



August 27, 2020

Ms. Christine Long
Registrar and Board Secretary
Ontario Energy Board
27th Floor/ P.O. Box 2319
2300 Yonge St.
Toronto, ON M4P 1E4

Dear Ms. Long:

**Re: 2021 Cost of Service Application for Rates effective May 1, 2021,
Halton Hills Hydro Inc.,
Board File no. EB-2020-0026**

Halton Hills Hydro Inc. is pleased to file its 2021 Cost of Service Rate Application (EB-2020-0026), including a pdf for each Exhibit 1 through 9, Chapter 2 Appendices and all required live Excel models, through the Ontario Energy Board filing portal. Halton Hills Hydro Inc. has not provided hard copies, as outlined in the OEB Digitization Program Announcement released June 23, 2020.

Please note, Halton Hills Hydro Inc. has completed the 2021 Cost of Service Checklist with references and the checklist is attached to this cover letter.

In the event of any additional information, questions or concerns, please contact David Smelsky, Chief Financial Officer, at dsmelsky@haltonhillshydro.com or (519) 853-3700 extension 208, or Tracy Rehberg-Rawlingson, Regulatory Affairs Officer, at tracyr@haltonhillshydro.com or (519) 853-3700 extension 257.

Sincerely,

David J. Smelsky, CPA, CMA, C.Dir.
Chief Financial Officer, HHHI

Cc: Arthur A. Skidmore, President & CEO, HHHI
Tracy Rehberg-Rawlingson, RAO, HHHI

Attachment: HHHI 2020 COS Checklist

2021 Cost of Service Checklist

Halton Hills Hydro Inc.

EB-2020-0026

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Filing Requirement
Page # Reference

Evidence Reference, Notes
(Note: if requirement is not
applicable, please provide reasons)

GENERAL REQUIREMENTS		
Ch 1, Pg. 2	Certification by a senior officer that the evidence filed is accurate, consistent and complete	1.3.5
Ch 1, Pg. 3-4	Confidential Information - Practice Direction has been followed	1.3.5
Ch 2, Pg. 1	Statement identifying all deviations from Filing Requirements	1.3.9
2	Chapter 2 appendices in PDF and live Microsoft Excel format; PDF and Excel copy of current tariff sheet	Submitted - RESS
3	If applicable, late applications filed after the commencement of the rate year for which the application is intended to set rates is converted to the following rate year.	N/A
3	Aligning rate year with fiscal year - request for proposed alignment	1.3.5
4	Text searchable and bookmarked PDF documents	Submitted - RESS
5	Links within Excel models not broken and models names so that they can be identified (e.g. RRWF instead of Attachment A)	Submitted - RESS
5	Materiality threshold; additional details beyond the threshold if necessary (for rate base, capital expenditures and OM&A)	1.6
RESS Guideline	Two hardcopies of application sent to OEB the same day as electronic filing (p10 of RESS Guideline)	Not applicable
EXHIBIT 1 - ADMINISTRATIVE DOCUMENTS		
<i>Table of Contents</i>		
6	Table of Contents listing major sections and subsections of the application. Electronic version of application appropriately bookmarked to provide direct access to each section	Beginning of each Exhibit
<i>Executive Summary</i>		
6	Summary identifying key elements of the proposals and the Business Plan underpinning application, as guided by the Rate Handbook including plain language information about its goals	1.2.2
<i>Customer Summary</i>		
7	Brief but complete summary of the application that will be posted as a stand-alone document on the OEB's website for review by the general public and be made available to customers of the applicant. Must include: main requests (with section references), description of impacts of requests, bill impact for customer at 750kWh as well as a typical consumer for a distributor's service area for each of the residential and small business customer classes	1.2.4
<i>Administration</i>		
7	Primary contact information (name, address, phone, fax, email)	1.3.1
7	Identification of legal (or other) representation	1.3.1
7	Applicant's internet address for viewing of application and any social media accounts used by the applicant to communicate with customers	1.3.2
7	Statement identifying customers materially affected by the application including any change to any rate or charge and specific statement of what individual customer or customer groups would be affected by the proposed change	1.3.4
7	Statement identifying where notice should be published and why	1.3.3
7	Bill impacts - distribution only impacts for 750 kWh residential and 2000 kWh GS<50 (sub-total A of Tariff Schedule and Bill Impact Spreadsheet Model) to be used for notice; proposed bill impacts based on alternative consumption profiles and customer groups as appropriate given consumption patterns of a distributor's customers	1.3.6
7	Form of hearing requested and why	1.3.7
7	Requested effective date	1.3.5
7	Statement identifying and describing any changes to methodologies used vs previous applications	1.3.12
7	Identification of OEB directions from any previous OEB Decisions and/or Orders. The applicant must clearly indicate how these are being addressed in the current application (e.g., filing of a study as directed in a previous decision)	1.3.10
7 & 8	Reference to Conditions of Service - LDC does not need to file Conditions of Service, but must provide reference to website and confirm version is current; identify if there are changes to Conditions of Service (a) since last CoS application or (b) as a result of the current application. Confirmation that there are no rates and charges linked in the Conditions of Service that are not in the distributor's Tariff of Rates and Charges must be provided	1.3.11
8	Description of the corporate and utility organizational structure, showing the main units and executive and senior management positions within the utility. Include a corporate entities relationship chart, showing the extent to which the parent company is represented on the utility company's Board of Directors and a description of the reporting relationships between utility and parent company management. Also include any planned changes in corporate or operational structure, including any changes in legal organization and control	1.3.14
8	List of approvals requested (and relevant section of legislation), including accounting orders - a PDF copy of Appendix 2-A should be provided in this section	1.3.5 and Append 6-3

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Filing Requirement Page # Reference		Evidence Reference, Notes (Note: if requirement is not applicable, please provide reasons)
Distribution System Overview		
8	Description of Service Area (including map, communities served)	1.4.1
8	Description of whether the distributor is a host distributor and/or embedded distributor. Identification of embedded and/or host distributors; if partially embedded provide %load from host distributor. If the distributor is a host, the applicant should identify whether there is a separate Embedded Distributor customer class or if any embedded distributors are included in other customer classes such as GS > 50 kW	1.4.2
8	Statement as to whether or not the distributor has had any transmission or high voltage assets deemed by the OEB as distribution assets and whether or not there are any such assets the distributor is seeking approval for in this application	1.4.3
Application Summary		
At a minimum, the items below must be provided. Applicants must also identify all proposed changes that will have a material impact on customers.		
9	Revenue Requirement - service RR, increase/decrease (\$ and %) from change from previously approved and main drivers	1.5.1
9	Budgeting and Accounting Assumptions - economic overview and identification of accounting standard used for test year and brief explanation of impacts arising from any change in standards	1.5.2
9	Load Forecast Summary - load and customer growth, % change in kWh/kW and customer numbers, description of forecasting method(s) used for customer/connection and consumption/demand	1.5.3
9	Rate Base and DSP - major drivers of DSP, rate base for test year, change in rate base from last approved (\$ and %), capital expenditures requested for the test year, change in capital expenditures from last approved (\$ and %), summary of costs requested for renewable energy connections/expansions, smart grid, and regional planning initiatives, any O.Reg 339/09 planned recovery	1.5.4
9 & 10	OM&A Expense - OM&A for test year and change from last approved (\$ and %), summary of drivers and cost trends, inflation assumed, total compensation for test year and change from last approved (\$ and %).	1.5.5
10	Cost of Capital - summary table showing proposed capital structure and cost of capital parameters used in WACC. Statement regarding use of OEB's cost of capital parameters; summary of any deviations	1.5.6
10	Cost Allocation & Rate Design - summary of any deviations from OEB methodologies, significant changes proposed to revenue-to-cost ratios and fixed/variable splits and summary of proposed mitigation plans	1.5.7
10	Deferral and Variance Accounts - total disposition (RPP and non-RPP), disposition period, new accounts requested and any requested discontinuation of existing DVAs	1.5.8
10	Bill Impacts - total impacts (\$ and %) for all classes for typical customers	1.5.9
Customer Engagement		
10	Discussion on how customers were informed of the proposals being considered for inclusion in the application and the value of those proposals to customers i.e. costs, benefits, and the impact on rates	1.7
10	Discussion of any feedback provided by customers and how the feedback shaped the final application	1.7
10	Impact of customer engagement activities on the development of the capital plan are to be filed as part of the capital plan requirements in Chapter 5	1.7
11	Reference to any other communication sent to customers about the application i.e. bill inserts, town hall meetings or other forms of out reach and the feedback received from customers through these engagement activities. Provide summary of feedback received through engagement activities.	1.7
11	Complete Appendix 2-AC Customer Engagement Activities Summary - explicit identification of the outcomes of customer engagement in terms of the impacts on the distributor's plans, and how that information has shaped the application	Chapter 2 Appendix
11	All responses to matters raised in letters of comment filed with the OEB	1.8
Performance Measurement		
11	Discussion of performance for each of the distributor's scorecard measures over the last five years; drivers for its performance, plans for continuous improvement currently and going forward	1.9
11 & 12	Identify performance improvement targets, forecast of efficiency assessment using the PEG forecasting model for the test year, discussion on how the results obtained from the PEG model has informed the business plan and application	1.9.10
Financial Information		
12	Non-consolidated Audited Financial Statements for 3 most recent historical years (i.e. 2 years statements must be filed, covering 3 years of historical actuals)	Appendix 6-4 and 6.5
12	Detailed reconciliation of AFS with regulatory financial results filed in the application, including a reconciliation of the fixed assets in order to, as one example, separate non-distribution business. This must include identification of any deviations that are being proposed between AFS and regulatory financial results, including the identification of any prior OEB approvals for such deviations	Appendix 6-6 and 6-7
12	Annual Report and MD&A for most recent year of distributor and parent company, as available and applicable	
12	Rating Agency Reports, if available; Prospectuses, etc. for recent and planned public issuances	N/A
12	Any change in tax status	1.10.5
12	Existing accounting orders and departures from these orders, as well as any departures from the USoA	1.10.6
12	Accounting Standards used for financial statements and when adopted	1.10.7
12	Confirmation that accounting treatment of any non-utility business has segregated activities from rate regulated activities	1.10.8
Distributor Consolidation		
13	If a distributor has acquired or amalgamated with another distributor, identify any incentives that formed part of the acquisition or amalgamation transaction if the incentive represents costs that are being proposed to remain or enter rate base and/or revenue requirement. A distributor must specify whether any commitments made to shareholders are to be funded through rates	1.11.1
13	List of exhibits in application in which incentives are discussed	1.11.1
13	Description of actual savings as a result of consolidation compared to what was in the approved consolidation application and explanation of how savings are sustainable and the efficacy of any rate plan approved as part of the MAADs application	1.11.1
13	Identify approved ACM or ICM from a previous Price Cap IR application it proposes be incorporated into rate base	1.11.2

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EXHIBIT 2 - RATE BASE		
<i>Overview</i>		
14	Completed Fixed Asset Continuity Schedule (Appendix 2-BA) - in Application and Excel format	2.1.4
14	For rate base, must include opening and closing balances, average of opening and closing balances for gross assets and accumulated depreciation (discussion of methodology if applicant uses an alternative method); working capital allowance (historical actuals, bridge and test year forecast)	2.1.4
14	Continuity statements (year end balance, including interest during construction and overheads). Explanation for any restatement (e.g. due to change in accounting standards) Year over year variance analysis; explanation where variance greater than materiality threshold Hist. OEB-Approved vs Hist. Actual (for the most recent historical OEB-approved year) Hist. Act. vs. preceding Hist. Act. (for the relevant number of years) Hist. Act. vs. Bridge Bridge vs. Test	2.1.4
14 & 15	Opening and closing balances of gross assets and accumulated depreciation must correspond to fixed asset continuity statements. If not, an explanation must be provided (e.g. CWIP, ARO). Reconciliation must be between net book value balances reported on Appendix 2-BA and balances included in rate base calculation	2.1.4
15	Distributor may include in-service balances previously recorded in DVAs, such as MIST meters or renewable generation/smart grid related accounts, in its opening test year property, plant and equipment balances, if these costs have not been previously reviewed and approved for disposition, but disposition is being requested in this application. In this situation, the distributor must clearly show in its evidence (e.g. Appendix 2-BA) that the addition was included in the opening test year balances and must reconcile the closing bridge year and opening test year figures. Distributors must provide the same reconciliation for accumulated depreciation	2.1.4
<i>Gross Assets - PP&E and Accumulated Depreciation</i>		
15	Breakdown by function and by major plant account; description of major plant items for test year	2.2.4
15	Summary of approved and actual costs for any ICM(s) and/ or ACM approved in previous IRM applications	2.1.4
15	Continuity statements must reconcile to calculated depreciation expenses and presented by asset account	2.1.4
15	All asset disposals clearly identified in the Chapter 2 Appendices for all historical, bridge and test years and if any amounts related to gains or losses on disposals have been included in Account 1575 IFRS - CGAAP Transitional PP&E Amount	2.1.4
<i>Allowance for Working Capital</i>		
16	Working Capital - 7.5% allowance or Lead/Lag Study or Previous OEB Direction	2.3.1
16	Lead/Lag Study - leads and lags measured in days, dollar-weighted	2.3.2
16	Cost of Power must be determined by split between RPP and non-RPP Class A and Class B customers based on actual data, use most current RPP (TOU) price, use current UTR. Calculation must fully consider all other impacts resulting from the Ontario Electricity Rebate of 31.8% on the total bill. Distributors must complete Appendix 2-Z - Commodity Expense.	2.3.3
<i>Capital Expenditures</i>		
17	DSP filed as a stand-alone document; a discrete element within Exhibit 2	2.4.2
17	Overall summary of capital expenditures over the past five historical years, including the last OEB-approved amounts, as well as the bridge year and the test year. The summary must show capital expenditures, treatment of contributed capital, and additions and deductions from CWIP. As part of Exhibit 2, a distributor must also provide explanations of year-over-year variances and an explanation of the variance, if any, between the OEB-approved capital expenditure amount in the last rebasing year as compared to the actual expenditures for that year.	2.2.1
17	Complete Appendix 2-AB - four historical years must be actuals, forecasts for the bridge and test years; at a minimum, for historical years, applicants must provide actual totals for each DSP category. If no previous plan has been filed, applicants are only required to enter their planned total capital budget in the "plan" column for each historical year and for the bridge year including the OEB-approved amount for the last rebasing year	2.2.1
<i>Policy Options for the Funding of Capital</i>		
18	Distributor may propose ACM capital project coming into service during Price Cap IR (a discrete project documented in DSP). Provide cost and materiality calculations to demonstrate ACM qualification	2.2.6
18	Distributor must establish need for and prudence of these projects based on DSP information; identification that distributor is proposing ACM treatment for these future projects, preliminary cost information	2.2.6
18	Complete Capital Module Applicable to ACM and ICM	Appendix
<i>Addition of Previously Approved ACM and ICM Project Assets to Rate Base</i>		
19	Distributor with previously approved ACM(s) and/or ICM(s) - schedule of ACM/ICM amounts proposed to be incorporated into rate base. The distributors must compare actual capital spending with OEB-approved amount and provide an explanation for variances	2.2.6
20	Balances in Account 1508 sub-accounts, reconciliation with proposed rate base amounts; recalculated revenue requirement should be compared with rate rider revenue	
20	Accelerated capital cost allowance (CCA) should not be reflected in the ACM/ICM revenue requirement associated with these projects. Distributors should include the impact of the CCA rule change associated with the ACM/ICM project(s) in Account 1592 - PILs and Tax Variances - CCA Changes sub-account for CCA changes	2.2.6
<i>Capitalization Policy and Capitalization</i>		
20	Changes to capitalization policy since its last rebasing application as a result of the OEB's letter dated July 17, 2012 or for any other reasons, the applicant must identify the changes and the causes of the changes.	2.4.3
21	Appendix 2-D complete; identification of burden rates and burden rates prior to changes, if any	Appendix 2-2
<i>Costs of Eligible Investments for the Connection of Qualifying Generation Facilities</i>		
21 & 22	Generation Facilities - If applicable, proposal to divide the costs of eligible investments between the distributor's ratepayers and all Ontario ratepayers per O.Reg. 330/09. Request for rate protection exceeds the materiality threshold in section 2.0.8 of the Filing Requirements - Appendices 2-FA through 2-FC identifying all eligible investments for recovery	2.4.4
<i>Service Quality</i>		
22	5 historical years of SQRs, explanation for any under-performance vs standard and actions taken	2.4.12
22	Completed Appendix 2-G; confirmation that the data is consistent with scorecard, or explanation of any inconsistencies	2.4.12

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Ch5 p7-8	Where applicable, explanation for section headings other than Chapter 5 headings; cross reference table	Not Applicable. Chapter 5 headings have been used throughout
Ch5 p8-9	Distribution System Plan Overview - key elements, sources of cost savings, period covered, vintage of information on investment drivers, changes to asset management process since last DSP filing, dependencies	1.2 Distribution System Plan Overview (5.2.1), P6-12
Ch5 p9-10	Coordinated Planning with 3rd parties - description of consultations - deliverables of the Regional Planning Process, or status of deliverables - IESO letter in relation to REG investments (Ch 5 p9) and Dx response letter	1.3 Coordinated planning with 3rd parties. (5.2.2) P12-21
Ch5 p10-12	Performance Measurement - identify and define methods and measures used to monitor DSP performance - summary of performance and trends over historical period. Must include SAIFI and SAIDI for all interruptions and all interruptions excluding loss of supply - explain how information has affected DSP	2. Performance measurement for continuous improvement. (5.2.3) P21-32
Ch5 p12	Realized efficiencies due to smart meters -documented capital and operating efficiencies realized as a result of the deployment and operationalization of smart meters and related technologies. Both qualitative and quantitative descriptions should be provided	2.5 Realized efficiencies due to smart meters (5.2.4) P 32-34
Ch5 p12-13	Asset Management Process Overview - description of AM objectives/corporate goals and how Dx ranks objectives for prioritizing investments	3.1 Asset Management Process Overview. (5.3.1) P34-39
Ch5 p13	Inputs/Outputs of the AM process and information flow for investments; flowchart recommended	3.3 Information regarding Asset Management Components. (5.3.1 b) P 39 -44
Ch5 p14	Overview of Assets Managed - description of service area (including evolution of features in forecast period affecting DSP), - description of system configuration - service profile and condition by asset type (tables and/or figures) - date data compiled - assessment of degree the capacity of system assets is utilized	3.4 Overview of Assets Managed (5.3.2) P44-71
Ch5 p14-15	Asset Lifecycle Optimization - description of asset lifecycle optimization policies and practices, including asset replacement and refurbishment, maintenance planning criteria and assumptions - description of asset life cycle risk management policies and practices, assessment methods and approaches to mitigation	3.5 Asset lifecycle optimization policies and practices (5.3.3) P71-74
Ch5 p15-16	System Capability Assessment for REG - REG applications > 10 kW, number and MW of REG connections for forecast period, capacity of Dx to connect REG, connection constraints	3.5.3 System capability assessment for renewable energy generation (5.3.4) P74-77
Ch5 p16	Capital Expenditure Plan Summary for significant projects and activities to be undertaken - capability to connect new load or Gx customers, total annual capex over forecast period by investment category, description of how AMP and Capex planning have affected capital expenditures for each category - list, description and total capital cost of material capital expenditures sorted by category (table recommended) - information related to Regional Planning Process (Needs Assessment Report, Regional Planning Status Letter, Regional Infrastructure Plan - as appropriate) - description of customer engagement - Dx expectations of system development over next 5 years - list, description and total capital cost of projects planned in response to customer preferences, to take advantage of technology based opportunities, to study innovative processes (table recommended)	4. Capital Expenditure Plan (5.4) P77-85
Ch5 p17-18	Capital Expenditure Planning Process Overview - description of capex planning objectives/criteria/assumptions, relationship with AM objectives, policy on consideration of non-distribution alternatives, processes used to identify projects in each investment category, customer feedback and impact on plan, method and criteria used to priorities REG investments	4.6 Capital expenditure planning process overview (5.4.1) p85-92
Ch5 p18	Rate-Funded Activities to Defer Distribution Infrastructure -CDM programs that target distributor-specific peak demand reductions to address a local constraint of the distribution system -demand response programs to reduce peak demand in order to defer capital investment -programs to improve the efficiency of the distribution system and reduce distribution losses -energy storage programs whose primary purpose is to defer specific capital spending for the distribution system	4.6.6 Rate-Funded activities to defer distribution infrastructure (5.4.1.1) P92-93
Ch5 p19-20	Capital Expenditure Summary by Investment Category - completed Table 2 of Ch 5 for historical and forecast period, explanation of markedly different variances plan vs actual, explanation of markedly different variances year over year Table 2 of Ch 5 is provided in Excel format in Appendix 2-AB (must provide actual totals for historical years, as a minimum) - Must also complete Chapter 2 Appendix 2-AA, along with explanations of variances by project or category, the proposed accounting treatments, a statement should be provided that there are no expenditures for non-distribution activities in the applicant's budget	4.7 Capital Expenditure Summary (5.4.2) P93-107
Ch5 p20	Justifying Capital Expenditures -filings must enable OEB to assess whether and how a distributor's DSP delivers value to customers, including by controlling costs in relation to its proposed investments through appropriate optimization, prioritization, and pacing of capital-related expenditures -distributors should also keep pace with technological changes and integrate cost-effective innovative projects and traditional planning needs such as load growth, asset condition and reliability	4.9 Justifying capital expenditures (5.4.3) P107-115
Ch5 p20-21	Overall Plan - comparative expenditures by category over historical period, forecast impact of system investment on O&M, drivers of investments by category, information related to Dx system capability assessment	4.11 Overall Plan P115-116
Ch5 p21-28	Material Investments - For each project that meets materiality threshold set in Ch 2 p5 - general information - total capital, customer attachments, dates, risks, variances, REG investments - evaluation criteria - may include: efficiency, customer value, reliability, etc. - category specific requirements for each project - system access, system renewal, system service, general plant (as applicable)	4.12 Material Investments (5.4.3.2) P116-132

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EXHIBIT 3 - OPERATING REVENUE		
<i>Load and Revenue Forecasts</i>		
23	Explanation of causes, assumptions and adjustments for volume forecast, including economic assumptions and data sources for customer and load forecasts	3.2.3
23	Explanation of weather normalization methodology	3.2.2
23	Completed Appendix 2-IB; the customer and load forecast for the test year must be entered on RRWF, Tab 10	3.2.11
23 & 24	Multivariate Regression Model - rationale for choice, regression statistics, explanation of weather normalization methodology, sources of data for endogenous and exogenous variables, any binary variables used to either account for individual data points or to account for seasonal or cyclical trends or for discontinuities in the historical data, explanation of any specific adjustments made; data used in load forecast must be provided in Excel format, including derivation of constructed variables	3.2.2
24 & 25	NAC Model - rationale for choice, data supporting NAC variables, description of accounting for CDM including license conditions, discussion of weather normalization considerations	N/A
25	CDM Adjustment - If a distributor expects impacts from any CFF-related projects not deployed by April 2019 but for which a distributor is contractually obligated to complete, or for other programs delivered by the distributor after April 2019, a distributor may include these amounts as part of a CDM manual adjustment to the 2021 load forecast but must ensure that sufficient supporting evidence is provided for all estimated CDM savings	3.2.7
25	If a distributor proposes a CDM adjustment to its 2021 load forecast, it should document the CDM savings to be used as the basis for the 2021 LRAMVA threshold. In addition, the allocation of the CDM savings for the LRAMVA and the load forecast adjustment should be provided by customer class and for both kWh and, as applicable to a customer class, kW. The distributor should document its proposal adequately	3.2.7
25	Appendix 2-1 - is provided as one approach for calculating the aggregate amounts for the LRAMVA and the corresponding CDM adjustment to the load forecast.	N/A
<i>Accuracy of Load Forecast and Variance Analyses</i>		
25	Completed Appendix 2-IB	
25 & 26	For customer/connection counts - identification as to whether customer/connection count is shown in year end or average format, year-over-year variances in changes of customer/connection counts with explanation of major changes, explanations of bridge and test year forecasts by rate class, for last rebasing variance analysis between last OEB-approved and actuals with explanations for material differences	3.3
26	For consumption and demand - explanation to support how kWh are converted to kW for applicable demand-billed classes, year-over-year variances in kWh and kW by rate class and for system consumption overall (kWh) with explanations for material changes in the definition of or major changes over time (should be done for both historical actuals against each other and historical weather-normalized actuals over time), explanations of the bridge and test year forecasts by rate class, variance analysis between the last OEB-approved and the actual and weather-normalized actual results	3.3
26	For revenues - calculation of bridge year forecast of revenues at existing rates; calculation of test year forecasted revenues at each of existing rates and proposed rates	3.3
26 & 27	With respect to average consumption, for each rate class, distributors are to provide weather-actual and weather-normalized average annual consumption or demand per customer as applicable for the rate class for last OEB approved and historical, weather normalized average annual consumption or demand per customer for the bridge and test years, explanation of the net change in average consumption from last OEB-approved and actuals from historical, bridge and test years based on year-over-year variances and any apparent trends in data	3.3
<i>Other Revenue</i>		
27	Completed Appendix 2-H	3.4.1
27	Variance analysis - year over year, historical, bridge and test	3.4.1
27	Any new proposed specific service charges, or proposed changes to rates or application of existing specific service charges	3.4.1
27	Revenue from affiliate transactions, shared services, corporate cost allocation. For each affiliate transaction, identification of the service, the nature of the service provided to affiliate entities, accounts used to record the revenue and associated costs (Appendix 2-N)	3.4.1
28	Distributors must identify any discrete customer groups that may be materially impacted by changes to other rates and charges	3.4.1
EXHIBIT 4 - OPERATING COSTS		
<i>Overview</i>		
29	Brief explanation of test year OM&A levels, cost drivers, significant changes, trends, inflation rate assumed, business environment changes	4.1.1/ 4.4.2/4.1.4
<i>Summary and Cost Driver Tables</i>		
29	Summary of recoverable OM&A expenses; Appendix 2-JA	4.2.1
29	Recoverable OM&A cost drivers; Appendix 2-JB	4.2.4
29	OM&A programs table; Appendix 2-JC	4.3.2
29	Recoverable OM&A Cost per customer and per FTE; Appendix 2-L	4.2.3
29	Identification of change in OM&A in test year in relation to change in capitalized overhead.	
30	OM&A variance analysis for test year with respect to bridge and historical years; Appendix 2-D	
<i>Program Delivery Costs with Variance Analysis</i>		
30	Completed Appendix 2-JC OM&A Programs Table - completed by program; include variance analysis between test year costs against each of the last OEB approved costs and most recent actuals for variances that are outliers based on historical trend. The variance analysis should explain whether the change was within or outside the applicant's control	4.3.2
30	For each significant change within the applicant's control describe business decision that was made to manage the cost increase/decrease and the alternatives	4.3.2

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<i>Workforce Planning and Employee Compensation</i>		
30	Employee Compensation - completed Appendix 2-K	4.4.5
30	Description of previous and proposed workforce plans, including compensation strategy	4.4.3
30 & 31	Discussion of the outcomes of previous plans and how those outcomes have impacted their proposed plans including an explanation of the reasons for all material changes to headcount and compensation. Explanation for all years includes: - year over year variances, inflation rates used for forecasts, and the plan for any new employees - basis for performance pay, eligible employee groups, goals, measures, and review process for pay-for-performance plans, - relevant studies (e.g. compensation benchmarking)	4.4.3
31	For virtual utilities - Appendix K must also be completed in relation to the employees of the affiliates who are doing the work of the regulated utility. The status of pension funding and all assumptions used in the analysis must be provided. Three or fewer employees - the applicant must aggregate this category with the category to which it is most closely related. This higher level of aggregation must be continued, if required, to ensure that no category contains three or fewer employees.	NA
31	Details of employee benefit programs including pensions, other post-employment retirement benefits (OPEBs), and other costs charged to OM&A. A breakdown of the pension and OPEBs amounts included in OM&A and capital must be provided for the last OEB-approved rebasing application, and for historical, bridge and test years	4.4.3 to 4.4.5
31	Most recent actuarial report	4.4.5.5 / Appendix 4-4
31	Accounting method for pension and OPEBs; if cash method, sufficient supporting rationale. If proposing to change the basis in which pension and OPEB costs included in OM&A, quantification of impact of transition	4.4.5.5
<i>Shared Services and Corporate Cost Allocation</i>		
32	Identification of all shared services among affiliates and parent company; identification of the extent to which the applicant is a "virtual utility"	4.5
32	Allocation methodology for corporate and shared services, pricing methodology, list of costs and allocators, including any third party review	4.5
32	Completed Appendix 2-N for service provided or received for historical, bridge and test; including reconciliation with revenue included in Other Revenue	4.5
32	Shared Service and Corporate Cost Variance analysis - test year vs last OEB approved and test year vs most recent actual	4.5
32	Identification of any Board of Director costs for affiliates included in LDC costs	4.5
<i>Non-Affiliate Services, One-Time Costs, Regulatory Costs</i>		
33	Purchased Non-Affiliated Services - file a copy of procurement policy (signing authority, tendering process, non-affiliate service purchase compliance)	4.6
33	For material transactions that are not in compliance with procurement policy, or that were undertaken pursuant to exceptions contemplated within the policy, an explanation as to why as well as a summary of the nature and cost of the product, and a description of the specific methodology used for selecting the vendor	4.6
33	Identification of one-time costs in historical, bridge, test; explanation of cost recovery in test (or future years). If no recovery of one-time costs is being proposed in the test year and subsequent IRM term, an explanation must be provided	4.6.2
33	Regulatory costs - breakdown of actual and anticipated regulatory costs, including OEB cost assessments and expenses related to the CoS application (e.g. legal fees, consultant fees), proposed recovery (i.e. amortized?) Completed Appendix 2-M	4.6.3
33	Information supporting the incremental level of the costs associated with the preparation and review of the current application. In addition, the applicant must identify over what period the costs are proposed to be recovered. For distributors, the recovery period would normally be the duration of the expected cost of service plus IRM term under the Price Cap IR option (i.e. five years). If the applicant is proposing a different recovery period, it must explain why it believes this is appropriate.	4.6.3

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<i>LEAP, Charitable and Political Donations</i>	
33 & 34 LEAP - the greater of 0.12% of forecasted service revenue requirement or \$2,000 should be included in OM&A and recovered from all rate classes	4.7.1
34 Detailed information for all contributions that are claimed for recovery	4.7.1
34 Charitable Donations - the applicant must confirm that no political contributions have been included for recovery	4.7.2
<i>Depreciation, Amortization and Depletion</i>	
34 Explanations for any useful lives of an asset that are proposed that are not within the ranges contained in the Kinectrics Report	4.8.3
34 & 35 Depreciation, Amortization and Depletion details by asset group for historical, bridge and test years. Include asset amount and rate of depreciation/amortization. Must complete Appendix 2-C which must agree to accumulated depreciation in Appendix 2-BA under rate base	4.8.3.2
35 Identification of any Asset Retirement Obligations and associated depreciation, accretion expense	4.8.3
35 Identification of historical depreciation practice and proposal for test year. Variances from half year rule must be documented and supporting rationale provided	4.8.4
35 Copy of depreciation/amortization policy, or equivalent written description; summary of changes to depreciation/amortization policy since last CoS	4.8.2/4.8.3
35 Explanation of any deviations from the practice of depreciating significant parts or components of PP&E separately	4.8.1
35 & 36 For any depreciation expense policy or asset service lives changes since its last rebasing application: - identification of the changes and detailed explanation for the causes of the changes, including any changes subsequent to those made by January 1, 2013 - use of Kinectrics study or another study to justify changes in useful life - list detailing all asset service lives tied to USoA, detail differences in TUL from Kinectrics and explain differences outside of minimum and maximum TUL range from Kinectrics; Appendix 2-BB	4.8.3
<i>PILs and Property Taxes</i>	
36 Completed version of the PILs model (PDF and Excel); derivation of adjustments for historical, bridge, test years	4.9.1
36 Supporting schedules and calculations identifying reconciling items	4.9.3
36 Most recent federal and provincial tax returns	Appendix 4-6
36 Financial Statements included with tax returns if different from those filed with application	4.8.1
36 Calculation of Tax Credits; redact where required (filing of unredacted versions is not required)	4.9.4
36 Supporting schedules, calculations and explanations for other additions and deductions	4.9.3
37 Completion of the integrity checks in the PILs Model	4.9.7
37 Accelerated CCA - distributors must bring forward the balance tracked in Account 1592 - PILs and Tax Variances – CCA Changes for review and disposition in its current cost-based rate application, as well as future cost-based rate applications.	4.8.1
38 Explanation of how taxes other than income taxes or PILS (e.g. property taxes) are derived	4.9.8

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<p>Non-recoverable and Disallowed Expenses</p> <p>38 Exclude from regulatory tax calculation any non-recoverable or disallowed expenses</p>	<p>4.9.5</p>
<p>Conservation and Demand Management</p> <p>40 - 43</p> <p>LRAMVA - disposition of balance. Distributors must provide version 5 of LRAMVA Work Form (Excel) when making LRAMVA requests for remaining amounts related to CFF activity. An application for lost revenues should include: Participation and Cost reports in Excel format, made available by the IESO An application for lost revenues should also provide: - statement identifying the year(s) of new lost revenues and prior year savings persistence claimed in the LRAMVA disposition - statement confirming LRAMVA based on verified savings results supported by the distributors final CDM Report and Persistence Savings Report (both filed in Excel format). - LRAMVA claim may be based on the information in that report at the time of filing of the application, but it is expected that the claim will be updated when the Final CDM Results Report is issued, and that the approved disposition will reflect the Final Results Report - statement indicating that the distributor has relied on the most recent input assumptions available at the time of program evaluation - summary table with principal and carrying charges by rate class and resulting rate riders - statement providing the disposition period; rationale provided for disposing the balance in the LRAMVA if one or more classes do not generate significant rate riders - details for the forecasted CDM savings included in the LRAMVA calculation including reference to the OEBs approval, or an explanation if there are no forecast CDM savings - rationale confirming how rate class allocations for actual CDM savings were determined by class and program (Tab 3-A of LRAMVA Work Form) - statement confirming whether additional documentation was provided in support of projects that were not included in distributors final CDM Annual Report (Tab 8 of LRAMVA Work Form as applicable) - for a distributor's street lighting project(s) which may have been completed in collaboration with local municipalities, the following must be provided: Explanation of the methodology to calculate street lighting savings: Confirmation whether the street lighting savings were calculated in accordance with OEB-approved load profiles for street lighting projects; Confirmation whether the street lighting project(s) received funding from the IESO and the appropriate net-to-gross assumption used to calculate street lighting savings For the recovery of lost revenues related to demand savings from street light upgrades, distributors should provide the following information: o Explanation of the forecast demand savings from street lights, including assumptions built into the load forecast from the last CoS application o Confirmation that the street light upgrades represent incremental savings attributable to participation in the IESO program, and that any savings not attributable to the IESO program have been removed (for example, other upgrades under normal asset management plans) o Confirmation that the associated energy savings from the applicable IESO program have been removed from the LRAMVA workform so as not to double count savings (for example, if requesting lost revenue recovery for the demand savings from a street light upgrade program, the associated energy savings from the Retrofit program have been subtracted from the Retrofit total) o Confirmation that the distributor has received reports from the participating municipality that validate the number and type of bulbs replaced or retrofitted through the IESO program o A table, in live excel format, that shows the monthly breakdown of billed demand over the period of the street light upgrade project, and the detailed calculations of the change in billed demand due to the street light upgrade project (including data on number of bulbs, type of bulb replaced or retrofitted, average demand per bulb). For the recovery of lost revenues related to demand savings from other programs that are not included in the monthly Participation and Cost Reports of the IESO (for example Combined Heat and Power projects), distributors should provide the following information: The third party evaluation report that describes the methodology to calculate the demand savings achieved for the program year. In particular, if the proposed methodology is different than the evaluation approaches used by the IESO, an explanation must be provided explaining why the proposed approach is more appropriate, the rationale for net-to-gross assumptions used, a breakdown of billed demand and detailed level calculations in live excel format Participation and Cost Reports and detailed project level savings files made available by the IESO to support the clearance of energy- and/or demand-related LRAMVA balances where final verified results from the IESO are not available. These reports should be filed in excel format, similar to the previous Final Verified Annual Reports from 2015 to 2017. o If a distributor seeks to claim any additional program savings to December 31, 2019: - Related to CCF programs: an explanation must be provided as to how savings have been estimated based on the available data (i.e. IESO's Participation & Cost Reports) and/or rationale to justify the eligibility of the program savings</p>	<p>4.12.1</p>
<p>EXHIBIT 5 - COST OF CAPITAL AND CAPITAL STRUCTURE</p>	
<p>Capital Structure</p>	
<p>43 Statement that LDC adopts OEB's guidelines for cost of capital and confirms that updates will be done. Alternatively - utility specific cost of capital with supporting evidence</p>	<p>5.2</p>
<p>43 Completed Appendix 2-OA for last OEB approved and test year</p>	<p>5.3</p>
<p>43 Completed Appendix 2-OB for historical, bridge and test years</p>	<p>5.4</p>
<p>44 Explanation for any changes in capital structure</p>	<p>5.2</p>
<p>Cost of Capital (Return on Equity and Cost of Debt)</p>	
<p>44 Calculation of cost for each capital component</p>	<p>5.5.3</p>
<p>44 Profit or loss on redemption of debt</p>	<p>5.5.6</p>
<p>44 Copies of promissory notes or other debt arrangements with affiliates</p>	
<p>44 Explanation of debt rate for each existing debt instrument</p>	<p>5.5.3 to 5.5.5</p>
<p>44 Forecast of new debt in bridge and test year - details including estimate of rate</p>	<p>5.5.4</p>
<p>44 If proposing any rate that is different from the OEB guidelines, a justification of the proposed rate(s), including key assumptions</p>	
<p>44 & 45 Notional Debt - should attract the weighted average cost of actual long-term debt rather than the current deemed long-term debt rate issued by the OEB</p>	<p>5.5.6</p>
<p>Not-for-Profit Corporations</p>	
<p>45 The requested capital structure and cost of capital (including the proposed cost of long-term and short-term debt and proposed return on equity)</p>	<p>N/A</p>
<p>45 Statement as to whether the revenues derived from the return on equity component of the cost of capital is to be used to build up operating and capital reserves or will be used for other purposes</p>	<p>N/A</p>
<p>45 If the revenues derived from the return on equity component of the cost of capital will be used to fund reserves, provide the specifications for each proposed reserve fund and a description of the governance (policies, procedures, sign-off authority, etc.) that will be applied</p>	<p>N/A</p>
<p>45 If the revenues derived from the return on equity component of the cost of capital will be used for other purposes, provide a statement as to whether these revenues will be used for non-distribution activities (in the situation where the excess revenues are greater than the amounts needed to fund distribution activities). Provide rationale supporting the use of the revenues in this manner. Also provide the governance (policies, procedures, sign-off authority, etc.) that will be applied to the funding of non-distribution activities</p>	<p>N/A</p>
<p>46 If there are approved reserves from previous OEB decisions provide the following: the limits of any capital and/or operating reserves as approved by the OEB, and identifying the decisions establishing these reserve accounts and their limits -the current balances of any established capital and/or operating reserves</p>	<p>N/A</p>

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EXHIBIT 6 - REVENUE DEFICIENCY/SUFFICIENCY		
46	Revenue deficiency or sufficiency calculations net of electricity price differentials captured in the Retail Settlement Variance Accounts (RSVAs) and also net of any cost associated with low voltage (LV) charges or DVA balances of distribution expenditures/revenues being tracked through approved deferral and variance accounts for certain distribution assets (e.g. ICM and ACM capital projects, MIST meters) and for which disposition is not being sought in the application.	6.2 and 6.3
46	Summary of drivers for test year deficiency/sufficiency, how much each driver contributes; references in application evidence mapped to drivers	6.3.1
46	Impacts of any changes in methodologies to deficiency/sufficiency	6.3.2
<i>Revenue Requirement Work Form</i>		
47	RRWF - in PDF and Excel. Revenue requirement, def/sufficiency, data entered in RRWF must correspond with other exhibits	Appendix 6-1
47	If the enhanced RRWF cannot reflect a distributor's proposed rates accurately, the distributor must file its rate generator model	N/A
EXHIBIT 7 - COST ALLOCATION		
<i>Cost Allocation Study Requirements</i>		
48	Completed cost allocation study using the OEB-approved methodology or a comparable model must be filed reflecting future loads and costs and be supported by appropriate explanations and live Excel spreadsheets. Sheets 11 and 12 of the RRWF must also be completed. Updated load profiles or scaled version of HONI CAIF. Model must be consistent with test year load forecast, changes to customer classes and load profiles.	7.2.1
48	Explanation provided if a distributor is unable to update its load profiles and confirm that it intends to put plans in place to update its load profiles the next time a cost allocation model is filed	7.2.2
49	Provide spreadsheet and a description with example calculations to show how the demand data in the cost allocation model was derived from the load forecast and load profiles	File as a stand alone
49	Description of weighting factors, and rationale for use of default values (if applicable)	7.2.3
49	If using OEB-issued model, hard copy of sheets I-6, I-8, O-1 and O-2 (first page). If using another model, the distributor must file equivalent information. A complete hard copy of the cost allocation model is not required, but the distributor must file a complete live Microsoft Excel cost allocation model, whether using the OEB-issued one or a different model, with the application.	Appendix 7.1
49 & 50	Host Distributor only - evidence of consultation with embedded Dx - statement regarding embedded Dx support for approach to allocation of costs - if embedded Dx is separate class - class in cost allocation study and RRWF, Sheet 11 - if new embedded Dx class - rationale and supporting evidence (cost of serving, load served, asset ownership information, distribution charges); include in cost allocation study and RRWF, Sheet 11 - if embedded Dx billed as GS customer - , include with the GS class in cost allocation model and Appendix 2-P. Provide cost of serving, load served, asset ownership information, distribution charges, appropriateness of rate class. File Appendix 2-Q.	N/A
50	Unmetered Loads (including Street Lighting) - Confirmation of communication with unmetered load customers when proposing changes to the level of the rates and charges or the introduction of new rates and charges	7.2.7
50 & 51	microFIT - if the applicant believes that it has unique circumstances which would justify a certain rate, appropriate documentation must be provided	7.2.8
51	Standby Rates - distributors should request approval for its standby rates to be made final and provide evidence confirming that they have advised all affected customers of the proposal. A distributor that seeks changes to its standby charges, including a change in the methodology on which these rates are based, must provide full documentation supporting its proposal, and confirm that all affected customers have been notified of the proposed change(s).	7.2.9
51	New customer class or eliminated customer class - rationale and restatement of revenue requirement from previous CoS	7.2.10

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Class Revenue Requirements		
52	To support a proposal to rebalance rates, the distributor must provide information on the revenue by class that would apply if all rates were changed by a uniform percentage. Ratios must be compared with the ratios that will result from the rates being proposed by the distributor.	7.3.1
Revenue to Cost Ratios		
53	If R:C ratios outside deadband based on model - distributors must include cost allocation proposal to bring them within the OEB-approved ranges. In making any such adjustments, distributors should address potential mitigation measures if the impact of the adjustments on the rates of any particular class or classes is significant.	7.4.1
53	If Cost Allocation Model other than OEB model used - exclude LV, exclude DVA such as smart meters	N/A
EXHIBIT 8 - RATE DESIGN		
54	Monthly fixed charges - 2 decimal places; variable charges - 4 decimal places	8.2.1
Fixed Variable Proportion		
54	The following is to be provided in relation to the fixed/variable proportion of proposed rates: -Current F/V with supporting info -Proposed F/V proportion with explanation for any changes (billing determinants from proposed load forecast) -Table comparing current and proposed monthly fixed charges with the floor and ceiling as in cost allocation study Analysis must be net of rate adders, funding adders, and rate riders	8.1.12
Rate Design Policy		
55	Applicants that are still transitioning to fully fixed residential rates should refer to the approach to implementation of the policy, including mitigation expectations, was described in a letter from the OEB published on July 16, 2015	N/A
RTSRs		
55	Retail Transmission Service Rate Work Form - PDF and Excel	8.3.1
55	RTSR information must be consistent with working capital allowance calculation	
Retail Service Charges		
55	If proposing changes to Retail Service Charges or introduction of new rates and charges - evidence of consultation and notice	8.1.4
55	Distributors that are still using the Retail Service Costs Variance Accounts (RCVAs) will dispose of the balances and the RCVAs will be eliminated. Distributors should forecast retail services revenues based on the updated charges and include the costs of providing retail services in revenue requirement	8.1.4
Regulatory Charges		
56	If applying for a rate other than the generic rate set by the OEB, distributors must provide justification as to why their specific circumstances would warrant a different rate, in addition to a detailed derivation of their proposed rate	N/A
Specific Service Charges		
56	Specific Service Charge description/purpose/reason for new and revised SSC; calculations to support charges	8.1.8
56	Identification in the Application Summary all proposed changes that will have a material impact on customers, including charges that may affect a discrete group	
57	Identification of any rates and charges in Conditions of Service that do not appear on tariff sheet. Explain nature of costs, provide schedule outlining revenues or capital contributions recovered from these rates from last OEB-approved year to 2019 and the revenue forecasted for the bridge and test years. A proposal and explanation as to whether these charges should be included on tariff sheet	8.1.13
57	Ensure revenue from SSCs corresponds with Operating Revenue evidence	8.1.13
Wireline Pole Attachment Charge		
56	Record the excess incremental revenue as of September 1, 2018 until the effective date of its rebased rates in a new variance account related to pole attachment charge	8.1.8
57 & 58	Distributors applying for an LDC-specific pole attachment charge must file: - statement confirming the proposed distributor-specific pole attachment charge, the year of data used, effective date - statement discussing main cost drivers for changes to charge including rationale - table summarizing key inputs in calculation, statement confirming that the RRR data (i.e. Account 1830, 5120) and pre-tax weighted cost of capital are consistent with the data filed in other cost of service models - confirmation of the total number of poles and joint use poles in the rate calculation, and a table outlining the rate of pole replacements and percentage of poles depreciated over the past five years - confirmation of the number of attachers that are specific to the distributor's service territory, if a different attacher number than the default number of 1.3 is proposed. A description of the types of attachments on poles, and a discussion of contractual arrangements with other entities that affect the number of attachments, including overlashing attachments, that are counted as part of the LDC's distribution poles - explanation of changes to the hybrid equal sharing allocation rate, if applicable, and the drivers of the proposed change - description of the activities performed by the distributor to directly accommodate third party attachers. Distributors should include a discussion of the methodology, costs and data sources to calculate each component of direct costs. Distributors should show the detailed calculations of total administration and LOP costs, including staff time and labour rates, as applicable - use of utility-specific costs to determine the LDC-specific Power Deduction Factor and LDC-specific Maintenance Allocation Factor applicable to third parties. If a distributor chooses to adopt the default factors in its application for a custom charge, a distributor is still required to complete Table 8 and Table 10-a of the Pole Attachment Workform to substantiate the applicability of the default factors that were used in calculating the provincially approved charge.	8.1.8

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Low Voltage Service Rates	
If the distributor is fully or partially embedded, information on the following must be provided:	
58 Forecast of LV cost, sum of host distributors charges	8.1.9
58 Low Voltage Cost (historical, bridge, test), variances and explanations for substantive changes	8.1.9
59 Support for forecast LV, e.g. Hydro One Sub-Transmission charges	8.1.9
59 Allocation of LV cost to customer classes (typically proportional to Tx connection revenue)	8.1.9
59 Proposed LV rates by customer class	8.1.9
Smart Meter Entity Charge	
59 Distributor must follow accounting guidance provided on March 23, 2018	8.1.7
Loss Factors	
59 Proposed SFLF and Total Loss Factor for test year	8.1.10
59 Statement as to whether LDC is embedded including whether fully or partially	8.1.10
59 Study of losses if required by previous decision	8.1.10
59 3-5 years of historical loss factor data - Completed Appendix 2-R	8.1.10
59 If proposed loss factor >5%, explanation and action plan to reduce losses going forward	8.1.10
60 Explanation of SFLF if not standard	8.1.10
Tariff of Rates and Charges	
60 Current and proposed Tariff of Rates and Charges filed in the Tariff Schedule/Bill Impacts Model - must be filed in Excel format Explanation and support of each change in the appropriate section of the application	8.1.12
60 Explanation of changes to terms and conditions of service if changes affect application of rates	8.1.13
60 Proposed tariffs must include applicable regulatory charges, and any other generic rates as ordered by the OEB	
Revenue Reconciliation	
60 Calculations of revenue per class under current and proposed rates; reconciliation of rate class revenue and other revenue to total revenue requirement (i.e. breakout volumes, rates and revenues by rate component etc.)	8.1.11
60 Completed RRWF - Sheet 13 - rates and charges entered on this sheet should be rounded to the same decimal places as tariff	
Bill Impact Information	
61 Completed Tariff Schedule and Bill Impacts Model. Bill impacts must identify existing rates, proposed changes to rates, and detailed bill impacts (including % change in distribution excluding pass through costs - Sub-Total A, % change in distribution - Sub-Total B, % change in delivery - Sub-Total C, and \$ change in total bill)	8.1.17
61 Impact of changes resulting from the as-filed application on representative samples of end-users (i.e. volume, % rate change and revenue). Commodity and regulatory charges held constant	8.1.17
61 Rates and charges input in the tariff schedule and Bill Impacts Model rounded to the decimal places as shown on the existing tariff	8.1.17
61 Bill impacts provided for typical customers and consumption levels. Must provide residential 750 kWh, residential at the lowest 10th percentile and GS<50 2,000 kWh. Bill impacts must be provided for a range of consumption levels relevant to the service territory.	8.1.17
61 If applicable, for certain classes where one or more customers have unique consumption and demand patterns, the distributor must show a typical impact and provide an explanation	8.1.17
Rate Mitigation	
62 For distributors still in the process of moving to fully fixed residential rates - evaluation of bill impact for residential customer at 10th consumption percentile. Describe methodology for determination of 10th consumption percentile. File mitigation plan for whole residential class if impact >10% for these customers.	8.1.18
62 Mitigation plan if total bill increase for any customer class is >10% including: specification of class and magnitude of increase, description of mitigation measures, justification, revised impact calculation. The Tariff Schedule and Bill Impacts Model must reflect any mitigation plan proposed.	8.1.18
62 Rate Harmonization Plans, if applicable - including impact analysis	8.1.18

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EXHIBIT 9 - DEFERRAL AND VARIANCE ACCOUNTS

63	List of all outstanding DVA and sub-accounts; provide description of DVAs that were used differently than as described in the APH	9.3.3
63	Completed DVA continuity schedule for period following last disposition to present - live Excel format. Continuity schedule must show separate itemization of opening balances, annual adjustments, transactions, dispositions, interest and closing balances for all outstanding deferral and variance accounts. This includes all Account 1508 sub-accounts. A reconciliation of all the Account 1508 sub-accounts to the Account 1508 control account reported in the Electricity Reporting and Record-keeping Requirements	9.2.1
63	Confirm use of interest rates established by the OEB by month or by quarter for each year	9.3.4
63	Explanation if account balances in continuity schedule differs from trial balance in RRR and AFS	9.3.2
63	Identification of Group 2 accounts that will continue/discontinue going forward, with explanation	9.2.2
63	Statement as to any new accounts, and justification.	9.8.1
63 & 64	Statement whether any adjustments made to DVA balances previously approved by OEB on final basis - the OEB expects that no adjustment will be made to any deferral and variance account balances previously approved by the OEB on a final basis. Distributors to refer to OEB letter of October 2019 in addressing accounting or other errors in respect of Group 1 deferral and variance accounts that have previously been disposed of by the OEB on a final basis. Applicants must provide explanations for the nature and the amounts of adjustments, and include appropriate supporting documentation, under a section titled "Adjustments to Deferral and Variance Accounts".	9.3.5
64	Breakdown of energy sales and cost of power by USoA - as reported in AFS mapped and reconciled to USoA. Provide explanation if making a profit or loss on commodity.	9.4
64	Completed GA Analysis Workform for each year since the OEB last approved disposition of Account 1589 - Global Adjustment irrespective of whether they are seeking disposition of the Account 1589 - RSVA GA balance as part of their current application. If the distributor is adjusting the Account 1589 balance that was previously approved on an interim basis, the GA Analysis Workform is required to be completed from the year after the distributor last received final disposition for Account 1589.	9.6
64	Statement confirming distributor has complied with OEB guidance of February 21, 2019 on the accounting for Accounts 1588 and 1589	9.6.1
64	Completed 1589 Analysis Workform for residual balances that meet the eligibility requirements for dispositions of Account 1595 sub-accounts	9.3.2
Account 1575, IFRS-CGAAP Transitional PP&E Amounts		
64	For applicants that have already rebased under revised CGAAP, but have made further material transitional changes, these impacts should be recorded in Account 1575, and an explanation provided	N/A
Retail Service Charges		
65	Retail Service Charges - if material debit or credit balance in 1518 or 1548, distributor must: - confirm variances are incremental costs of providing retail services; identify drivers for balances - provide schedule identifying all revenues and expenses listed by USoA that are incorporated into the variances - state whether Article 490 of APH has been followed; explanation if not followed	9.3.2
65	The OEB established a new variance account for electricity distributors that no longer used the RCVAs. The balance in the account would be refunded to ratepayers in a future rate application, and the new account subsequently closed. Distributors can forecast a balance up to December 31, 2020 or April 30, 2021 and the OEB may consider disposing of the forecasted amount	9.3.2
Disposition of Deferral and Variance Accounts		
65	Identify all accounts for which LDC is seeking disposition; identify DVA for which LDC is not proposing disposition and the reasons why	9.3.2
65	Statement whether DVA balances before forecasted interest match the last AFS; explain any variances	9.3
65	If the RRR balances do not agree to the year-end balances in the continuity schedule, a distributor must reconcile and explain the difference(s). For any utility specific accounts requested for disposition (e.g. Account 1508 sub-accounts), supporting evidence showing how the annual balance is derived must be provided. The relevant accounting order must also be provided	9.3.5/9.2.2
66	Request final disposition of residual balances for vintage Account 1595 sub-accounts only once. Distributors are expected to seek disposition of the audited account balance in the fourth rate year after the expiry of the rate rider	9.3.2
66	Proposed mechanisms for disposition with all relevant calculations: - allocation of each account (including rationale) - proposed billing determinants, including charge type, for recovery purposes in accordance with Rate Design Policy	9.7.2
66	Rate riders where volumetric rider is \$0.0000 for one or more classes not included in the tariff for those classes	9.7.2
66	Propose rate riders for recovery or refund of balances that are proposed for disposition. The default disposition period is one year; if the applicant is proposing an alternative recovery period must provide explanation	9.7.2
66	Establish separate rate riders to recover balances in the RSVA's from Market Participants who must not be allocated the RSVA balances related to charges for which the MP's settle directly with the IESO	9.7.2
66 & 67	Proposed disposition of Account 1580 sub-account CBR Class B in accordance with the CBR Accounting Guidance. - In the DVA continuity schedule, applicants must indicate whether they serve any Class A customers during the period where Account 1580 CBR Class B sub-account balance accumulated. In the event that the allocated CBR Class B amount results in a volumetric rate rider that rounds to zero at the fourth decimal place in one or more rate classes, the entire balance in Account 1580 CBR Class B sub-account will be added to the Account 1580 - WMS control account to be disposed through the general purpose Group 1 DVA rate riders - Account 1580 sub-account CBR Class A is not to be disposed through rates proceedings but rather follow the OEB's accounting guidance - The DVA continuity schedule will allocate the portion of Account 1580 sub-account CBR Class B allocated to customers who transitioned between Class A and Class B based on consumption levels	9.3.2/9.7.2

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Filing Requirement Page # Reference	Evidence Reference, Notes (Note: if requirement is not applicable, please provide reasons)	
<i>Global Adjustment</i>		
68	Establishment of a separate rate rider included in the delivery component of the bill that would apply prospectively to Non-RPP Class B customers when clearing balances from the GA Variance Account	9.6.1
68	GA Analysis Workform in live Excel format for each year that has not previously been approved by the OEB for disposition (on an interim or final basis), irrespective of whether or not seeking disposition of Group 1 deferral and variance account balances. If the distributor is adjusting the Account 1589 GA balance that was previously approved on an interim basis, the GA Analysis Workform is required to be completed from the year after the distributor last received final disposition for Account 1589	9.6.1
68	As part of Note 5 in the GA Analysis Workform, reconciliation of any discrepancy between the actual and expected balance by quantifying differences pertaining to factors such as an outstanding IESO settlement true-up payment. The explanatory items should reduce the discrepancy and provide distributor-specific information to the OEB. Any remaining, unexplained discrepancy will be assessed for materiality and could prompt further analysis before disposition of the balance is approved. Any unexplained discrepancy that is greater than +/- 1% of the total annual IESO GA charges will be considered material and warrant further investigation.	9.6.1
69	Commodity Accounts 1588 and 1589 - confirmation as part of the application that the distributor has fully implemented the OEB's February 21, 2019 guidance effective from January 1, 2019.	9.6.1
69	In order to request for final disposition of historical balances as part of the current application, distributors must provide confirmation that these balances have been considered in the context of the accounting guidance and provide a summary of the review performed. Distributors must also discuss the results of the review, whether any systemic issues were noted, and whether any material adjustments to those balances have been recorded. A summary and description of each adjustment made to the historical balances must also be provided in the application.	9.6.1
69 & 70	Expectations of final disposition requests of commodity pass-through account balances are: - Some utilities may have received approval for interim disposition of historical account balances or did not request disposition of account balances in a prior rate application due to the threshold test. If these utilities have reviewed the balances in the context of the new accounting guidance and are confident that there are no systemic issues with their RPP settlement and related accounting processes, utilities may request final disposition of account balances. If these utilities identified errors or discrepancies that materially affect the ending account balances, utilities should adjust their account balances prior to requesting final disposition - Utilities that did not receive approval for disposition of historical account balances due to concerns noted should apply the accounting guidance to those balances and adjust the balances as necessary, prior to requesting final disposition. Adjustments to account balances will be considered on a case by case basis.	9.6.1
70	If February 21, 2019 accounting guidance not fully implemented, a distributor must provide an explanation as to why this guidance has not been implemented, the status of the implementation process, and the expected implementation date. In addition, the distributor must complete and submit Appendix A – GA Methodology Description that can be found in the GA Analysis Workform Instructions	9.6.1
70	Certification by the CEO, CFO or equivalent that distributor has robust processes and internal controls in place for the preparation, review, verification and oversight of account balances being proposed for disposition	9.8.2
<i>Establishment of New Deferral and Variance Accounts</i>		
70 & 71	New DVA - information provided which addresses that the requested DVA meets the following criteria: causation, materiality, prudence; include draft accounting order.	9.8.1