monthly Service Charge | \$ | 22.66 | \$ | 22.48 |
| Distribution Volumetric per kWh | | | | |
| GS<50 kW | | | | |
| Monthly Service Charge | \$ | 27.76 | \$ | 27.51 |
| Distribution Volumetric per kWh | \$ | 0.0133 | \$ | 0.0132 |
| GS>50 kW | | | | |
| Monthly Service Charge | \$ | 183.23 | \$ | 183.23 |
| Distribution Volumetric per kWh | \$ | 4.7638 | \$ | 4.7174 |
| Large User | | | | |
| Monthly Service Charge | \$ | 17,188.81 | \$ | 17,043.47 |
| Distribution Volumetric per kWh | \$ | 1.5736 | \$ | 1.5654 |
| Streetlights | | | | |
| Monthly Service Charge | \$ | 0.75 | \$ | 0.69 |
| Distribution Volumetric per kWh | \$ | 5.0131 | \$ | 4.6413 |
| USL | | | | |
| Monthly Service Charge | \$ | 7.43 | \$ | 7.37 |
| Distribution Volumetric per kWh | \$ | 0.0144 | \$ | 0.0143 |
| Embedded Distributor | | | | |
| Monthly Service Charge | \$ | - | | |
| Distribution Volumetric per kWh | \$ | 2.3687 | \$ | 2.4179 |

KWHI respectfully submits its draft Tariff of Rates and Changes, to be effective as of January 1, 2020 for the Board's approval.

Original Signed By

Margaret Nanninga, MBA, CPA, CGA

Vice President Finance & CFO
 Kitchener-Wilmot Hydro Inc.

Kitchener-Wilmot Hydro Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2020
This schedule supersedes and replaces all previously
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EB-2019-0049

RESIDENTIAL SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less where the electricity is used exclusively in a separate metered living accommodation. Customers shall be residing in single-dwelling units that consist of a detached house or one unit of a semi-detached, duplex, triplex or quadruplex house, with a residential zoning. Separately metered dwellings within a town house complex or apartment building also qualify as residential customers. All customers are single-phase. Class B consumers are defined in accordance with O. Reg. 429/04. 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 | \$ | 22.48 |
| Rate Rider for Disposition of Group 2 Deferral/Variance Accounts - effective until December 31, 2020 | \$ | 0.01 |
| Smart Metering Entity Charge - effective until December 31, 2022 | \$ | 0.57 |
| Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2020 | \$/kWh | 0.0003 |
| Rate Rider for Disposition of Global Adjustment Account, Applicable only for Non-RPP Accounts - effective until December 31, 2020 | \$/kWh | (0.0023) |
| Rate Rider for Disposition of Account 1568 - effective until December 31, 2020 | \$/kWh | 0.0005 |
| Retail Transmission Rate - Network Service Rate | \$/kWh | 0.0063 |
| Retail Transmission Rate - Line and Transformation Connection Service Rate | \$/kWh | 0.0017 |

MONTHLY RATES AND CHARGES - Regulatory Component

| | | |
|------------------------------------------------------------------|--------|--------|
| Wholesale Market Service Rate (WMS) - not including CBR | \$/kWh | 0.0030 |
| Capacity Based Recovery (CBR) - Applicable for Class B Customers | \$/kWh | 0.0004 |
| Rural or Remote Electricity Rate Protection Charge (RRRP) | \$/kWh | 0.0005 |
| Standard Supply Service - Administrative Charge (if applicable) | \$ | 0.25 |

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GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification applies to a non residential account taking electricity at 750 volts or less whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW. Class B consumers are defined in accordance with O. Reg. 429/04. 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.

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MONTHLY RATES AND CHARGES - Delivery Component

| | | |
|-----------------------------------------------------------------------------------------------------------------------------------|--------|----------|
| Service Charge | \$ | 27.51 |
| Smart Metering Entity Charge - effective until December 31, 2022 | \$ | 0.57 |
| Distribution Volumetric Rate | \$/kWh | 0.0132 |
| Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2020 | \$/kWh | 0.0004 |
| Rate Rider for Disposition of Global Adjustment Account, Applicable only for Non-RPP Accounts - effective until December 31, 2020 | \$/kWh | (0.0023) |
| Rate Rider for Disposition of Account 1568 - effective until December 31, 2020 | \$/kWh | 0.0005 |
| | | |
| Retail Transmission Rate - Network Service Rate | \$/kWh | 0.0055 |
| | | |
| Retail Transmission Rate - Line and Transformation Connection Service Rate | \$/kWh | 0.0015 |

MONTHLY RATES AND CHARGES - Regulatory Component

| | | |
|------------------------------------------------------------------|--------|--------|
| Wholesale Market Service Rate (WMS) - not including CBR | \$/kWh | 0.0030 |
| Capacity Based Recovery (CBR) - Applicable for Class B Customers | \$/kWh | 0.0004 |
| Rural or Remote Electricity Rate Protection Charge (RRRP) | \$/kWh | 0.0005 |
| Standard Supply Service - Administrative Charge (if applicable) | \$ | 0.25 |

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GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION

This classification applies to a non residential account whose average monthly maximum demand used for billing purposes is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 5,000 kW. Note that for the application of the Retail Transmission Rate - Network Service Rate and the Retail Transmission Rate - Line and Transformation Connection Service Rate the following sub-classifications apply: General Service 50 to 999 kW non-interval metered, General Service 50 to 999 kW interval metered and General Service 1,000 to 4,999 kW interval metered. Class A and Class B consumers are defined in accordance with O. Reg. 429/04. 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.

The rate rider for the disposition of WMS - Sub-account CBR Class B is not applicable to wholesale market participants (WMP), customers that transitioned between Class A and Class B during the variance account accumulation period, or to customers that were in Class A for the entire period. Customers who transitioned are to be charged or refunded their share of the variance disposed through customer specific billing adjustments. This rate rider is to be consistently applied for the entire period to the sunset date of the rate rider. In addition, this rate rider is applicable to all new Class B customers.

The rate rider for the disposition of Global Adjustment is only applicable to non-RPP Class B customers. It is not applicable to WMP, customers that transitioned between Class A and Class B during the variance account accumulation period, or to customers that were in Class A for the entire period. Customers who transitioned are to be charged or refunded their share of the variance disposed through customer billing adjustments. This rate rider is to be consistently applied for the entire period to the sunset date of the rate rider. In addition, this rate rider is applicable to all new non-RPP Class B customers.

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 | \$ | 183.23 |
| Distribution Volumetric Rate | \$/kW | 4.7174 |
| Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2020 | \$/kW | 0.1074 |
| Rate Rider for Disposition of Deferral/Variance Accounts Applicable only for Non-Wholesale Market Participants - effective until December 31, 2020 | \$/kW | 0.0589 |
| Rate Rider for Disposition of Global Adjustment Account, Applicable only for Non-RPP Accounts - effective until December 31, 2020 | \$/kWh | (0.0023) |
| Rate Rider for Disposition of Group 2 Deferral/Variance Accounts - effective until December 31, 2020 | \$/kW | 0.0009 |
| Rate Rider for Disposition of Account 1568 - effective until December 31, 2020 | \$/kW | 0.1967 |

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TARIFF OF RATES AND CHARGES
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| | | |
|-------------------------------------------------|-------|--------|
| Retail Transmission Rate - Network Service Rate | \$/kW | 2.9203 |
|-------------------------------------------------|-------|--------|

| | | |
|----------------------------------------------------------------------------|-------|--------|
| Retail Transmission Rate - Line and Transformation Connection Service Rate | \$/kW | 0.8628 |
|----------------------------------------------------------------------------|-------|--------|

MONTHLY RATES AND CHARGES - Regulatory Component

| | | |
|---------------------------------------------------------|--------|--------|
| Wholesale Market Service Rate (WMS) - not including CBR | \$/kWh | 0.0030 |
|---------------------------------------------------------|--------|--------|

| | | |
|------------------------------------------------------------------|--------|--------|
| Capacity Based Recovery (CBR) - Applicable for Class B Customers | \$/kWh | 0.0004 |
|------------------------------------------------------------------|--------|--------|

| | | |
|-----------------------------------------------------------|--------|--------|
| Rural or Remote Electricity Rate Protection Charge (RRRP) | \$/kWh | 0.0005 |
|-----------------------------------------------------------|--------|--------|

| | | |
|-----------------------------------------------------------------|----|------|
| Standard Supply Service - Administrative Charge (if applicable) | \$ | 0.25 |
|-----------------------------------------------------------------|----|------|

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EB-2019-0049

LARGE USE SERVICE CLASSIFICATION

This classification applies to an account whose average monthly maximum demand used for billing purposes is equal to or greater than, or is forecast to be equal to or greater than, 5,000 kW. Class A and Class B consumers are defined in accordance with O. Reg. 429/04. 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 | \$ | 17,043.47 |
| Distribution Volumetric Rate | \$/kW | 1.5654 |
| Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2020 | \$/kW | 0.2248 |
| Rate Rider for Disposition of Group 2 Deferral/Variance Accounts - effective until December 31, 2020 | \$/kW | 0.0012 |
| | | |
| Retail Transmission Rate - Network Service Rate - Interval Metered | \$/kW | 2.7447 |
| | | |
| Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered | \$/kW | 0.8111 |

MONTHLY RATES AND CHARGES - Regulatory Component

| | | |
|------------------------------------------------------------------|--------|--------|
| Wholesale Market Service Rate (WMS) - not including CBR | \$/kWh | 0.0030 |
| Capacity Based Recovery (CBR) - Applicable for Class B Customers | \$/kWh | 0.0004 |
| Rural or Remote Electricity Rate Protection Charge (RRRP) | \$/kWh | 0.0005 |
| Standard Supply Service - Administrative Charge (if applicable) | \$ | 0.25 |

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UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. Such connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The level of the consumption will be agreed to by the distributor and the customer, based on detailed manufacturer information/ documentation with regard to electrical consumption of the unmetered load or periodic monitoring of actual consumption. Class B consumers are defined in accordance with O. Reg. 429/04. 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.

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MONTHLY RATES AND CHARGES - Delivery Component

| | | |
|----------------------------------------------------------------------------------------------|--------|--------|
| Service Charge (per connection) | \$ | 7.37 |
| Distribution Volumetric Rate | \$/kWh | 0.0143 |
| Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2020 | \$/kWh | 0.0004 |
| Retail Transmission Rate - Network Service Rate | \$/kWh | 0.0055 |
| Retail Transmission Rate - Line and Transformation Connection Service Rate | \$/kWh | 0.0015 |

MONTHLY RATES AND CHARGES - Regulatory Component

| | | |
|------------------------------------------------------------------|--------|--------|
| Wholesale Market Service Rate (WMS) - not including CBR | \$/kWh | 0.0030 |
| Capacity Based Recovery (CBR) - Applicable for Class B Customers | \$/kWh | 0.0004 |
| Rural or Remote Electricity Rate Protection Charge (RRRP) | \$/kWh | 0.0005 |
| Standard Supply Service - Administrative Charge (if applicable) | \$ | 0.25 |

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EB-2019-0049

STREET LIGHTING SERVICE CLASSIFICATION

This classification applies to an account for roadway lighting with a Municipality, Regional Municipality, Ministry of Transportation and private roadway lighting, controlled by photo cells. The consumption for these customers will be based on the calculated connected load times the required lighting times established in the approved Ontario Energy Board street lighting load shape template. Class B consumers are defined in accordance with O. Reg. 429/04. 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 | \$ | 0.69 |
| Distribution Volumetric Rate | \$/kW | 4.6413 |
| Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2020 | \$/kW | 0.1510 |
| Rate Rider for Disposition of Global Adjustment Accounts, Applicable only for Non-RPP Accounts - effective until December 31, 2020 | \$/kWh | (0.0023) |
| Rate Rider for Disposition of Group 2 Deferral/Variance Accounts - effective until December 31, 2020 | \$/kW | 0.0009 |
| Retail Transmission Rate - Network Service Rate | \$/kW | 1.7758 |
| Retail Transmission Rate - Line and Transformation Connection Service Rate | \$/kW | 0.5252 |

MONTHLY RATES AND CHARGES - Regulatory Component

| | | |
|------------------------------------------------------------------|--------|--------|
| Wholesale Market Service Rate (WMS) - not including CBR | \$/kWh | 0.0030 |
| Capacity Based Recovery (CBR) - Applicable for Class B Customers | \$/kWh | 0.0004 |
| Rural or Remote Electricity Rate Protection Charge (RRRP) | \$/kWh | 0.0005 |
| Standard Supply Service - Administrative Charge (if applicable) | \$ | 0.25 |

Kitchener-Wilmot Hydro Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2020
This schedule supersedes and replaces all previously
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EB-2019-0049

EMBEDDED DISTRIBUTOR SERVICE CLASSIFICATION

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

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the 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

| | | |
|------------------------------------------------------------------------------------------------------|-------|--------|
| Monthly Distribution Wheeling Service Rate - Dedicated LV Line | \$/kW | 2.4179 |
| Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2020 | \$/kW | 0.1306 |
| Rate Rider for Disposition of Group 2 Deferral/Variance Accounts - effective until December 31, 2020 | \$/kW | 0.0011 |
| | | |
| Retail Transmission Rate - Network Service Rate | \$/kW | 2.7534 |
| | | |
| Retail Transmission Rate - Line and Transformation Connection Service Rate | \$/kW | 0.8139 |

Kitchener-Wilmot Hydro Inc.
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Effective and Implementation Date January 1, 2020
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microFIT SERVICE CLASSIFICATION

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

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 |
|----------------|----|------|

Kitchener-Wilmot Hydro Inc.
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STANDBY POWER SERVICE CLASSIFICATION

This classification applies to an account with load displacement facilities that contracts with the distributor to provide emergency standby power when its load displacement facilities are not in operation. The level of the billing demand will be agreed to by the distributor and the customer, based on detailed manufacturer information/documentation such as name-plate rating of the load displacement facility. 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.

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 - Approved on an Interim Basis

Standby Charge - for a month where standby power is not provided, the charge is based on the applicable General Service 50 to 4,999 kW or Large use Distribution Volumetric Charge applied to the contracted amount (e.g. nameplate rating of generation facility).

ALLOWANCES

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

SPECIFIC SERVICE CHARGES

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the 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

| | | |
|-------------------------------------------------------------------------------------------|----|-------|
| Returned cheque (plus bank charges) | \$ | 15.00 |
| Account set up charge/change of occupancy charge (plus credit agency costs if applicable) | \$ | 20.00 |

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| | | |
|----------------------------------------------------------------------------|----|-------|
| 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 |
| | \$ | |
| Reconnect at meter - during regular hours | \$ | 65.00 |
| Reconnect at meter - after regular hours | \$ | 185.00 |
| Reconnect at pole - during regular hours | \$ | 95.00 |

Other

| | | |
|--------------------------------------------------------------------------------------------------------------|----|--------|
| Meter removal without authorization | \$ | 355.00 |
| Service call - after regular hours | \$ | 105.00 |
| Specific charge for access to the power poles - \$/pole/year (with the exception of wireless attachments) | \$ | 44.50 |

RETAIL SERVICE CHARGES (if applicable)

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.

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

| | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|-----------|
| | \$ | 102.00 |
| One-time charge, per retailer, to establish the service agreement between the distributor and the retailer | | |
| Monthly fixed charge, per retailer | \$ | 40.80 |
| Monthly variable charge, per customer, per retailer | \$/cust. | 1.02 |
| Distributor-consolidated billing monthly charge, per customer, per retailer | \$/cust. | 0.61 |
| Retailer-consolidated billing monthly credit, per customer, per retailer | \$/cust. | (0.61) |
| Service Transaction Requests (STR) | | |
| Request fee, per request, applied to the requesting party | \$ | 0.51 |
| Processing fee, per request, applied to the requesting party | \$ | 1.02 |
| 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) | \$ | 4.08 |
| Notice of Switch letter charge, per letter | \$ | 2.04 |

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EB-2019-0049

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 | 1.0350 |
| Total Loss Factor - Secondary Metered Customer > 5,000 kW | 1.0154 |
| Total Loss Factor - Primary Metered Customer < 5,000 kW | 1.0226 |
| Total Loss Factor - Primary Metered Customer > 5,000 kW | 1.0053 |

| | | |
|-------------------------------|-------------------------------------------|-----|
| Customer Class: | RESIDENTIAL SERVICE CLASSIFICATION | |
| RPP / Non-RPP: | RPP | |
| Consumption | 750 | kWh |
| Demand | - | kW |
| Current Loss Factor | 1.0351 | |
| Proposed/Approved Loss Factor | 1.0350 | |

| | Current OEB-Approved | | | Proposed | | | Impact | |
|-------------------------------------------------------------|----------------------|--------|------------------|------------|--------|------------------|------------------|---------------|
| | Rate (\$) | Volume | Charge (\$) | Rate (\$) | Volume | Charge (\$) | \$ Change | % Change |
| Monthly Service Charge | \$ 22.66 | 1 | \$ 22.66 | \$ 22.4800 | 1 | \$ 22.48 | \$ (0.18) | -0.79% |
| Distribution Volumetric Rate | \$ - | 750 | \$ - | \$ - | 750 | \$ - | \$ - | - |
| Fixed Rate Riders | \$ - | 1 | \$ - | \$ 0.0100 | 1 | \$ 0.01 | \$ 0.01 | - |
| Volumetric Rate Riders | \$ - | 750 | \$ - | \$ - | 750 | \$ - | \$ - | - |
| Sub-Total A (excluding pass through) | | | \$ 22.66 | | | \$ 22.49 | \$ (0.17) | -0.75% |
| Line Losses on Cost of Power | \$ 0.1280 | 26 | \$ 3.37 | \$ 0.1280 | 26 | \$ 3.36 | \$ (0.01) | -0.28% |
| Total Deferral/Variance Account Rate Riders | \$ (0.0020) | 750 | \$ (1.50) | \$ 0.0003 | 750 | \$ 0.23 | \$ 1.73 | -115.00% |
| CBR Class B Rate Riders | \$ - | 750 | \$ - | \$ - | 750 | \$ - | \$ - | - |
| GA Rate Riders | \$ - | 750 | \$ - | \$ - | 750 | \$ - | \$ - | - |
| Low Voltage Service Charge | \$ - | 750 | \$ - | \$ - | 750 | \$ - | \$ - | - |
| Smart Meter Entity Charge (if applicable) | \$ 0.5700 | 1 | \$ 0.57 | \$ 0.5700 | 1 | \$ 0.57 | \$ - | 0.00% |
| Additional Fixed Rate Riders | \$ - | 1 | \$ - | \$ - | 1 | \$ - | \$ - | - |
| Additional Volumetric Rate Riders | \$ - | 750 | \$ - | \$ 0.0005 | 750 | \$ 0.38 | \$ 0.38 | - |
| Sub-Total B - Distribution (includes Sub-Total A) | | | \$ 25.10 | | | \$ 27.02 | \$ 1.92 | 7.65% |
| RTSR - Network | \$ 0.0059 | 776 | \$ 4.58 | \$ 0.0063 | 776 | \$ 4.89 | \$ 0.31 | 6.77% |
| RTSR - Connection and/or Line and Transformation Connection | \$ 0.0017 | 776 | \$ 1.32 | \$ 0.0017 | 776 | \$ 1.32 | \$ (0.00) | -0.01% |
| Sub-Total C - Delivery (including Sub-Total B) | | | \$ 31.00 | | | \$ 33.23 | \$ 2.23 | 7.19% |
| Wholesale Market Service Charge (WMSC) | \$ 0.0034 | 776 | \$ 2.64 | \$ 0.0034 | 776 | \$ 2.64 | \$ (0.00) | -0.01% |
| Rural and Remote Rate Protection (RRRP) | \$ 0.0005 | 776 | \$ 0.39 | \$ 0.0005 | 776 | \$ 0.39 | \$ (0.00) | -0.01% |
| Standard Supply Service Charge | \$ 0.25 | 1 | \$ 0.25 | \$ 0.25 | 1 | \$ 0.25 | \$ - | 0.00% |
| TOU - Off Peak | \$ 0.1010 | 480 | \$ 48.48 | \$ 0.1010 | 480 | \$ 48.48 | \$ - | 0.00% |
| TOU - Mid Peak | \$ 0.1440 | 135 | \$ 19.44 | \$ 0.1440 | 135 | \$ 19.44 | \$ - | 0.00% |
| TOU - On Peak | \$ 0.2080 | 135 | \$ 28.08 | \$ 0.2080 | 135 | \$ 28.08 | \$ - | 0.00% |
| Total Bill on TOU (before Taxes) | | | \$ 130.28 | | | \$ 132.51 | \$ 2.23 | 1.71% |
| HST | 13% | | \$ 16.94 | 13% | | \$ 17.23 | \$ 0.29 | 1.71% |
| Ontario Electricity Rebate | 31.8% | | \$ (41.43) | 31.8% | | \$ (42.14) | \$ (0.71) | - |
| Total Bill on TOU | | | \$ 105.79 | | | \$ 107.60 | \$ 1.81 | 1.71% |

In the manager's summary, discuss the reas

| | | |
|-------------------------------|--------------------------------------------------------|-----|
| Customer Class: | GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION | |
| RPP / Non-RPP: | RPP | |
| Consumption | 2,000 | kWh |
| Demand | - | kW |
| Current Loss Factor | 1.0351 | |
| Proposed/Approved Loss Factor | 1.0350 | |

| | Current OEB-Approved | | | Proposed | | | Impact | |
|-------------------------------------------------------------|----------------------|--------|------------------|------------|--------|------------------|------------------|---------------|
| | Rate (\$) | Volume | Charge (\$) | Rate (\$) | Volume | Charge (\$) | \$ Change | % Change |
| Monthly Service Charge | \$ 27.76 | 1 | \$ 27.76 | \$ 27.5100 | 1 | \$ 27.51 | \$ (0.25) | -0.90% |
| Distribution Volumetric Rate | \$ 0.01 | 2000 | \$ 26.60 | \$ 0.0132 | 2000 | \$ 26.40 | \$ (0.20) | -0.75% |
| Fixed Rate Riders | \$ - | 1 | \$ - | \$ - | 1 | \$ - | \$ - | - |
| Volumetric Rate Riders | \$ - | 2000 | \$ - | \$ - | 2000 | \$ - | \$ - | - |
| Sub-Total A (excluding pass through) | | | \$ 54.36 | | | \$ 53.91 | \$ (0.45) | -0.83% |
| Line Losses on Cost of Power | \$ 0.1280 | 70 | \$ 8.99 | \$ 0.1280 | 70 | \$ 8.96 | \$ (0.03) | -0.28% |
| Total Deferral/Variance Account Rate Riders | \$ (0.0020) | 2,000 | \$ (4.00) | \$ 0.0004 | 2,000 | \$ 0.80 | \$ 4.80 | -120.00% |
| CBR Class B Rate Riders | \$ - | 2,000 | \$ - | \$ - | 2,000 | \$ - | \$ - | - |
| GA Rate Riders | \$ - | 2,000 | \$ - | \$ - | 2,000 | \$ - | \$ - | - |
| Low Voltage Service Charge | \$ - | 2,000 | \$ - | \$ - | 2,000 | \$ - | \$ - | - |
| Smart Meter Entity Charge (if applicable) | \$ 0.5700 | 1 | \$ 0.57 | \$ 0.5700 | 1 | \$ 0.57 | \$ - | 0.00% |
| Additional Fixed Rate Riders | \$ - | 1 | \$ - | \$ - | 1 | \$ - | \$ - | - |
| Additional Volumetric Rate Riders | \$ - | 2,000 | \$ - | \$ 0.0005 | 2,000 | \$ 1.00 | \$ 1.00 | 1.00% |
| Sub-Total B - Distribution (includes Sub-Total A) | | | \$ 59.92 | | | \$ 65.24 | \$ 5.32 | 8.89% |
| RTSR - Network | \$ 0.0051 | 2,070 | \$ 10.56 | \$ 0.0055 | 2,070 | \$ 11.39 | \$ 0.83 | 7.83% |
| RTSR - Connection and/or Line and Transformation Connection | \$ 0.0015 | 2,070 | \$ 3.11 | \$ 0.0015 | 2,070 | \$ 3.11 | \$ (0.00) | -0.01% |
| Sub-Total C - Delivery (including Sub-Total B) | | | \$ 73.58 | | | \$ 79.73 | \$ 6.15 | 8.36% |
| Wholesale Market Service Charge (WMSC) | \$ 0.0034 | 2,070 | \$ 7.04 | \$ 0.0034 | 2,070 | \$ 7.04 | \$ (0.00) | -0.01% |
| Rural and Remote Rate Protection (RRRP) | \$ 0.0005 | 2,070 | \$ 1.04 | \$ 0.0005 | 2,070 | \$ 1.04 | \$ (0.00) | -0.01% |
| Standard Supply Service Charge | \$ 0.25 | 1 | \$ 0.25 | \$ 0.25 | 1 | \$ 0.25 | \$ - | 0.00% |
| TOU - Off Peak | \$ 0.1010 | 1,280 | \$ 129.28 | \$ 0.1010 | 1,280 | \$ 129.28 | \$ - | 0.00% |
| TOU - Mid Peak | \$ 0.1440 | 360 | \$ 51.84 | \$ 0.1440 | 360 | \$ 51.84 | \$ - | 0.00% |
| TOU - On Peak | \$ 0.2080 | 360 | \$ 74.88 | \$ 0.2080 | 360 | \$ 74.88 | \$ - | 0.00% |
| Total Bill on TOU (before Taxes) | | | \$ 337.90 | | | \$ 344.05 | \$ 6.15 | 1.82% |
| HST | 13% | | \$ 43.93 | 13% | | \$ 44.73 | \$ 0.80 | 1.82% |
| Ontario Electricity Rebate | 31.8% | | \$ (107.45) | 31.8% | | \$ (109.41) | \$ (1.96) | -1.82% |
| Total Bill on TOU | | | \$ 274.38 | | | \$ 279.37 | \$ 4.99 | 1.82% |

In the manager's summary, discuss the reas

| | | |
|-------------------------------|--------------------------------------------------------------|-----|
| Customer Class: | GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION | |
| RPP / Non-RPP: | Non-RPP (Other) | |
| Consumption | 20,000 | kWh |
| Demand | 60 | kW |
| Current Loss Factor | 1.0351 | |
| Proposed/Approved Loss Factor | 1.0350 | |

| | Current OEB-Approved | | | Proposed | | | Impact | |
|-------------------------------------------------------------|----------------------|--------|--------------------|-------------|--------|--------------------|-------------------|---------------|
| | Rate (\$) | Volume | Charge (\$) | Rate (\$) | Volume | Charge (\$) | \$ Change | % Change |
| Monthly Service Charge | \$ 183.23 | 1 | \$ 183.23 | \$ 183.2300 | 1 | \$ 183.23 | \$ - | 0.00% |
| Distribution Volumetric Rate | \$ 4.76 | 60 | \$ 285.83 | \$ 4.7174 | 60 | \$ 283.04 | \$ (2.78) | -0.97% |
| Fixed Rate Riders | \$ - | 1 | \$ - | \$ - | 1 | \$ - | \$ - | - |
| Volumetric Rate Riders | \$ - | 60 | \$ - | \$ - | 60 | \$ - | \$ - | - |
| Sub-Total A (excluding pass through) | | | \$ 469.06 | | | \$ 466.27 | \$ (2.78) | -0.59% |
| Line Losses on Cost of Power | \$ - | - | \$ - | \$ - | - | \$ - | \$ - | - |
| Total Deferral/Variance Account Rate Riders | \$ (0.7621) | 60 | \$ (45.73) | \$ 0.1672 | 60 | \$ 10.03 | \$ 55.76 | -121.94% |
| CBR Class B Rate Riders | \$ - | 60 | \$ - | \$ - | 60 | \$ - | \$ - | - |
| GA Rate Riders | \$ 0.0019 | 20,000 | \$ 38.00 | \$ (0.0023) | 20,000 | \$ (46.00) | \$ (84.00) | -221.05% |
| Low Voltage Service Charge | \$ - | 60 | \$ - | \$ - | 60 | \$ - | \$ - | - |
| Smart Meter Entity Charge (if applicable) | \$ - | 1 | \$ - | \$ - | 1 | \$ - | \$ - | - |
| Additional Fixed Rate Riders | \$ - | 1 | \$ - | \$ - | 1 | \$ - | \$ - | - |
| Additional Volumetric Rate Riders | \$ - | 60 | \$ - | \$ 0.1967 | 60 | \$ 11.80 | \$ 11.80 | - |
| Sub-Total B - Distribution (includes Sub-Total A) | | | \$ 461.33 | | | \$ 442.11 | \$ (19.22) | -4.17% |
| RTSR - Network | \$ 2.7205 | 60 | \$ 163.23 | \$ 2.9203 | 60 | \$ 175.22 | \$ 11.99 | 7.34% |
| RTSR - Connection and/or Line and Transformation Connection | \$ 0.8449 | 60 | \$ 50.69 | \$ 0.8628 | 60 | \$ 51.77 | \$ 1.07 | 2.12% |
| Sub-Total C - Delivery (including Sub-Total B) | | | \$ 675.26 | | | \$ 669.09 | \$ (6.16) | -0.91% |
| Wholesale Market Service Charge (WMSC) | \$ 0.0034 | 20,702 | \$ 70.39 | \$ 0.0034 | 20,700 | \$ 70.38 | \$ (0.01) | -0.01% |
| Rural and Remote Rate Protection (RRRP) | \$ 0.0005 | 20,702 | \$ 10.35 | \$ 0.0005 | 20,700 | \$ 10.35 | \$ (0.00) | -0.01% |
| Standard Supply Service Charge | \$ 0.25 | 1 | \$ 0.25 | \$ 0.25 | 1 | \$ 0.25 | \$ - | 0.00% |
| Average IESO Wholesale Market Price | \$ 0.1101 | 20,702 | \$ 2,279.29 | \$ 0.1101 | 20,700 | \$ 2,279.07 | \$ (0.22) | -0.01% |
| Total Bill on Average IESO Wholesale Market Price | | | \$ 3,035.53 | | | \$ 3,029.14 | \$ (6.39) | -0.21% |
| HST | 13% | | \$ 394.62 | 13% | | \$ 393.79 | \$ (0.83) | -0.21% |
| Total Bill on Average IESO Wholesale Market Price | | | \$ 3,430.15 | | | \$ 3,422.93 | \$ (7.22) | -0.21% |

In the manager's summary, discuss the reas

| | | |
|-------------------------------|-----------------------------------------|-----|
| Customer Class: | LARGE USE SERVICE CLASSIFICATION | |
| RPP / Non-RPP: | Non-RPP (Other) | |
| Consumption | 2,650,000 | kWh |
| Demand | 5,250 | kW |
| Current Loss Factor | 1.0053 | |
| Proposed/Approved Loss Factor | 1.0053 | |

| | Current OEB-Approved | | | Proposed | | | Impact | |
|-------------------------------------------------------------|----------------------|-----------|---------------|--------------|-----------|---------------|-------------|----------|
| | Rate (\$) | Volume | Charge (\$) | Rate (\$) | Volume | Charge (\$) | \$ Change | % Change |
| Monthly Service Charge | \$ 17,188.81 | 1 | \$ 17,188.81 | \$ 17,043.47 | 1 | \$ 17,043.47 | \$ (145.34) | -0.85% |
| Distribution Volumetric Rate | \$ 1.57 | 5250 | \$ 8,261.40 | \$ 1.5654 | 5250 | \$ 8,218.35 | \$ (43.05) | -0.52% |
| Fixed Rate Riders | \$ - | 1 | \$ - | \$ - | 1 | \$ - | \$ - | - |
| Volumetric Rate Riders | \$ - | 5250 | \$ - | \$ - | 5250 | \$ - | \$ - | - |
| Sub-Total A (excluding pass through) | | | \$ 25,450.21 | | | \$ 25,261.82 | \$ (188.39) | -0.74% |
| Line Losses on Cost of Power | \$ - | - | \$ - | \$ - | - | \$ - | \$ - | - |
| Total Deferral/Variance Account Rate Riders | \$ (1.0756) | 5,250 | \$ (5,646.90) | \$ 0.2260 | 5,250 | \$ 1,186.50 | \$ 6,833.40 | -121.01% |
| CBR Class B Rate Riders | \$ - | 5,250 | \$ - | \$ - | 5,250 | \$ - | \$ - | - |
| GA Rate Riders | \$ - | 2,650,000 | \$ - | \$ - | 2,650,000 | \$ - | \$ - | - |
| Low Voltage Service Charge | \$ - | 5,250 | \$ - | \$ - | 5,250 | \$ - | \$ - | - |
| Smart Meter Entity Charge (if applicable) | \$ - | 1 | \$ - | \$ - | 1 | \$ - | \$ - | - |
| Additional Fixed Rate Riders | \$ - | 1 | \$ - | \$ - | 1 | \$ - | \$ - | - |
| Additional Volumetric Rate Riders | \$ - | 5,250 | \$ - | \$ - | 5,250 | \$ - | \$ - | - |
| Sub-Total B - Distribution (includes Sub-Total A) | | | \$ 19,803.31 | | | \$ 26,448.32 | \$ 6,645.01 | 33.56% |
| RTSR - Network | \$ - | 5,250 | \$ - | \$ - | 5,250 | \$ - | \$ - | - |
| RTSR - Connection and/or Line and Transformation Connection | \$ - | 5,250 | \$ - | \$ - | 5,250 | \$ - | \$ - | - |
| Sub-Total C - Delivery (including Sub-Total B) | | | \$ 19,803.31 | | | \$ 26,448.32 | \$ 6,645.01 | 33.56% |
| Wholesale Market Service Charge (WMSC) | \$ 0.0034 | 2,664,045 | \$ 9,057.75 | \$ 0.0034 | 2,664,045 | \$ 9,057.75 | \$ - | 0.00% |
| Rural and Remote Rate Protection (RRRP) | \$ 0.0005 | 2,664,045 | \$ 1,332.02 | \$ 0.0005 | 2,664,045 | \$ 1,332.02 | \$ - | 0.00% |
| Standard Supply Service Charge | \$ 0.25 | 1 | \$ 0.25 | \$ 0.25 | 1 | \$ 0.25 | \$ - | 0.00% |
| Average IESO Wholesale Market Price | \$ 0.1101 | 2,664,045 | \$ 293,311.35 | \$ 0.1101 | 2,664,045 | \$ 293,311.35 | \$ - | 0.00% |
| Total Bill on Average IESO Wholesale Market Price | | | \$ 323,504.69 | | | \$ 330,149.70 | \$ 6,645.01 | 2.05% |
| HST | 13% | | \$ 42,055.61 | 13% | | \$ 42,919.46 | \$ 863.85 | 2.05% |
| Total Bill on Average IESO Wholesale Market Price | | | \$ 365,560.30 | | | \$ 373,069.16 | \$ 7,508.86 | 2.05% |

| | | |
|-------------------------------|-------------------------------------------------|-----|
| Customer Class: | UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION | |
| RPP / Non-RPP: | RPP | |
| Consumption | 2,000 | kWh |
| Demand | - | kW |
| Current Loss Factor | 1.0351 | |
| Proposed/Approved Loss Factor | 1.0350 | |

| | Current OEB-Approved | | | Proposed | | | Impact | |
|-------------------------------------------------------------|----------------------|--------|------------------|-----------|--------|------------------|------------------|---------------|
| | Rate (\$) | Volume | Charge (\$) | Rate (\$) | Volume | Charge (\$) | \$ Change | % Change |
| Monthly Service Charge | \$ 7.43 | 1 | \$ 7.43 | \$ 7.3700 | 1 | \$ 7.37 | \$ (0.06) | -0.81% |
| Distribution Volumetric Rate | \$ 0.01 | 2000 | \$ 28.80 | \$ 0.0143 | 2000 | \$ 28.60 | \$ (0.20) | -0.69% |
| Fixed Rate Riders | \$ - | 1 | \$ - | \$ - | 1 | \$ - | \$ - | |
| Volumetric Rate Riders | \$ - | 2000 | \$ - | \$ - | 2000 | \$ - | \$ - | |
| Sub-Total A (excluding pass through) | | | \$ 36.23 | | | \$ 35.97 | \$ (0.26) | -0.72% |
| Line Losses on Cost of Power | \$ 0.1280 | 70 | \$ 8.99 | \$ 0.1280 | 70 | \$ 8.96 | \$ (0.03) | -0.28% |
| Total Deferral/Variance Account Rate Riders | \$ (0.0020) | 2,000 | \$ (4.00) | \$ 0.0004 | 2,000 | \$ 0.80 | \$ 4.80 | -120.00% |
| CBR Class B Rate Riders | \$ - | 2,000 | \$ - | \$ - | 2,000 | \$ - | \$ - | |
| GA Rate Riders | \$ - | 2,000 | \$ - | \$ - | 2,000 | \$ - | \$ - | |
| Low Voltage Service Charge | \$ - | 2,000 | \$ - | \$ - | 2,000 | \$ - | \$ - | |
| Smart Meter Entity Charge (if applicable) | \$ - | 1 | \$ - | \$ - | 1 | \$ - | \$ - | |
| Additional Fixed Rate Riders | \$ - | 1 | \$ - | \$ - | 1 | \$ - | \$ - | |
| Additional Volumetric Rate Riders | \$ - | 2,000 | \$ - | \$ - | 2,000 | \$ - | \$ - | |
| Sub-Total B - Distribution (includes Sub-Total A) | | | \$ 41.22 | | | \$ 45.73 | \$ 4.51 | 10.95% |
| RTSR - Network | \$ 0.0051 | 2,070 | \$ 10.56 | \$ 0.0055 | 2,070 | \$ 11.39 | \$ 0.83 | 7.83% |
| RTSR - Connection and/or Line and Transformation Connection | \$ 0.0015 | 2,070 | \$ 3.11 | \$ 0.0015 | 2,070 | \$ 3.11 | \$ (0.00) | -0.01% |
| Sub-Total C - Delivery (including Sub-Total B) | | | \$ 54.88 | | | \$ 60.22 | \$ 5.34 | 9.73% |
| Wholesale Market Service Charge (WMSC) | \$ 0.0034 | 2,070 | \$ 7.04 | \$ 0.0034 | 2,070 | \$ 7.04 | \$ (0.00) | -0.01% |
| Rural and Remote Rate Protection (RRRP) | \$ 0.0005 | 2,070 | \$ 1.04 | \$ 0.0005 | 2,070 | \$ 1.04 | \$ (0.00) | -0.01% |
| Standard Supply Service Charge | \$ 0.25 | 1 | \$ 0.25 | \$ 0.25 | 1 | \$ 0.25 | \$ - | 0.00% |
| TOU - Off Peak | \$ 0.1010 | 1,280 | \$ 129.28 | \$ 0.1010 | 1,280 | \$ 129.28 | \$ - | 0.00% |
| TOU - Mid Peak | \$ 0.1440 | 360 | \$ 51.84 | \$ 0.1440 | 360 | \$ 51.84 | \$ - | 0.00% |
| TOU - On Peak | \$ 0.2080 | 360 | \$ 74.88 | \$ 0.2080 | 360 | \$ 74.88 | \$ - | 0.00% |
| Total Bill on TOU (before Taxes) | | | \$ 319.20 | | | \$ 324.54 | \$ 5.34 | 1.67% |
| HST | | 13% | \$ 41.50 | | 13% | \$ 42.19 | \$ 0.69 | 1.67% |
| Total Bill on TOU | | | \$ 360.70 | | | \$ 366.73 | \$ 6.03 | 1.67% |

In the manager's summary, discuss the reas

| | | |
|-------------------------------|-----------------------------------------------|-----|
| Customer Class: | STREET LIGHTING SERVICE CLASSIFICATION | |
| RPP / Non-RPP: | Non-RPP (Other) | |
| Consumption | 2,500 | kWh |
| Demand | 7 | kW |
| Current Loss Factor | 1.0351 | |
| Proposed/Approved Loss Factor | 1.0350 | |

| | Current OEB-Approved | | | Proposed | | | Impact | |
|-------------------------------------------------------------|----------------------|--------|------------------|-------------|--------|------------------|-------------------|----------------|
| | Rate (\$) | Volume | Charge (\$) | Rate (\$) | Volume | Charge (\$) | \$ Change | % Change |
| Monthly Service Charge | \$ 0.75 | 100 | \$ 75.00 | \$ 0.6900 | 100 | \$ 69.00 | \$ (6.00) | -8.00% |
| Distribution Volumetric Rate | \$ 5.01 | 7 | \$ 35.09 | \$ 4.6413 | 7 | \$ 32.49 | \$ (2.60) | -7.42% |
| Fixed Rate Riders | \$ - | 1 | \$ - | \$ - | 1 | \$ - | \$ - | - |
| Volumetric Rate Riders | \$ - | 7 | \$ - | \$ - | 7 | \$ - | \$ - | - |
| Sub-Total A (excluding pass through) | | | \$ 110.09 | | | \$ 101.49 | \$ (8.60) | -7.81% |
| Line Losses on Cost of Power | \$ 0.1101 | 88 | \$ 9.66 | \$ 0.1101 | 88 | \$ 9.63 | \$ (0.03) | -0.28% |
| Total Deferral/Variance Account Rate Riders | \$ (0.7104) | 7 | \$ (4.97) | \$ 0.1519 | 7 | \$ 1.06 | \$ 6.04 | -121.38% |
| CBR Class B Rate Riders | \$ - | 7 | \$ - | \$ - | 7 | \$ - | \$ - | - |
| GA Rate Riders | \$ 0.0019 | 2,500 | \$ 4.75 | \$ (0.0023) | 2,500 | \$ (5.75) | \$ (10.50) | -221.05% |
| Low Voltage Service Charge | \$ - | 7 | \$ - | \$ - | 7 | \$ - | \$ - | - |
| Smart Meter Entity Charge (if applicable) | \$ - | 1 | \$ - | \$ - | 1 | \$ - | \$ - | - |
| Additional Fixed Rate Riders | \$ - | 1 | \$ - | \$ - | 1 | \$ - | \$ - | - |
| Additional Volumetric Rate Riders | \$ - | 7 | \$ - | \$ - | 7 | \$ - | \$ - | - |
| Sub-Total B - Distribution (includes Sub-Total A) | | | \$ 119.53 | | | \$ 106.44 | \$ (13.09) | -10.95% |
| RTSR - Network | \$ 1.6543 | 7 | \$ 11.58 | \$ 1.7758 | 7 | \$ 12.43 | \$ 0.85 | 7.34% |
| RTSR - Connection and/or Line and Transformation Connection | \$ 0.5143 | 7 | \$ 3.60 | \$ 0.5252 | 7 | \$ 3.68 | \$ 0.08 | 2.12% |
| Sub-Total C - Delivery (including Sub-Total B) | | | \$ 134.71 | | | \$ 122.54 | \$ (12.17) | -9.03% |
| Wholesale Market Service Charge (WMSC) | \$ 0.0034 | 2,588 | \$ 8.80 | \$ 0.0034 | 2,588 | \$ 8.80 | \$ (0.00) | -0.01% |
| Rural and Remote Rate Protection (RRRP) | \$ 0.0005 | 2,588 | \$ 1.29 | \$ 0.0005 | 2,588 | \$ 1.29 | \$ (0.00) | -0.01% |
| Standard Supply Service Charge | \$ 0.25 | 1 | \$ 0.25 | \$ 0.25 | 1 | \$ 0.25 | \$ - | 0.00% |
| Average IESO Wholesale Market Price | \$ 0.1101 | 2,500 | \$ 275.25 | \$ 0.1101 | 2,500 | \$ 275.25 | \$ - | 0.00% |
| Total Bill on Average IESO Wholesale Market Price | | | \$ 420.30 | | | \$ 408.13 | \$ (12.17) | -2.90% |
| HST | 13% | | \$ 54.64 | 13% | | \$ 53.06 | \$ (1.58) | -2.90% |
| Total Bill on Average IESO Wholesale Market Price | | | \$ 474.94 | | | \$ 461.19 | \$ (13.75) | -2.90% |

In the manager's summary, discuss the reas

| | | |
|-------------------------------|----------------------------------------------------|-----|
| Customer Class: | EMBEDDED DISTRIBUTOR SERVICE CLASSIFICATION | |
| RPP / Non-RPP: | Non-RPP (Other) | |
| Consumption | 1,500,000 | kWh |
| Demand | 3,600 | kW |
| Current Loss Factor | 1.0351 | |
| Proposed/Approved Loss Factor | 1.0350 | |

| | Current OEB-Approved | | | Proposed | | | Impact | |
|-------------------------------------------------------------|----------------------|-----------|---------------------|-----------|-----------|---------------------|--------------------|---------------|
| | Rate (\$) | Volume | Charge (\$) | Rate (\$) | Volume | Charge (\$) | \$ Change | % Change |
| Monthly Service Charge | \$ - | 1 | \$ - | \$ - | 1 | \$ - | \$ - | |
| Distribution Volumetric Rate | \$ 2.37 | 3600 | \$ 8,527.32 | \$ 2.4179 | 3600 | \$ 8,704.44 | \$ 177.12 | 2.08% |
| Fixed Rate Riders | \$ - | 1 | \$ - | \$ - | 1 | \$ - | \$ - | |
| Volumetric Rate Riders | \$ - | 3600 | \$ - | \$ - | 3600 | \$ - | \$ - | |
| Sub-Total A (excluding pass through) | | | \$ 8,527.32 | | | \$ 8,704.44 | \$ 177.12 | 2.08% |
| Line Losses on Cost of Power | \$ - | - | \$ - | \$ - | - | \$ - | \$ - | |
| Total Deferral/Variance Account Rate Riders | \$ (0.1889) | 3,600 | \$ (680.04) | \$ 0.1317 | 3,600 | \$ 474.12 | \$ 1,154.16 | -169.72% |
| CBR Class B Rate Riders | \$ - | 3,600 | \$ - | \$ - | 3,600 | \$ - | \$ - | |
| GA Rate Riders | \$ - | 1,500,000 | \$ - | \$ - | 1,500,000 | \$ - | \$ - | |
| Low Voltage Service Charge | \$ - | 3,600 | \$ - | \$ - | 3,600 | \$ - | \$ - | |
| Smart Meter Entity Charge (if applicable) | \$ - | 1 | \$ - | \$ - | 1 | \$ - | \$ - | |
| Additional Fixed Rate Riders | \$ - | 1 | \$ - | \$ - | 1 | \$ - | \$ - | |
| Additional Volumetric Rate Riders | \$ - | 3,600 | \$ - | \$ - | 3,600 | \$ - | \$ - | |
| Sub-Total B - Distribution (includes Sub-Total A) | | | \$ 7,847.28 | | | \$ 9,178.56 | \$ 1,331.28 | 16.96% |
| RTSR - Network | \$ 2.5650 | 3,600 | \$ 9,234.00 | \$ 2.7534 | 3,600 | \$ 9,912.24 | \$ 678.24 | 7.35% |
| RTSR - Connection and/or Line and Transformation Connection | \$ 0.7970 | 3,600 | \$ 2,869.20 | \$ 0.8139 | 3,600 | \$ 2,930.04 | \$ 60.84 | 2.12% |
| Sub-Total C - Delivery (including Sub-Total B) | | | \$ 19,950.48 | | | \$ 22,020.84 | \$ 2,070.36 | 10.38% |
| Wholesale Market Service Charge (WMSC) | \$ 0.0034 | 1,552,650 | \$ 5,279.01 | \$ 0.0034 | 1,552,500 | \$ 5,278.50 | \$ (0.51) | -0.01% |
| Rural and Remote Rate Protection (RRRP) | \$ 0.0005 | 1,552,650 | \$ 776.33 | \$ 0.0005 | 1,552,500 | \$ 776.25 | \$ (0.08) | -0.01% |
| Standard Supply Service Charge | \$ - | 1 | \$ - | \$ - | 1 | \$ - | \$ - | |
| Average IESO Wholesale Market Price | \$ - | 1,552,650 | \$ - | \$ - | 1,552,500 | \$ - | \$ - | |
| Total Bill on Average IESO Wholesale Market Price | | | \$ 26,005.82 | | | \$ 28,075.59 | \$ 2,069.78 | 7.96% |
| HST | 13% | | \$ 3,380.76 | 13% | | \$ 3,649.83 | \$ 269.07 | 7.96% |
| Total Bill on Average IESO Wholesale Market Price | | | \$ 29,386.57 | | | \$ 31,725.42 | \$ 2,338.85 | 7.96% |

In the manager's summary, discuss the reas

| | | |
|-------------------------------|------------------------------------|-----|
| Customer Class: | RESIDENTIAL SERVICE CLASSIFICATION | |
| RPP / Non-RPP: | RPP | |
| Consumption | 280 | kWh |
| Demand | - | kW |
| Current Loss Factor | 1.0351 | |
| Proposed/Approved Loss Factor | 1.0350 | |

| | Current OEB-Approved | | | Proposed | | | Impact | |
|-------------------------------------------------------------|----------------------|--------|-----------------|------------|--------|-----------------|------------------|---------------|
| | Rate (\$) | Volume | Charge (\$) | Rate (\$) | Volume | Charge (\$) | \$ Change | % Change |
| Monthly Service Charge | \$ 22.66 | 1 | \$ 22.66 | \$ 22.4800 | 1 | \$ 22.48 | \$ (0.18) | -0.79% |
| Distribution Volumetric Rate | \$ - | 280 | \$ - | \$ - | 280 | \$ - | \$ - | - |
| Fixed Rate Riders | \$ - | 1 | \$ - | \$ 0.0100 | 1 | \$ 0.01 | \$ 0.01 | 0.01 |
| Volumetric Rate Riders | \$ - | 280 | \$ - | \$ - | 280 | \$ - | \$ - | - |
| Sub-Total A (excluding pass through) | | | \$ 22.66 | | | \$ 22.49 | \$ (0.17) | -0.75% |
| Line Losses on Cost of Power | \$ 0.1280 | 10 | \$ 1.26 | \$ 0.1280 | 10 | \$ 1.25 | \$ (0.00) | -0.28% |
| Total Deferral/Variance Account Rate Riders | \$ (0.0020) | 280 | \$ (0.56) | \$ 0.0003 | 280 | \$ 0.08 | \$ 0.64 | -115.00% |
| CBR Class B Rate Riders | \$ - | 280 | \$ - | \$ - | 280 | \$ - | \$ - | - |
| GA Rate Riders | \$ - | 280 | \$ - | \$ - | 280 | \$ - | \$ - | - |
| Low Voltage Service Charge | \$ - | 280 | \$ - | \$ - | 280 | \$ - | \$ - | - |
| Smart Meter Entity Charge (if applicable) | \$ 0.5700 | 1 | \$ 0.57 | \$ 0.5700 | 1 | \$ 0.57 | \$ - | 0.00% |
| Additional Fixed Rate Riders | \$ - | 1 | \$ - | \$ - | 1 | \$ - | \$ - | - |
| Additional Volumetric Rate Riders | | 280 | \$ - | \$ 0.0005 | 280 | \$ 0.14 | \$ 0.14 | - |
| Sub-Total B - Distribution (includes Sub-Total A) | | | \$ 23.93 | | | \$ 24.54 | \$ 0.61 | 2.55% |
| RTSR - Network | \$ 0.0059 | 290 | \$ 1.71 | \$ 0.0063 | 290 | \$ 1.83 | \$ 0.12 | 6.77% |
| RTSR - Connection and/or Line and Transformation Connection | \$ 0.0017 | 290 | \$ 0.49 | \$ 0.0017 | 290 | \$ 0.49 | \$ (0.00) | -0.01% |
| Sub-Total C - Delivery (including Sub-Total B) | | | \$ 26.13 | | | \$ 26.86 | \$ 0.73 | 2.78% |
| Wholesale Market Service Charge (WMSC) | \$ 0.0034 | 290 | \$ 0.99 | \$ 0.0034 | 290 | \$ 0.99 | \$ (0.00) | -0.01% |
| Rural and Remote Rate Protection (RRRP) | \$ 0.0005 | 290 | \$ 0.14 | \$ 0.0005 | 290 | \$ 0.14 | \$ (0.00) | -0.01% |
| Standard Supply Service Charge | \$ 0.25 | 1 | \$ 0.25 | \$ 0.25 | 1 | \$ 0.25 | \$ - | 0.00% |
| TOU - Off Peak | \$ 0.1010 | 179 | \$ 18.10 | \$ 0.1010 | 179 | \$ 18.10 | \$ - | 0.00% |
| TOU - Mid Peak | \$ 0.1440 | 50 | \$ 7.26 | \$ 0.1440 | 50 | \$ 7.26 | \$ - | 0.00% |
| TOU - On Peak | \$ 0.2080 | 50 | \$ 10.48 | \$ 0.2080 | 50 | \$ 10.48 | \$ - | 0.00% |
| Total Bill on TOU (before Taxes) | | | \$ 63.35 | | | \$ 64.08 | \$ 0.73 | 1.15% |
| HST | 13% | | \$ 8.24 | 13% | | \$ 8.33 | \$ 0.09 | 1.15% |
| Ontario Electricity Rebate | 31.8% | | \$ (20.15) | 31.8% | | \$ (20.38) | \$ (0.23) | - |
| Total Bill on TOU | | | \$ 51.44 | | | \$ 52.03 | \$ 0.59 | 1.15% |

In the manager's summary, discuss the reas



Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2020 Filers



Version 9.00

| | |
|--------------------|----------------------------------------------------------------|
| Utility Name | Kitchener-Wilmot Hydro Inc. |
| Service Territory | |
| Assigned EB Number | EB-2019-0049 |
| Name and Title | Margaret Nanninga, CFO and VP Finance |
| Phone Number | 519 749 6177 |
| Email Address | mnanninga@kwhydro.ca |
| Test Year | 2019 |
| Bridge Year | 2020 |
| Last Rebasing Year | 2014 |

The RRWF has been enhanced commencing with 2017 rate applications to provide estimated base distribution rates. The enhanced RRWF is not intended to replace a utility's formal rate generator model which should continue to be the source of the proposed rates as well as the final ones at the conclusion of the proceeding. The load forecasting addition made to this model is intended to be demonstrative only and does not replace the information filed in the utility's application. In an effort to minimize the incremental work required from utilities, the cost allocation and rate design additions to this model do in fact replace former appendices that were required to be filed as part of the cost of service (Chapter 2) filing requirements.

This Workbook Model is protected by copyright and is being made available to you solely for the purpose of filing your application. You may use and copy this model for that purpose, and provide a copy of this model to any person that is advising or assisting you in that regard. Except as indicated above, any copying, reproduction, publication, sale, adaptation, translation, modification, reverse engineering or other use or dissemination of this model without the express written consent of the Ontario Energy Board is prohibited. If you provide a copy of this model to a person that is advising or assisting you in preparing the application or reviewing your draft rate order, you must ensure that the person understands and agrees to the restrictions noted above.

While this model has been provided in Excel format and is required to be filed with the applications, the onus remains on the applicant to ensure the accuracy of the data and the results.



Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2020 Filers

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[2. Table of Contents](#)

[3. Data Input Sheet](#)

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[6. Taxes PILs](#)

[7. Cost of Capital](#)

[8. Rev Def Suff](#)

[9. Rev Reqt](#)

[10. Load Forecast](#)

[11. Cost Allocation](#)

[12. Residential Rate Design](#)

[13. Rate Design and Revenue Reconciliation](#)

[14. Tracking Sheet](#)

Notes:

- (1) Pale green cells represent inputs
- (2) Pale green boxes at the bottom of each page are for additional notes
- (3) Pale yellow cells represent drop-down lists
- (4) ***Please note that this model uses MACROS. Before starting, please ensure that macros have been enabled.***
- (5) ***Completed versions of the Revenue Requirement Work Form are required to be filed in working Microsoft Excel format.***



Revenue Requirement Workform (RRWF) for 2020 Filers

Data Input ⁽¹⁾

| | Initial Application ⁽²⁾ | Adjustments | Interrogatory Responses ⁽⁶⁾ | Adjustments | Per Board Decision |
|--------------------------------------------------|------------------------------------|---------------|----------------------------------------|---------------|----------------------|
| 1 Rate Base | | | | | |
| Gross Fixed Assets (average) | \$410,731,924 | \$150,000 | \$ 410,881,924 | | \$410,881,924 |
| Accumulated Depreciation (average) | (\$186,897,067) ⁽⁵⁾ | \$107,607 | (\$186,789,460) | | (\$186,789,460) |
| Allowance for Working Capital: | | | | | |
| Controllable Expenses | \$22,427,600 | \$174,800 | \$ 22,602,400 | (\$1,000,500) | \$21,601,900 |
| Cost of Power | \$184,677,958 | (\$746,087) | \$ 183,931,871 | \$948,193 | \$184,880,064 |
| Working Capital Rate (%) | 7.50% ⁽⁹⁾ | \$0 | 7.50% ⁽⁹⁾ | \$0 | 7.50% ⁽⁹⁾ |
| 2 Utility Income | | | | | |
| Operating Revenues: | | | | | |
| Distribution Revenue at Current Rates | \$42,054,323 | \$24,742 | \$42,079,065 | \$156,456 | \$42,235,521 |
| Distribution Revenue at Proposed Rates | \$45,527,270 | (\$968,364) | \$44,558,906 | (\$2,682,578) | \$41,876,328 |
| Other Revenue: | | | | | |
| Specific Service Charges | \$407,000 | \$0 | \$407,000 | \$0 | \$407,000 |
| Late Payment Charges | \$207,100 | \$0 | \$207,100 | \$0 | \$207,100 |
| Other Distribution Revenue | \$1,295,300 | \$0 | \$1,295,300 | \$0 | \$1,295,300 |
| Other Income and Deductions | \$1,334,500 | \$0 | \$1,334,500 | \$0 | \$1,334,500 |
| Total Revenue Offsets | \$3,243,900 ⁽⁷⁾ | \$0 | \$3,243,900 | \$0 | \$3,243,900 |
| Operating Expenses: | | | | | |
| OM+A Expenses | \$21,990,700 | \$174,800 | \$ 22,165,500 | (\$1,000,500) | \$21,165,000 |
| Depreciation/Amortization | \$11,013,500 | (\$230,213) | \$ 10,783,287 | | \$10,783,287 |
| Property taxes | \$436,900 | | \$ 436,900 | | \$436,900 |
| Other expenses | | | | | |
| 3 Taxes/PILs | | | | | |
| Taxable Income: | | | | | |
| Taxable Income: | (\$5,796,134) ⁽³⁾ | (\$2,724,860) | (\$8,520,994) | (\$3,717,734) | (\$12,238,728) |
| Adjustments required to arrive at taxable income | | | | | |
| Utility Income Taxes and Rates: | | | | | |
| Income taxes (not grossed up) | \$680,518 | (\$680,518) | \$ - | \$0 | \$ - |
| Income taxes (grossed up) | \$925,875 | | \$ - | | \$ - |
| Federal tax (%) | 11.50% | (\$0) | 0.00% | \$0 | 0.00% |
| Provincial tax (%) | 15.00% | (\$0) | 0.00% | \$0 | 0.00% |
| Income Tax Credits | (\$62,000) | \$62,000 | \$ - | \$0 | \$ - |
| 4 Capitalization/Cost of Capital | | | | | |
| Capital Structure: | | | | | |
| Long-term debt Capitalization Ratio (%) | 56.0% | \$0 | 56.0% | \$0 | 56.0% |
| Short-term debt Capitalization Ratio (%) | 4.0% ⁽⁸⁾ | \$0 | 4.0% ⁽⁸⁾ | \$0 | 4.0% ⁽⁸⁾ |
| Common Equity Capitalization Ratio (%) | 40.0% | \$0 | 40.0% | \$0 | 40.0% |
| Preferred Shares Capitalization Ratio (%) | 0.0% | \$0 | 0.0% | \$0 | 0.0% |
| | 100.0% | | 100.0% | | 100.0% |
| Cost of Capital | | | | | |
| Long-term debt Cost Rate (%) | 4.13% | \$0 | 4.13% | (\$0) | 3.21% |
| Short-term debt Cost Rate (%) | 2.82% | \$0 | 2.82% | (\$0) | 2.75% |
| Common Equity Cost Rate (%) | 8.98% | \$0 | 8.98% | (\$0) | 8.52% |
| Preferred Shares Cost Rate (%) | | | | | |

Notes:

General Data inputs are required on Sheets 3. Data from Sheet 3 will automatically complete calculations on sheets 4 through 9 (Rate Base through Revenue Requirement). Sheets 4 through 9 do not require any inputs except for notes that the Applicant may wish to enter to support the results. Pale green cells are available on sheets 4 through 9 to enter both footnotes beside key cells and the related text for the notes at the bottom of each sheet.

⁽¹⁾ All inputs are in dollars (\$) except where inputs are individually identified as percentages (%)

⁽²⁾ Data in column E is for Application as originally filed. For updated revenue requirement as a result of interrogatory responses, technical or settlement conferences, etc., use column M and Adjustments in column I

⁽³⁾ Net of addbacks and deductions to arrive at taxable income.

⁽⁴⁾ Average of Gross Fixed Assets at beginning and end of the Test Year

⁽⁵⁾ Average of Accumulated Depreciation at the beginning and end of the Test Year. Enter as a negative amount.

⁽⁶⁾ Select option from drop-down list by clicking on cell M12. This column allows for the application update reflecting the end of discovery or Argument-in-Chief. Also, the outcome of any Settlement Process can be reflected.

⁽⁷⁾ Input total revenue offsets for deriving the base revenue requirement from the service revenue requirement

⁽⁸⁾ 4.0% unless an Applicant has proposed or been approved for another amount.

⁽⁹⁾ The default Working Capital Allowance factor is 7.5% (of Cost of Power plus controllable expenses), per the letter issued by the Board on June 3, 2015. Alternatively, a WCA factor based on lead-lag study, with supporting rationale could be provided.



Revenue Requirement Workform (RRWF) for 2020 Filers

Rate Base and Working Capital

| Line No. | Rate Base Particulars | Initial Application | Adjustments | Interrogatory Responses | Adjustments | Per Board Decision |
|----------|---------------------------------------------------|----------------------|------------------|-------------------------|------------------|----------------------|
| 1 | Gross Fixed Assets (average) ⁽²⁾ | \$410,731,924 | \$150,000 | \$410,881,924 | \$ - | \$410,881,924 |
| 2 | Accumulated Depreciation (average) ⁽²⁾ | (\$186,897,067) | \$107,607 | (\$186,789,460) | \$ - | (\$186,789,460) |
| 3 | Net Fixed Assets (average) ⁽²⁾ | \$223,834,857 | \$257,607 | \$224,092,464 | \$ - | \$224,092,464 |
| 4 | Allowance for Working Capital ⁽¹⁾ | \$15,532,917 | (\$42,847) | \$15,490,070 | (\$3,923) | \$15,486,147 |
| 5 | Total Rate Base | \$239,367,774 | \$214,760 | \$239,582,534 | (\$3,923) | \$239,578,611 |

(1) Allowance for Working Capital - Derivation

| | | | | | | |
|----|---------------------------------------|---------------|-------------|---------------|---------------|---------------|
| 6 | Controllable Expenses | \$22,427,600 | \$174,800 | \$22,602,400 | (\$1,000,500) | \$21,601,900 |
| 7 | Cost of Power | \$184,677,958 | (\$746,087) | \$183,931,871 | \$948,193 | \$184,880,064 |
| 8 | Working Capital Base | \$207,105,558 | (\$571,287) | \$206,534,271 | (\$52,307) | \$206,481,964 |
| 9 | Working Capital Rate % ⁽¹⁾ | 7.50% | 0.00% | 7.50% | 0.00% | 7.50% |
| 10 | Working Capital Allowance | \$15,532,917 | (\$42,847) | \$15,490,070 | (\$3,923) | \$15,486,147 |

Notes

(1) Some Applicants may have a unique rate as a result of a lead-lag study. The default rate for 2020 cost of service applications is 7.5%, per the letter issued by the Board on June 3, 2015.

(2) Average of opening and closing balances for the year.



Revenue Requirement Workform (RRWF) for 2020 Filers

Utility Income

| Line No. | Particulars | Initial Application | Adjustments | Interrogatory Responses | Adjustments | Per Board Decision |
|----------------------------|-------------------------------------------|---------------------|--------------------|-------------------------|----------------------|---------------------|
| Operating Revenues: | | | | | | |
| 1 | Distribution Revenue (at Proposed Rates) | \$45,527,270 | (\$968,364) | \$44,558,906 | (\$2,682,578) | \$41,876,328 |
| 2 | Other Revenue ⁽¹⁾ | \$3,243,900 | \$ - | \$3,243,900 | \$ - | \$3,243,900 |
| 3 | Total Operating Revenues | \$48,771,170 | (\$968,364) | \$47,802,806 | (\$2,682,578) | \$45,120,228 |
| Operating Expenses: | | | | | | |
| 4 | OM+A Expenses | \$21,990,700 | \$174,800 | \$22,165,500 | (\$1,000,500) | \$21,165,000 |
| 5 | Depreciation/Amortization | \$11,013,500 | (\$230,213) | \$10,783,287 | \$ - | \$10,783,287 |
| 6 | Property taxes | \$436,900 | \$ - | \$436,900 | \$ - | \$436,900 |
| 7 | Capital taxes | \$ - | \$ - | \$ - | \$ - | \$ - |
| 8 | Other expense | \$ - | \$ - | \$ - | \$ - | \$ - |
| 9 | Subtotal (lines 4 to 8) | \$33,441,100 | (\$55,413) | \$33,385,687 | (\$1,000,500) | \$32,385,187 |
| 10 | Deemed Interest Expense | \$5,806,105 | \$5,209 | \$5,811,314 | (\$1,241,112) | \$4,570,202 |
| 11 | Total Expenses (lines 9 to 10) | \$39,247,205 | (\$50,204) | \$39,197,001 | (\$2,241,612) | \$36,955,389 |
| 12 | Utility income before income taxes | \$9,523,965 | (\$918,160) | \$8,605,805 | (\$440,966) | \$8,164,839 |
| 13 | Income taxes (grossed-up) | \$925,875 | (\$925,875) | \$ - | \$ - | \$ - |
| 14 | Utility net income | \$8,598,090 | \$7,715 | \$8,605,805 | (\$440,966) | \$8,164,839 |

Notes

Other Revenues / Revenue Offsets

| | | | | | | |
|-----|------------------------------|--------------------|-------------|--------------------|-------------|--------------------|
| (1) | Specific Service Charges | \$407,000 | \$ - | \$407,000 | \$ - | \$407,000 |
| | Late Payment Charges | \$207,100 | \$ - | \$207,100 | \$ - | \$207,100 |
| | Other Distribution Revenue | \$1,295,300 | \$ - | \$1,295,300 | \$ - | \$1,295,300 |
| | Other Income and Deductions | \$1,334,500 | \$ - | \$1,334,500 | \$ - | \$1,334,500 |
| | Total Revenue Offsets | \$3,243,900 | \$ - | \$3,243,900 | \$ - | \$3,243,900 |



Revenue Requirement Workform (RRWF) for 2020 Filers

Taxes/PILs

| Line No. | Particulars | Application | Interrogatory Responses | Per Board Decision |
|---------------------------------------------------|----------------------------------------------------------------|--------------------|-------------------------|----------------------|
| <u>Determination of Taxable Income</u> | | | | |
| 1 | Utility net income before taxes | \$8,598,090 | \$8,605,805 | \$8,164,839 |
| 2 | Adjustments required to arrive at taxable utility income | (\$5,796,134) | (\$8,520,994) | (\$12,238,728) |
| 3 | Taxable income | <u>\$2,801,956</u> | <u>\$84,811</u> | <u>(\$4,073,889)</u> |
| <u>Calculation of Utility Income Taxes</u> | | | | |
| 4 | Income taxes | \$680,518 | \$ - | \$ - |
| 6 | Total taxes | <u>\$680,518</u> | <u>\$ -</u> | <u>\$ -</u> |
| 7 | Gross-up of Income Taxes | \$245,357 | \$ - | \$ - |
| 8 | Grossed-up Income Taxes | <u>\$925,875</u> | <u>\$ -</u> | <u>\$ -</u> |
| 9 | PILs / tax Allowance (Grossed-up Income taxes + Capital taxes) | <u>\$925,875</u> | <u>\$ -</u> | <u>\$ -</u> |
| 10 | Other tax Credits | (\$62,000) | \$ - | \$ - |
| <u>Tax Rates</u> | | | | |
| 11 | Federal tax (%) | 11.50% | 0.00% | 0.00% |
| 12 | Provincial tax (%) | <u>15.00%</u> | <u>0.00%</u> | <u>0.00%</u> |
| 13 | Total tax rate (%) | <u>26.50%</u> | <u>0.00%</u> | <u>0.00%</u> |

Notes



Revenue Requirement Workform (RRWF) for 2020 Filers

Capitalization/Cost of Capital

| Line No. | Particulars | Capitalization Ratio | | Cost Rate | Return |
|--------------------------------|---------------------|----------------------|----------------------|--------------|---------------------|
| Initial Application | | | | | |
| | | (%) | (\$) | (%) | (\$) |
| | Debt | | | | |
| 1 | Long-term Debt | 56.00% | \$134,045,953 | 4.13% | \$5,536,098 |
| 2 | Short-term Debt | 4.00% | \$9,574,711 | 2.82% | \$270,007 |
| 3 | Total Debt | 60.00% | \$143,620,664 | 4.04% | \$5,806,105 |
| | Equity | | | | |
| 4 | Common Equity | 40.00% | \$95,747,110 | 8.98% | \$8,598,090 |
| 5 | Preferred Shares | 0.00% | \$ - | 0.00% | \$ - |
| 6 | Total Equity | 40.00% | \$95,747,110 | 8.98% | \$8,598,090 |
| 7 | Total | 100.00% | \$239,367,774 | 6.02% | \$14,404,195 |
| Interrogatory Responses | | | | | |
| | | (%) | (\$) | (%) | (\$) |
| | Debt | | | | |
| 1 | Long-term Debt | 56.00% | \$134,166,219 | 4.13% | \$5,541,065 |
| 2 | Short-term Debt | 4.00% | \$9,583,301 | 2.82% | \$270,249 |
| 3 | Total Debt | 60.00% | \$143,749,521 | 4.04% | \$5,811,314 |
| | Equity | | | | |
| 4 | Common Equity | 40.00% | \$95,833,014 | 8.98% | \$8,605,805 |
| 5 | Preferred Shares | 0.00% | \$ - | 0.00% | \$ - |
| 6 | Total Equity | 40.00% | \$95,833,014 | 8.98% | \$8,605,805 |
| 7 | Total | 100.00% | \$239,582,534 | 6.02% | \$14,417,119 |
| Per Board Decision | | | | | |
| | | (%) | (\$) | (%) | (\$) |
| | Debt | | | | |
| 8 | Long-term Debt | 56.00% | \$134,164,022 | 3.21% | \$4,306,665 |
| 9 | Short-term Debt | 4.00% | \$9,583,144 | 2.75% | \$263,536 |
| 10 | Total Debt | 60.00% | \$143,747,167 | 3.18% | \$4,570,202 |
| | Equity | | | | |
| 11 | Common Equity | 40.00% | \$95,831,445 | 8.52% | \$8,164,839 |
| 12 | Preferred Shares | 0.00% | \$ - | 0.00% | \$ - |
| 13 | Total Equity | 40.00% | \$95,831,445 | 8.52% | \$8,164,839 |
| 14 | Total | 100.00% | \$239,578,611 | 5.32% | \$12,735,041 |

Notes



Revenue Requirement Workform (RRWF) for 2020 Filers

Revenue Deficiency/Sufficiency

| Line No. | Particulars | Initial Application | | Interrogatory Responses | | Per Board Decision | |
|----------|----------------------------------------------------------|-----------------------------------|----------------------|-----------------------------------|----------------------|-----------------------------------|----------------------|
| | | At Current Approved Rates | At Proposed Rates | At Current Approved Rates | At Proposed Rates | At Current Approved Rates | At Proposed Rates |
| 1 | Revenue Deficiency from Below | | \$3,472,948 | | \$2,479,841 | | (\$359,193) |
| 2 | Distribution Revenue | \$42,054,323 | \$42,054,322 | \$42,079,065 | \$42,079,065 | \$42,235,521 | \$42,235,521 |
| 3 | Other Operating Revenue Offsets - net | \$3,243,900 | \$3,243,900 | \$3,243,900 | \$3,243,900 | \$3,243,900 | \$3,243,900 |
| 4 | Total Revenue | \$45,298,223 | \$48,771,170 | \$45,322,965 | \$47,802,806 | \$45,479,421 | \$45,120,228 |
| 5 | Operating Expenses | \$33,441,100 | \$33,441,100 | \$33,385,687 | \$33,385,687 | \$32,385,187 | \$32,385,187 |
| 6 | Deemed Interest Expense | \$5,806,105 | \$5,806,105 | \$5,811,314 | \$5,811,314 | \$4,570,202 | \$4,570,202 |
| 8 | Total Cost and Expenses | \$39,247,205 | \$39,247,205 | \$39,197,001 | \$39,197,001 | \$36,955,389 | \$36,955,389 |
| 9 | Utility Income Before Income Taxes | \$6,051,018 | \$9,523,965 | \$6,125,964 | \$8,605,805 | \$8,524,032 | \$8,164,839 |
| 10 | Tax Adjustments to Accounting Income per 2013 PILs model | (\$5,796,134) | (\$5,796,134) | (\$8,520,994) | (\$8,520,994) | (\$12,238,728) | (\$12,238,728) |
| 11 | Taxable Income | \$254,884 | \$3,727,831 | (\$2,395,030) | \$84,811 | (\$3,714,695) | (\$4,073,888) |
| 12 | Income Tax Rate | 26.50% | 26.50% | 0.00% | 0.00% | 0.00% | 0.00% |
| 13 | Income Tax on Taxable Income | \$67,544 | \$987,875 | \$ - | \$ - | \$ - | \$ - |
| 14 | Income Tax Credits | (\$62,000) | (\$62,000) | \$ - | \$ - | \$ - | \$ - |
| 15 | Utility Net Income | \$6,045,474 | \$8,598,090 | \$6,125,964 | \$8,605,805 | \$8,524,032 | \$8,164,839 |
| 16 | Utility Rate Base | \$239,367,774 | \$239,367,774 | \$239,582,534 | \$239,582,534 | \$239,578,611 | \$239,578,611 |
| 17 | Deemed Equity Portion of Rate Base | \$95,747,110 | \$95,747,110 | \$95,833,014 | \$95,833,014 | \$95,831,445 | \$95,831,445 |
| 18 | Income/(Equity Portion of Rate Base) | 6.31% | 8.98% | 6.39% | 8.98% | 8.89% | 8.52% |
| 19 | Target Return - Equity on Rate Base | 8.98% | 8.98% | 8.98% | 8.98% | 8.52% | 8.52% |
| 20 | Deficiency/Sufficiency in Return on Equity | -2.67% | 0.00% | -2.59% | 0.00% | 0.37% | 0.00% |
| 21 | Indicated Rate of Return | 4.95% | 6.02% | 4.98% | 6.02% | 5.47% | 5.32% |
| 22 | Requested Rate of Return on Rate Base | 6.02% | 6.02% | 6.02% | 6.02% | 5.32% | 5.32% |
| 23 | Deficiency/Sufficiency in Rate of Return | -1.07% | 0.00% | -1.04% | 0.00% | 0.15% | 0.00% |
| 24 | Target Return on Equity | \$8,598,090 | \$8,598,090 | \$8,605,805 | \$8,605,805 | \$8,164,839 | \$8,164,839 |
| 25 | Revenue Deficiency/(Sufficiency) | \$2,552,616 | \$0 | \$2,479,841 | \$0 | (\$359,193) | \$0 |
| 26 | Gross Revenue Deficiency/(Sufficiency) | \$3,472,948 ⁽¹⁾ | | \$2,479,841 ⁽¹⁾ | | (\$359,193) ⁽¹⁾ | |

Notes:

⁽¹⁾ Revenue Deficiency/Sufficiency divided by (1 - Tax Rate)



Revenue Requirement Workform (RRWF) for 2020 Filers

Revenue Requirement

| Line No. | Particulars | Application | Interrogatory Responses | Per Board Decision |
|----------|---------------------------------------------------------------------------------------------|---------------------------|---------------------------|---------------------------|
| 1 | OM&A Expenses | \$21,990,700 | \$22,165,500 | \$21,165,000 |
| 2 | Amortization/Depreciation | \$11,013,500 | \$10,783,287 | \$10,783,287 |
| 3 | Property Taxes | \$436,900 | \$436,900 | \$436,900 |
| 5 | Income Taxes (Grossed up) | \$925,875 | \$ - | \$ - |
| 6 | Other Expenses | \$ - | \$ - | \$ - |
| 7 | Return | | | |
| | Deemed Interest Expense | \$5,806,105 | \$5,811,314 | \$4,570,202 |
| | Return on Deemed Equity | \$8,598,090 | \$8,605,805 | \$8,164,839 |
| 8 | Service Revenue Requirement (before Revenues) | <u>\$48,771,170</u> | <u>\$47,802,806</u> | <u>\$45,120,228</u> |
| 9 | Revenue Offsets | \$3,243,900 | \$3,243,900 | \$3,243,900 |
| 10 | Base Revenue Requirement (excluding Tranformer Owership Allowance credit adjustment) | <u>\$45,527,270</u> | <u>\$44,558,906</u> | <u>\$41,876,328</u> |
| 11 | Distribution revenue | \$45,527,270 | \$44,558,906 | \$41,876,328 |
| 12 | Other revenue | \$3,243,900 | \$3,243,900 | \$3,243,900 |
| 13 | Total revenue | <u>\$48,771,170</u> | <u>\$47,802,806</u> | <u>\$45,120,228</u> |
| 14 | Difference (Total Revenue Less Distribution Revenue Requirement before Revenues) | <u>\$0</u> ⁽¹⁾ | <u>\$0</u> ⁽¹⁾ | <u>\$0</u> ⁽¹⁾ |

Summary Table of Revenue Requirement and Revenue Deficiency/Sufficiency

| | Application | Interrogatory Responses | Δ% ⁽²⁾ | Per Board Decision | Δ% ⁽²⁾ |
|----------------------------------------------------------------------------------|--------------|-------------------------|-------------------|--------------------|-------------------|
| Service Revenue Requirement | \$48,771,170 | \$47,802,806 | (\$0) | \$45,120,228 | (\$1) |
| Grossed-Up Revenue Deficiency/(Sufficiency) | \$3,472,948 | \$2,479,841 | (\$0) | (\$359,193) | (\$1) |
| Base Revenue Requirement (to be recovered from Distribution Rates) | \$45,527,270 | \$44,558,906 | (\$0) | \$41,876,328 | (\$1) |
| Revenue Deficiency/(Sufficiency) Associated with Base Revenue Requirement | \$3,472,947 | \$2,479,841 | (\$0) | (\$359,193) | (\$1) |

Notes

⁽¹⁾ Line 11 - Line 8

⁽²⁾ Percentage Change Relative to Initial Application



Revenue Requirement Workform (RRWF) for 2020 Filers

Load Forecast Summary

This spreadsheet provides a summary of the customer and load forecast on which the test year revenue requirement is derived. The amounts serve as the denominators for deriving the rates to recover the test year revenue requirement for purposes of this RRWF.

The information to be input is inclusive of any adjustments to kWh and kW to reflect the impacts of CDM programs up to and including CDM programs planned to be executed in the test year. i.e., the load forecast adjustments determined in **Appendix 2-1** should be incorporated into the entries. The inputs should correspond with the summary of the Load Forecast for the Test Year in **Appendix 2-1B** and in Exhibit 3 of the application.

Appendix 2-1B is still required to be filled out, as it also provides a year-over-year variance analysis of demand growth and trends from historical actuals to the Bridge and Test Year forecasts.

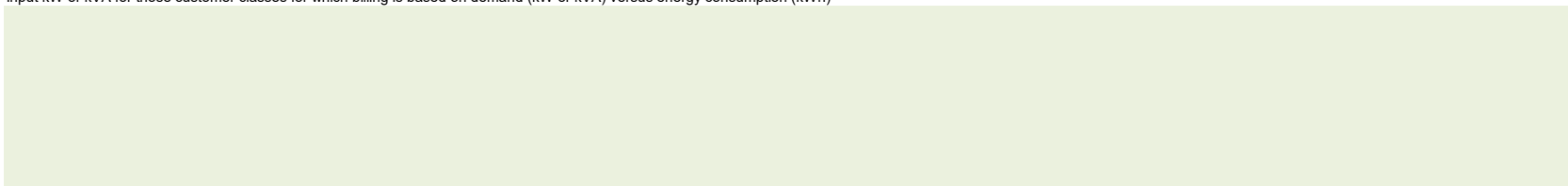
Stage in Process:

Per Board Decision

| Customer Class | | Initial Application | | | Interrogatory Responses | | | Per Board Decision | | |
|----------------------------------------|--------------------------|-------------------------------|--------------------|-----------------------|-------------------------------|--------------------|-----------------------|-------------------------------|--------------------|-----------------------|
| Input the name of each customer class. | | Customer / Connections | kWh | kW/kVA ⁽¹⁾ | Customer / Connections | kWh | kW/kVA ⁽¹⁾ | Customer / Connections | kWh | kW/kVA ⁽¹⁾ |
| | | Test Year average or mid-year | Annual | Annual | Test Year average or mid-year | Annual | Annual | Test Year average or mid-year | Annual | Annual |
| 1 | Residential | 89,860 | 671,446,586 | | 89,860 | 660,525,997 | | 89,860 | 660,769,294 | |
| 2 | GS<50 | 8,136 | 230,635,457 | | 8,136 | 229,178,008 | | 8,136 | 228,934,711 | |
| 3 | GS>50 | 938 | | 2,008,643 | 938 | | 2,008,537 | 938 | | 2,042,617 |
| 4 | Large User | 1 | | 70,127 | 1 | | 70,127 | 1 | | 70,127 |
| 5 | Streetlighting | 25,440 | | 20,391 | 25,440 | | 20,391 | 25,440 | | 20,391 |
| 6 | Unmetered Scattered Load | 955 | 4,173,587 | | 955 | 4,173,587 | | 955 | 4,173,587 | |
| 7 | Embedded Distributor | 1 | | 43,316 | 1 | | 43,316 | 1 | | 43,316 |
| 8 | | | | | | | | | | |
| 9 | | | | | | | | | | |
| 10 | | | | | | | | | | |
| 11 | | | | | | | | | | |
| 12 | | | | | | | | | | |
| 13 | | | | | | | | | | |
| 14 | | | | | | | | | | |
| 15 | | | | | | | | | | |
| 16 | | | | | | | | | | |
| 17 | | | | | | | | | | |
| 18 | | | | | | | | | | |
| 19 | | | | | | | | | | |
| 20 | | | | | | | | | | |
| Total | | | 906,255,630 | 2,142,477 | | 893,877,592 | 2,142,371 | | 893,877,592 | 2,176,451 |

Notes:

⁽¹⁾ Input kW or kVA for those customer classes for which billing is based on demand (kW or kVA) versus energy consumption (kWh)





Revenue Requirement Workform (RRWF) for 2020 Filers

Cost Allocation and Rate Design

This spreadsheet replaces **Appendix 2-P** and provides a summary of the results from the Cost Allocation spreadsheet, and is used in the determination of the class revenue requirement and, hence, ultimately, the determination of rates from customers in all classes to recover the revenue requirement.

Stage in Application Process: *Per Board Decision*

A) Allocated Costs

| Name of Customer Class ⁽³⁾ | Costs Allocated from Previous Study ⁽¹⁾ | % | Allocated Class Revenue Requirement ⁽¹⁾ | % |
|---------------------------------------|-------------------------------------------------------|-----------------------------------------------------------|----------------------------------------------------------|----------------|
| <i>From Sheet 10. Load Forecast</i> | | | <i>(7A)</i> | |
| 1 Residential | \$ 23,916,301 | 59.02% | \$ 27,209,977 | 60.31% |
| 2 GS<50 | \$ 5,246,277 | 12.95% | \$ 5,095,791 | 11.29% |
| 3 GS>50 | \$ 10,531,673 | 25.99% | \$ 12,009,116 | 26.62% |
| 4 Large User | \$ 265,721 | 0.66% | \$ 287,533 | 0.64% |
| 5 Streetlighting | \$ 360,291 | 0.89% | \$ 270,841 | 0.60% |
| 6 Unmetered Scattered Load | \$ 104,301 | 0.26% | \$ 132,518 | 0.29% |
| 7 Embedded Distributor | \$ 98,174 | 0.24% | \$ 114,453 | 0.25% |
| 8 | | | | |
| 9 | | | | |
| 10 | | | | |
| 11 | | | | |
| 12 | | | | |
| 13 | | | | |
| 14 | | | | |
| 15 | | | | |
| 16 | | | | |
| 17 | | | | |
| 18 | | | | |
| 19 | | | | |
| 20 | | | | |
| Total | \$ 40,522,738 | 100.00% | \$ 45,120,229 | 100.00% |
| | | Service Revenue Requirement (from Sheet 9) | \$ 45,120,227.66 | |

- (1) Class Allocated Revenue Requirement, from Sheet O-1, Revenue to Cost || RR, row 40, from the Cost Allocation Study in this application. This excludes costs in deferral and variance accounts. For Embedded Distributors, Account 4750 - Low Voltage (LV) Costs are also excluded.
- (2) Host Distributors - Provide information on any embedded distributor(s) as a separate class, if applicable. If embedded distributors are billed in a General Service class, include the allocated costs and revenues of the embedded distributor(s) in the applicable class, and also complete Appendix 2-Q.
- (3) Customer Classes - If these differ from those in place in the previous cost allocation study, modify the customer classes to match the proposal in the current application as closely as possible.

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 | \$ 24,434,731 | \$ 24,226,926 | \$ 24,245,248 | \$ 2,197,813 |
| 2 GS<50 | \$ 5,755,096 | \$ 5,706,152 | \$ 5,706,152 | \$ 354,321 |
| 3 GS>50 | \$ 11,192,119 | \$ 11,096,936 | \$ 11,097,341 | \$ 639,167 |
| 4 Large User | \$ 274,542 | \$ 272,207 | \$ 272,220 | \$ 17,871 |
| 5 Streetlighting | \$ 331,182 | \$ 328,366 | \$ 306,621 | \$ 18,388 |
| 6 Unmetered Scattered Load | \$ 145,247 | \$ 144,012 | \$ 144,012 | \$ 9,848 |
| 7 Embedded Distributor | \$ 102,603 | \$ 101,730 | \$ 104,735 | \$ 6,492 |
| 8 | | | | |
| 9 | | | | |
| 10 | | | | |
| 11 | | | | |
| 12 | | | | |
| 13 | | | | |
| 14 | | | | |
| 15 | | | | |
| 16 | | | | |
| 17 | | | | |
| 18 | | | | |
| 19 | | | | |
| 20 | | | | |
| Total | \$ 42,235,520 | \$ 41,876,329 | \$ 41,876,329 | \$ 3,243,900 |

- (4) In columns 7B to 7D, LF means Load Forecast of Annual Billing Quantities (i.e., customers or connections, as applicable X 12 months, and kWh, kW or kVA as applicable. Revenue quantities should be net of the Transformer Ownership Allowance for applicable customer classes. Exclude revenues from rate adders and rate riders.
- (5) Columns 7C and 7D - Column Total should equal the Base Revenue Requirement for each.
- (6) Column 7C - The OEB-issued cost allocation model calculates "1+d" on worksheet O-1, cell C22. "d" is defined as Revenue Deficiency/Revenue at Current Rates.
- (7) Column 7E - If using the OEB-issued cost allocation model, enter Miscellaneous Revenues as it appears on worksheet O-1, row 19,

C) Rebalancing Revenue-to-Cost Ratios

| Name of Customer Class | Previously Approved Ratios Most Recent Year: 2014 % | Status Quo Ratios (7C + 7E) / (7A) % | Proposed Ratios (7D + 7E) / (7A) % | Policy Range % |
|----------------------------|--------------------------------------------------------------|--------------------------------------------|------------------------------------------|-------------------|
| 1 Residential | 93.90% | 97.11% | 97.18% | 85 - 115 |
| 2 GS<50 | 107.80% | 118.93% | 118.93% | 80 - 120 |
| 3 GS>50 | 109.10% | 97.73% | 97.73% | 80 - 120 |
| 4 Large User | 93.90% | 100.88% | 100.89% | 80 - 120 |
| 5 Streetlighting | 120.00% | 128.03% | 120.00% | 80 - 120 |
| 6 Unmetered Scattered Load | 120.00% | 116.10% | 116.10% | 80 - 120 |
| 7 Embedded Distributor | 100.00% | 94.56% | 97.18% | 80 - 120 |
| 8 | | | | |
| 9 | | | | |
| 10 | | | | |
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| 17 | | | | |
| 18 | | | | |
| 19 | | | | |
| 20 | | | | |

- (8) Previously Approved Revenue-to-Cost (R/C) Ratios - For most applicants, the most recent year would be the third year (at the latest) of the Price Cap IR period. For example, if the applicant, rebased in 2012 with further adjustments to move within the range over two years, the Most Recent Year would be 2015. However, the ratios in 2015 would be equal to those after the adjustment in 2014.
- (9) Status Quo Ratios - The OEB-issued cost allocation model provides the Status Quo Ratios on Worksheet O-1. The Status Quo means "Before Rebalancing".
- (10) Ratios shown in red are outside of the allowed range. Applies to both Tables C and D.

(D) Proposed Revenue-to-Cost Ratios ⁽¹¹⁾

| Name of Customer Class | Proposed Revenue-to-Cost Ratio | | | Policy Range |
|----------------------------|--------------------------------|---------------------|---------|--------------|
| | Test Year 2020 | Price Cap IR Period | | |
| | | 2021 | 2022 | |
| 1 Residential | 97.18% | 97.18% | 97.18% | 85 - 115 |
| 2 GS<50 | 118.93% | 118.93% | 118.93% | 80 - 120 |
| 3 GS>50 | 97.73% | 97.73% | 97.73% | 80 - 120 |
| 4 Large User | 100.89% | 100.89% | 100.89% | 80 - 120 |
| 5 Streetlighting | 120.00% | 120.00% | 120.00% | 80 - 120 |
| 6 Unmetered Scattered Load | 116.10% | 116.10% | 116.10% | 80 - 120 |
| 7 Embedded Distributor | 97.18% | 97.18% | 97.18% | 80 - 120 |
| 8 | | | | |
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| 20 | | | | |

(11) The applicant should complete Table D if it is applying for approval of a revenue-to-cost ratio in 2020 that is outside of the OEB's policy range for any customer class. Table D will show that the distributor is likely to enter into the 2021 and 2022 Price Cap IR models, as necessary. For 2021 and 2022, enter the planned revenue-to-cost ratios that will be "Change" or "No Change" in 2019 (in the current Revenue/Cost Ratio Adjustment Workform, Worksheet C1.1 'Decision - Cost Revenue Adjustment, column d), and enter TBD for class(es) that will be entered as 'Rebalance'.

Revenue Requirement Workform (RRWF) for 2020 Filers

Rate Design and Revenue Reconciliation

This sheet replaces Appendix 2-V, and provides a simplified model for calculating the standard monthly and volumetric rates based on the allocated class revenues and fixed/variable split resulting from the cost allocation study and rate design and as proposed by the applicant. However, the RRWF does not replace the rate generator model that an applicant distributor may use in support of its application. The RRWF provides a demonstrative check on the derivation of the revenue requirement and on the proposed base distribution rates to recover the revenue requirement, based on summary information from a more detailed rate generator model and other models that applicants use for cost allocation, load forecasting, taxes/PILs, etc.

| Stage in Process: | | Per Board Decision | | | Class Allocated Revenues | | | Fixed / Variable Splits ² | | | Distribution Rates | | Revenue Reconciliation | | | | |
|----------------------------------------------|-------------------------------|-------------------------|-------------|-----------|----------------------------------------------------------------------|------------------------|--------------|--------------------------------------------------------|----------|---------------------------------------------------|------------------------|-----------------|------------------------|------------------------------------|-------------------|---------------------|-----------------------------------------------|
| Customer and Load Forecast | | | | | From Sheet 11. Cost Allocation and Sheet 12. Residential Rate Design | | | Percentage to be entered as a fraction between 0 and 1 | | Transformer Ownership Allowance ¹ (\$) | Monthly Service Charge | | Volumetric Rate | | MSC Revenues | Volumetric revenues | Revenues less Transformer Ownership Allowance |
| Customer Class | Volumetric Charge Determinant | Customers / Connections | kWh | KW or KVA | Total Class Revenue Requirement | Monthly Service Charge | Volumetric | Fixed | Variable | | Rate | No. of decimals | Rate | No. of decimals | | | |
| 1 Residential | kWh | 89,860 | 660,769,294 | - | \$ 24,245,248 | \$ 24,245,248 | \$ - | 100.00% | 0.00% | | 2 | \$0.0000 /kWh | 4 | \$24,240,633.60 | \$ - | \$24,240,633.60 | |
| 2 GS<50 | kWh | 8,136 | 228,934,711 | - | \$ 5,705,152 | \$ 2,685,705 | \$ 3,020,447 | 47.07% | 52.93% | \$27.51 | | \$0.0132 /kWh | | \$ 2,685,856.32 | \$ 3,021,938.1852 | \$ 5,707,794.51 | |
| 3 GS>50 | kW | 938 | - | 2,042,617 | \$ 11,097,341 | \$ 2,082,441 | \$ 9,034,900 | 18.59% | 81.42% | \$183.23 | | \$4.7174 /kW | | \$ 2,082,436.88 | \$ 9,635,941.4359 | \$11,097,341.32 | |
| 4 Large User | kW | 1 | - | 70,127 | \$ 272,220 | \$ 204,522 | \$ 67,698 | 75.13% | 24.87% | \$ 600.937 | | \$1.5654 /kW | | \$ 204,521.64 | \$ 109,776.8058 | \$ 272,222.45 | |
| 5 Streetlighting | kW | 25,440 | - | 20,391 | \$ 306,621 | \$ 211,980 | \$ 94,641 | 69.13% | 30.87% | \$ | | \$4.6413 /kW | | \$ 210,643.20 | \$ 94,640.7483 | \$ 305,283.95 | |
| 6 Unmetered Scattered Load | kWh | 955 | 4,173,587 | - | \$ 144,012 | \$ 84,424 | \$ 59,588 | 58.62% | 41.38% | \$7.37 | | \$0.0143 /kWh | | \$ 84,460.20 | \$ 59,682.2941 | \$ 144,142.49 | |
| 7 Embedded Distributor | kW | 1 | - | 43,316 | \$ 104,735 | \$ - | \$ 104,735 | 0.00% | 100.00% | \$0.00 | | \$2.4179 /kW | | \$ - | \$ 104,733.7564 | \$ 104,733.76 | |
| 8 | | | | | | | | | | | | | | \$ - | \$ - | \$ - | |
| 9 | | | | | | | | | | | | | | \$ - | \$ - | \$ - | |
| 10 | | | | | | | | | | | | | | \$ - | \$ - | \$ - | |
| 11 | | | | | | | | | | | | | | \$ - | \$ - | \$ - | |
| 12 | | | | | | | | | | | | | | \$ - | \$ - | \$ - | |
| 13 | | | | | | | | | | | | | | \$ - | \$ - | \$ - | |
| 14 | | | | | | | | | | | | | | \$ - | \$ - | \$ - | |
| 15 | | | | | | | | | | | | | | \$ - | \$ - | \$ - | |
| 16 | | | | | | | | | | | | | | \$ - | \$ - | \$ - | |
| 17 | | | | | | | | | | | | | | \$ - | \$ - | \$ - | |
| 18 | | | | | | | | | | | | | | \$ - | \$ - | \$ - | |
| 19 | | | | | | | | | | | | | | \$ - | \$ - | \$ - | |
| 20 | | | | | | | | | | | | | | \$ - | \$ - | \$ - | |
| Total Transformer Ownership Allowance | | | | | | | | | | \$ 643,013 | | | | | | | |
| | | | | | | | | | | Rates recover revenue requirement | | | | Total Distribution Revenues | | \$41,872,152.08 | |
| | | | | | | | | | | | | | | Base Revenue Requirement | | \$41,876,327.66 | |
| | | | | | | | | | | | | | | Difference | | -\$ 4,175.58 | |
| | | | | | | | | | | | | | | % Difference | | -0.010% | |

Notes:

¹ Transformer Ownership Allowance is entered as a positive amount, and only for those classes to which it applies.

² The Fixed/Variable split, for each customer class, drives the "rate generator" portion of this sheet of the RRWF. Only the "fixed" fraction is entered, as the sum of the "fixed" and "variable" portions must sum to 100%. For a distributor that may set the Monthly Service Charge, the "fixed" ratio is calculated as: [MSC x (average number of customers or connections) x 12 months] / (Class Allocated Revenue Requirement).

Revenue Requirement Workform (RRWF) for 2020 Filers

Tracking Form

The first row shown, labelled "Original Application", summarizes key statistics based on the data inputs into the RRWF. After the original application filing, the applicant provides key changes in capital and operating expenses, load forecasts, cost of capital, etc., as revised through the processing of the application. This could be due to revisions or responses to interrogatories. The last row shown is the most current estimate of the cost of service data reflecting the original application and any updates provided by the applicant distributor (for updated evidence, responses to interrogatories, undertakings, etc.)

Please ensure a Reference (Column B) and/or Item Description (Column C) is entered. Please note that unused rows will automatically be hidden and the PRINT AREA set when the PRINT BUTTON on Sheet 1 is activated.

⁽¹⁾ Short reference to evidence material (interrogatory response, undertaking, exhibit number, Board Decision, Code, Guideline, Report of the Board, etc.)

⁽²⁾ Short description of change, issue, etc.

Summary of Proposed Changes

| Reference ⁽¹⁾ | Item / Description ⁽²⁾ | Cost of Capital | | Rate Base and Capital Expenditures | | | Operating Expenses | | | Revenue Requirement | | | |
|--------------------------|---------------------------------------------------------------------------------------------------|-------------------------------|--------------------------|------------------------------------|--------------------------------|--------------------------------|-----------------------------|-------------------------|-------------------------------|-------------------------------|----------------------|-------------------------------|---------------------------------------------|
| | | Regulated Return on Capital | Regulated Rate of Return | Rate Base | Working Capital | Working Capital Allowance (\$) | Amortization / Depreciation | Taxes/PILs | OM&A | Service Revenue Requirement | Other Revenues | Base Revenue Requirement | Grossed up Revenue Deficiency / Sufficiency |
| | Original Application | \$ 14,404,195 | 6.02% | \$ 239,367,774 | \$ 207,105,558 | \$ 15,532,917 | \$ 11,013,500 | \$ 925,875 | \$ 21,990,700 | \$ 48,771,170 | \$ 3,243,900 | \$ 45,527,270 | \$ 3,472,948 |
| 1 | 2-VECC-5, 4-SEC-19, 2-Staff-8 Increased cost of CIS Change | \$ 14,404,195 \$ - | 6.02% 0.00% | \$ 239,917,774 \$ 550,000 | \$ 207,105,558 \$ - | \$ 15,532,917 \$ - | \$ 10,770,800 \$ 242,700 | \$ 925,875 \$ - | \$ 21,990,700 \$ - | \$ 48,771,170 \$ - | \$ 3,243,900 \$ - | \$ 45,527,270 \$ - | \$ 3,472,948 \$ - |
| 2 | 2-Staff-8 Move some Pole replacement to 2019 Change | \$ 14,404,195 \$ - | 6.02% 0.00% | \$ 239,625,381 \$ 292,393 | \$ 207,105,558 \$ - | \$ 15,532,917 \$ - | \$ 10,783,288 \$ 12,488 | \$ 925,875 \$ - | \$ 21,990,700 \$ - | \$ 48,771,170 \$ - | \$ 3,243,900 \$ - | \$ 45,527,270 \$ - | \$ 3,472,948 \$ - |
| 3 | 1-SEC-3 Impact of removal of CDM programs Change | \$ 14,404,195 \$ - | 6.02% 0.00% | \$ 239,649,546 \$ 24,165 | \$ 207,427,758 \$ 322,200 | \$ 15,557,082 \$ 24,165 | \$ 10,783,288 \$ - | \$ 925,875 \$ - | \$ 22,312,900 \$ 322,200 | \$ 48,771,170 \$ - | \$ 3,243,900 \$ - | \$ 45,527,270 \$ - | \$ 3,472,948 \$ - |
| 4 | 2-VECC-5 Decrease operating costs - CIS Change | \$ 14,404,195 \$ - | 6.02% 0.00% | \$ 239,638,491 \$ 11,055 | \$ 207,280,358 \$ 147,400 | \$ 15,546,027 \$ 11,055 | \$ 10,783,288 \$ - | \$ 925,875 \$ - | \$ 22,165,500 \$ 147,400 | \$ 48,771,170 \$ - | \$ 3,243,900 \$ - | \$ 45,527,270 \$ - | \$ 3,472,948 \$ - |
| 5 | Filing requirements updates, 3-VECC-3, 8-Staff-8 Load Forecast/cost of power changes Change | \$ 14,417,119 \$ 12,924 | 6.02% 0.00% | \$ 239,582,534 \$ 55,957 | \$ 206,534,271 \$ 746,087 | \$ 15,490,070 \$ 55,957 | \$ 10,783,288 \$ - | \$ 912,952 \$ 12,923 | \$ 22,165,500 \$ - | \$ 48,715,758 \$ 55,412 | \$ 3,243,900 \$ - | \$ 45,471,858 \$ 55,412 | \$ 3,392,793 \$ 80,155 |
| 6 | Update PILs Update PILS Change | \$ 14,417,119 \$ - | 6.02% 0.00% | \$ 239,582,534 \$ 0 | \$ 206,534,271 \$ - | \$ 15,490,070 \$ - | \$ 10,783,287 \$ 1 | \$ - \$ 912,952 | \$ 22,165,500 \$ - | \$ 47,802,806 \$ 912,952 | \$ 3,243,900 \$ - | \$ 44,558,906 \$ 912,952 | \$ 2,479,841 \$ 912,952 |
| 7 | Settlement Conference Decrease OM&A Change | \$ 14,412,604 \$ 4,515 | 6.02% 0.00% | \$ 239,507,516 \$ 75,018 | \$ 205,534,023 \$ 1,000,248 | \$ 15,415,052 \$ 75,018 | \$ 10,783,287 \$ - | \$ - \$ - | \$ 21,165,000 \$ 1,005,015 | \$ 46,797,791 \$ 1,005,015 | \$ 3,243,900 \$ - | \$ 43,553,891 \$ 1,005,015 | \$ 1,318,370 \$ 1,161,471 |
| 8 | Settlement Proposal Update UTRs Change | \$ 14,416,883 \$ 4,279 | 6.02% 0.00% | \$ 239,578,611 \$ 71,095 | \$ 206,481,964 \$ 947,941 | \$ 15,486,147 \$ 71,095 | \$ 10,783,287 \$ - | \$ - \$ - | \$ 21,165,000 \$ - | \$ 46,802,070 \$ 4,279 | \$ 3,243,900 \$ - | \$ 43,558,170 \$ 4,279 | \$ 1,322,649 \$ 4,279 |
| 9 | Decision Change Cost of Capital Parameters Change | \$ 12,735,041 \$ 1,681,842 | 5.32% -0.70% | \$ 239,578,611 \$ 0 | \$ 206,481,964 \$ 0 | \$ 15,486,147 \$ 0 | \$ 10,783,287 \$ - | \$ - \$ - | \$ 21,165,000 \$ - | \$ 45,120,228 \$ 1,681,842 | \$ 3,243,900 \$ - | \$ 41,876,328 \$ 1,681,842 | \$ 359,193 \$ 1,681,842 |

2019 Cost Allocation Model

EB-2019-0049

Sheet 01 Revenue to Cost Summary Worksheet -

Instructions:
Please see the first tab in this workbook for detailed instructions

Class Revenue, Cost Analysis, and Return on Rate Base

| Rate Base | | Total | 1 | 2 | 5 | 6 | 7 | 9 | 10 |
|-----------------------------------------------|----------------------------------------|-------------------------------------------|----------------------|---------------------|---------------------|--------------------|--------------------------|----------------------|------------------|
| Assets | | Residential | GS <50 | GS >50 | Large Use >5MW | Street Light | Unmetered Scattered Load | Embedded Distributor | |
| crev | Distribution Revenue at Existing Rates | \$42,235,521 | \$24,434,731 | \$5,755,096 | \$11,192,119 | \$274,542 | \$331,182 | \$145,247 | \$102,603 |
| mi | Miscellaneous Revenue (mi) | \$3,243,900 | \$2,107,813 | \$354,221 | \$639,167 | \$17,871 | \$18,398 | \$9,846 | \$6,492 |
| | | Miscellaneous Revenue Input equals Output | | | | | | | |
| Total Revenue at Existing Rates | | \$45,479,421 | \$26,542,544 | \$6,109,417 | \$11,831,287 | \$292,413 | \$349,570 | \$155,095 | \$109,095 |
| Factor required to recover deficiency (1 + D) | | 0.9915 | | | | | | | |
| Distribution Revenue at Status Quo Rates | | \$41,876,329 | \$24,226,926 | \$5,706,152 | \$11,096,936 | \$272,207 | \$328,366 | \$144,012 | \$101,730 |
| Miscellaneous Revenue (mi) | | \$3,243,900 | \$2,107,813 | \$354,221 | \$639,167 | \$17,871 | \$18,398 | \$9,846 | \$6,492 |
| Total Revenue at Status Quo Rates | | \$45,120,229 | \$26,424,739 | \$6,060,472 | \$11,736,103 | \$290,078 | \$346,754 | \$153,860 | \$108,223 |
| Expenses | | | | | | | | | |
| di | Distribution Costs (di) | \$11,673,951 | \$6,556,071 | \$1,367,548 | \$3,524,165 | \$89,685 | \$91,714 | \$44,768 | \$0 |
| cu | Customer Related Costs (cu) | \$5,656,000 | \$4,755,748 | \$558,646 | \$336,929 | \$604 | \$846 | \$1,128 | \$0 |
| ad | General and Administration (ad) | \$4,242,413 | \$2,694,957 | \$474,549 | \$1,006,297 | \$23,794 | \$23,857 | \$11,779 | \$7,189 |
| dep | Depreciation and Amortization (dep) | \$10,757,274 | \$6,197,413 | \$1,217,598 | \$3,159,556 | \$73,924 | \$68,957 | \$33,592 | \$6,232 |
| INPUT | PIs (INPUT) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| INT | Interest | \$4,570,202 | \$2,513,796 | \$530,136 | \$1,429,110 | \$35,720 | \$30,671 | \$14,803 | \$15,983 |
| Total Expenses | | \$36,898,846 | \$22,718,985 | \$4,148,679 | \$8,455,957 | \$223,718 | \$216,046 | \$106,071 | \$29,385 |
| Direct Allocation | | \$56,550 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$56,550 |
| NI | Allocated Net Income (NI) | \$8,164,839 | \$4,490,992 | \$947,112 | \$2,553,159 | \$63,815 | \$54,796 | \$26,447 | \$28,519 |
| Revenue Requirement (includes NI) | | \$45,120,229 | \$27,209,977 | \$5,095,791 | \$12,009,116 | \$287,533 | \$270,841 | \$132,518 | \$114,453 |
| | | Revenue Requirement Input equals Output | | | | | | | |
| Rate Base Calculation | | | | | | | | | |
| Net Assets | | | | | | | | | |
| dp | Distribution Plant - Gross | \$456,015,933 | \$259,950,911 | \$52,759,490 | \$135,230,220 | \$3,140,901 | \$3,312,002 | \$1,622,409 | \$0 |
| gp | General Plant - Gross | \$48,979,926 | \$27,785,705 | \$5,660,411 | \$14,523,002 | \$344,661 | \$360,229 | \$176,767 | \$126,152 |
| accum dep | Accumulated Depreciation | (\$196,296,742) | (\$104,821,075) | (\$21,566,231) | (\$56,852,595) | (\$1,327,042) | (\$1,259,968) | (\$507,765) | (\$62,087) |
| co | Capital Contribution | (\$95,302,475) | (\$59,427,964) | (\$10,869,971) | (\$23,229,434) | (\$426,434) | (\$892,326) | (\$456,345) | \$0 |
| Total Net Plant | | \$223,396,642 | \$123,690,578 | \$25,983,699 | \$69,671,192 | \$1,732,086 | \$1,519,937 | \$735,066 | \$64,085 |
| Directly Allocated Net Fixed Assets | | \$695,822 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$695,822 |
| COP | Cost of Power (COP) | \$184,880,064 | \$71,992,876 | \$24,785,848 | \$82,903,101 | \$3,790,800 | \$789,376 | \$450,843 | \$167,221 |
| OM&A Expenses | | \$21,571,364 | \$14,007,776 | \$2,400,942 | \$4,867,291 | \$114,073 | \$116,417 | \$57,675 | \$7,189 |
| Directly Allocated Expenses | | \$30,536 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$30,536 |
| Subtotal | | \$206,481,964 | \$86,000,652 | \$27,186,790 | \$87,770,392 | \$3,904,873 | \$905,793 | \$508,518 | \$204,946 |
| Working Capital | | \$15,486,147 | \$6,450,049 | \$2,039,009 | \$6,582,779 | \$292,865 | \$67,934 | \$38,139 | \$15,371 |
| Total Rate Base | | \$239,878,611 | \$130,140,627 | \$28,022,708 | \$76,253,971 | \$2,024,951 | \$1,587,872 | \$773,204 | \$775,278 |
| | | Rate Base Input equals Output | | | | | | | |
| Equity Component of Rate Base | | \$95,831,445 | \$52,056,251 | \$11,209,083 | \$30,501,588 | \$809,981 | \$635,149 | \$309,282 | \$310,111 |
| Net Income on Allocated Assets | | \$8,164,839 | \$3,705,754 | \$1,911,794 | \$2,280,146 | \$66,360 | \$130,708 | \$47,769 | \$22,288 |
| Net Income on Direct Allocation Assets | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Net Income | | \$8,164,839 | \$3,705,754 | \$1,911,794 | \$2,280,146 | \$66,360 | \$130,708 | \$47,769 | \$22,288 |
| RATIOS ANALYSIS | | | | | | | | | |
| REVENUE TO EXPENSES STATUS QUO% | | 100.00% | 97.11% | 118.93% | 97.73% | 100.89% | 128.03% | 116.10% | 94.56% |
| EXISTING REVENUE MINUS ALLOCATED COSTS | | \$389,192 | (\$577,433) | \$1,013,626 | (\$177,829) | \$4,880 | \$78,729 | \$22,577 | (\$5,359) |
| | | Deficiency Input equals Output | | | | | | | |
| STATUS QUO REVENUE MINUS ALLOCATED COSTS | | (\$0) | (\$785,236) | \$964,682 | (\$273,013) | \$2,545 | \$75,912 | \$21,342 | (\$6,231) |
| RETURN ON EQUITY COMPONENT OF RATE BASE | | 8.52% | 7.12% | 17.06% | 7.48% | 8.19% | 20.58% | 15.45% | 7.19% |



2019 Cost Allocation Model

EB-2019-0049

Sheet 02 Monthly Fixed Charge Min. & Max. Worksheet -

Output sheet showing minimum and maximum level for Monthly Fixed Charge

Summary

| | 1 | 2 | 5 | 6 | 7 | 9 | 10 |
|--------------------------------------------------------------------|-------------|---------|----------|----------------|--------------|--------------------------|----------------------|
| | Residential | GS <50 | GS>50 | Large Use >5MW | Street Light | Unmetered Scattered Load | Embedded Distributor |
| Customer Unit Cost per month - Avoided Cost | \$4.72 | \$5.80 | \$40.96 | \$63.45 | \$0.00 | \$0.01 | 0 |
| Customer Unit Cost per month - Directly Related | \$5.73 | \$7.14 | \$49.64 | \$82.54 | \$0.01 | \$0.03 | 0 |
| Customer Unit Cost per month - Minimum System with PLCC Adjustment | \$14.01 | \$17.64 | \$101.79 | \$85.68 | \$6.87 | \$6.90 | 0 |
| Existing Approved Fixed Charge | \$22.66 | \$27.76 | \$183.23 | \$17,188.81 | \$0.75 | \$7.43 | \$0.00 |

Information to be Used to Allocate PILs, ROD, ROE and A&G

| | 1 | 2 | 5 | 6 | 7 | 9 | 10 | |
|-------------------------------------------------------|----------------------|----------------------|---------------------|---------------------|--------------------|--------------------------|----------------------|------------------|
| Total | Residential | GS <50 | GS>50 | Large Use >5MW | Street Light | Unmetered Scattered Load | Embedded Distributor | |
| General Plant - Gross Assets | \$48,979,926 | \$27,788,705 | \$5,660,411 | \$14,523,002 | \$344,661 | \$360,229 | \$176,767 | \$126,152 |
| General Plant - Accumulated Depreciation | (\$24,098,383) | (\$13,672,190) | (\$2,784,952) | (\$7,145,394) | (\$169,575) | (\$177,235) | (\$86,970) | (\$62,067) |
| General Plant - Net Fixed Assets | \$24,881,543 | \$14,116,515 | \$2,875,459 | \$7,377,608 | \$175,086 | \$182,995 | \$89,796 | \$64,085 |
| General Plant - Depreciation | \$2,419,700 | \$1,372,814 | \$279,635 | \$717,463 | \$17,027 | \$17,796 | \$8,733 | \$6,232 |
| Total Net Fixed Assets Excluding General Plant | \$199,210,921 | \$109,574,063 | \$23,108,240 | \$62,293,584 | \$1,557,000 | \$1,336,943 | \$645,269 | \$695,822 |
| Total Administration and General Expense | \$4,242,413 | \$2,694,957 | \$474,549 | \$1,006,297 | \$23,784 | \$23,857 | \$11,779 | \$7,189 |
| Total O&M | \$17,353,100 | \$11,312,819 | \$1,926,393 | \$3,860,994 | \$90,289 | \$92,560 | \$45,896 | \$24,149 |