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Energy
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DECISION AND RATE ORDER

EB-2020-0062

Westario Power Inc.

Application for rates and other charges to be effective January 1, 2021

By Delegation, Before: Theodore Antonopoulos

[date of issuance]

1 INTRODUCTION AND SUMMARY

Through this Decision and Rate Order, the Ontario Energy Board (OEB) approves the incentive rate-setting mechanism (IRM) application filed by Westario Power Inc. (Westario Power) for new rates effective January 1, 2021.

Westario Power serves approximately 24,000 mostly residential and commercial electricity customers in the Township of Huron-Kinloss (Villages of Ripley and Lucknow), the Municipality of Kincardine (Kincardine Ward 1), the Municipality of South Bruce (Villages of Mildmay and Teeswater), the Town of Saugeen Shores (Towns of Port Elgin and Southampton), the Township of North Huron (Town of Wingham), the Municipality of Brockton (Town of Walkerton and Village of Elmwood), the Town of Hanover, the Town of Minto (Towns of Harriston and Palmerston, Village of Clifford) and the Township of West Grey (Village of Neustadt). The company is seeking the OEB's approval for the rates it charges to distribute electricity to its customers, as is required of licenced and rate-regulated distributors in Ontario.

A distributor may choose one of three rate-setting methodologies approved by the OEB. Each of these is explained in the [Handbook for Utility Rate Applications](#).

Westario Power's application is based on a Price Cap Incentive Rate-setting option (Price Cap IR), with a five-year term. The Price Cap IR option involves the setting of rates through a cost of service application in the first year. Mechanistic price cap adjustments, based on inflation and the OEB's assessment of the distributor's efficiency, are typically then approved through IRM applications in each of the ensuing four (adjustment) years.

As a result of this Decision and Rate Order, there will be a monthly total bill increase before taxes of \$0.58 for a residential customer consuming 750 kWh, effective January 1, 2021. The increase/decrease does not factor in applicable taxes or the Ontario Energy Rebate.¹

¹ O.Reg. 363/16. S. 3, effective November 1, 2019

2 THE PROCESS

This Decision is being issued by delegated authority, without a hearing, under section 6 of the *Ontario Energy Board Act, 1998* (the OEB Act).

The OEB follows a standardized and streamlined process for hearing IRM applications filed under Price Cap IR. In each adjustment year of a Price Cap IR term, the OEB prepares a Rate Generator Model that includes, as a placeholder, information from the distributor's past proceedings and annual reporting requirements.² A distributor will then review and complete the Rate Generator Model, and include it with its application.

Westario Power filed its application on August 31, 2020 under section 78 of the OEB Act and in accordance with Chapter 3 of the OEB's [Filing Requirements for Incentive Rate-Setting Applications](#) (Filing Requirements).

The application was supported by pre-filed written evidence and a completed Rate Generator Model. During the course of the proceeding, the applicant responded to OEB staff questions through emails and phone calls and, where required, updated and clarified the evidence.

² The Rate Generator Model is a Microsoft Excel workbook that is used to update base rates, retail transmission service rates and, if applicable, shared tax saving adjustments. It also calculates rate riders for the disposition of deferral and variance account balances. During the course of an IRM proceeding, the Rate Generator Model may be updated in order to make any necessary corrections, or to incorporate new rate-setting parameters as they become available.

3 ORGANIZATION OF THE DECISION

In this Decision, the OEB addresses the following issues, and provides reasons for approving or denying Westario Power's proposals relating to each of them:

- Price Cap Adjustment
- Retail Transmission Service Rates
- Group 1 Deferral and Variance Accounts

In the final section, the OEB addresses the steps to implement the final rates that flow from this Decision.

This Decision does not address rates and charges approved by the OEB in previous proceedings, which are not part of the scope of an IRM proceeding (such as specific service charges³ and loss factors). No further approvals are required to continue to include these items on a distributor's Tariff of Rates and Charges.

³ Specific service charges have been amended by the OEB through: the Report of the OEB – "Wireline Pole Attachment Charges", EB-2015-0304, Issued March 22, 2018; and, the Decision and Order on Energy Retail Service Charges EB-2015-0304, Issued on February 14, 2019. Certain Service Charges are subject to annual inflationary adjustments to be determined by the OEB through a generic order. The Decision and Order EB-2019-0280 issued November 28, 2019 for energy retailer service charges, and the cover letter dated November 28, 2019 "Inflation Adjustment for Energy Retailer Service Charges (EB-2019-0280) and Wireline Pole Attachment Charge (EB-2015-0304) for Electricity Distributors", established the adjustments effective January 1, 2020.

4 PRICE CAP ADJUSTMENT

Westario Power seeks to increase its rates, effective January 1, 2021, based on a mechanistic rate adjustment using the OEB-approved ***inflation minus X-factor*** formula applicable to Price Cap IR applications.

The components of the Price Cap IR adjustment formula applicable to Westario Power are set out in Table 4.1, below. Inserting these components into the formula results in a 1.70% increase to Westario Power's rates: $1.70\% = 2.00\% - (0.00\% + 0.30\%)$.

Table 4.1: Price Cap IR Adjustment Formula

Components		Amount
Inflation Factor ⁴		2.00%
X-Factor	Productivity ⁵	0.00%
	Stretch (0.00% – 0.60%) ⁶	0.30%

A maximum inflation factor of 2.20% applies to all Price Cap IR applications for the 2021 rate year, provided that a utility does not elect a lower inflation factor to be used.

The X-factor is the sum of the productivity factor and the stretch factor. It is a productivity offset that will vary among different groupings of distributors. Subtracting the X-factor from inflation ensures that rates decline in real, constant-dollar terms, providing distributors with a tangible incentive to improve efficiency or else experience declining net income.

The productivity component of the X-factor is based on industry conditions over a historical study period and applies to all Price Cap IR and Annual IR Index applications for the 2021 rate year.

The stretch factor component of the X-factor is distributor specific. The OEB has established five stretch factor groupings, each within a range from 0.00% to 0.60%. The

⁴ For the 2021 Inflation Factor, see Ontario Energy Board 2021 Electricity Distribution Rate applications webpage – November 9, 2020

⁵ Report of the OEB – “Rate Setting Parameters and Benchmarking under the Renewed Regulatory Framework for Ontario’s Electricity Distributors” EB-2010-0379, Issued November 21, 2013, corrected December 4, 2013

⁶ The stretch factor groupings are based on the Report to the Ontario Energy Board – “Empirical Research in Support of Incentive Rate-Setting: 2019 Benchmarking Update”, prepared by Pacific Economics Group LLC., August, 2020

stretch factor assigned to any particular distributor is based on the distributor's total cost performance as benchmarked against other distributors in Ontario. The most efficient distributor would be assigned the lowest stretch factor of 0.00%. Conversely, a higher stretch factor would be applied to a less efficient distributor (in accordance with its cost performance relative to expected levels) to reflect the incremental productivity gains that the distributor is expected to achieve. The stretch factor assigned to Westario Power is 0.30%.

In light of the continued uncertainty regarding the severity and duration of the COVID-19 emergency, and its impact on electricity utilities and customers alike, for 2021 rate adjustment applications, the OEB allowed utilities the discretion of applying either the calculated inflation factor in accordance with the OEB-approved methodology or a lower value. Utilities were also given the discretion to forego the inflationary increase entirely.⁷

The OEB required all utilities that filed (or were planning to file) 2021 rate adjustment applications to file a letter on the record of their rates proceedings, indicating the inflation factor that the utility has elected.

On November 10, 2020, Westario Power filed a letter advising the OEB that it is electing an inflation factor of 2.00% for 2021 rates, resulting in a rate adjustment of 1.70%.⁸

Findings

The OEB finds that Westario Power's request for a 1.70% rate adjustment is in accordance with the annually updated parameters set by the OEB, as well as the process established for the implementation of the 2021 inflation factor. The adjustment is approved, and Westario Power's new rates shall be effective January 1, 2021.

The adjustment applies to distribution rates (fixed and variable) uniformly across all customer classes.⁹

⁷ [OEB Letter, 2021 Inflation Parameters, issued November 9, 2020](#)

⁸ Letter from Westario Power Inc., November 10, 2020

⁹ Price Cap IR and Annual IR Index adjustments do not apply to the following rates and charges: rate riders, rate adders, low voltage service charges, retail transmission service rates, wholesale market service rate, smart metering entity charge, rural or remote electricity rate protection charge, standard supply service – administrative charge, transformation and primary metering allowances, loss factors, specific service charges, microFIT charge, and retail service charges.

5 RETAIL TRANSMISSION SERVICE RATES

Distributors charge retail transmission service rates (RTSRs) to their customers in order to recover the amounts they pay to a transmitter, a host distributor, or both, for transmission services. All transmitters charge Uniform Transmission Rates (UTRs) to distributors connected to the transmission system. Host distributors charge host-RTSRs to distributors embedded within the host's distribution system. Each of these rates is OEB-approved.

Westario Power is fully embedded within Hydro One Network Inc.'s distribution system and is requesting approval to adjust the RTSRs that it charges its customers to reflect the currently approved rates that it pays for transmission services included in Table 5.1.

Table 5.1: Hydro One Networks Inc. Sub-Transmission Host-RTSRs¹⁰

Sub-Transmission Host RTSRs (2020)		per kW
Network Service Rate		\$3.3980
<u>Connection Service Rates</u>		
Line Connection Service Rate		\$0.8045
Transformation Connection Service Rate		\$2.0194

Findings

Westario Power's proposed adjustment to its RTSRs is approved. The RTSRs were adjusted based on the current host-RTSRs.

The OEB finds that Hydro One Networks Inc.'s 2020 host sub-transmission RTSRs were incorporated into the rate model to adjust the RTSRs that Westario Power will charge its customers.

The differences resulting from the approval of new 2021 sub-transmission rates for Hydro One Networks Inc. will be captured in Accounts RSVA – Retail Transmission Network Charge 1584 and Retail Transmission Connection Charge 1586.

¹⁰ EB-2019-0043, Decision and Order, December 17, 2019.

6 GROUP 1 DEFERRAL AND VARIANCE ACCOUNTS

In each year of an IRM term, the OEB will review a distributor's Group 1 deferral and variance accounts in order to determine whether their total balance should be disposed.¹¹ OEB policy requires that Group 1 accounts be disposed if they exceed (as a debit or credit) a pre-set disposition threshold of \$0.001 per kWh, unless a distributor justifies why balances should not be disposed.¹² If the balance does not exceed the threshold, a distributor may elect to request disposition.

The 2019 actual year-end total balance for Westario Power's Group 1 accounts including interest projected to December 31, 2020 is a debit of \$807,848. This amount represents a total debit claim of \$0.0018 per kWh, which exceeds the disposition threshold. Westario Power has requested disposition of this debit amount over a one-year period.

a) Global Adjustment Variance Account

One of the components of the commodity costs billed by the Independent Electricity System Operator (IESO), which is included in Group 1 accounts is the Global Adjustment (GA).¹³

Different customer groups pay the GA in different ways:

- For Regulated Price Plan (RPP) customers, the GA is incorporated into the standard commodity rates customers pay. Therefore, there is no separate variance account for the GA.
- "Class A" customers are allocated GA costs based on the percentage their demand contributes to the top five Ontario system peaks. As distributors settle with Class A customers based on actual GA costs, there is no resulting variance.

¹¹ Group 1 accounts track the differences between the costs that a distributor is billed for certain IESO and host distributor services (including the cost of power) and the associated revenues that the distributor receives from its customers for these services. The total net difference between these costs and revenues is disposed to customers through a temporary charge or credit known as a rate rider.

¹² Report of the OEB – "Electricity Distributors' Deferral and Variance Account Review Initiative (EDDVAR)." EB-2008-0046, July 31, 2009

¹³ The GA is established monthly by the IESO to reflect the difference between the wholesale market price for electricity and regulated rates for:

- Ontario Power Generation's nuclear and hydroelectric generating stations
- payments for building or refurbishing infrastructure such as gas-fired and renewable facilities and other nuclear
- contracted rates paid to a number of generators across the province
- the cost of delivering conservation programs.

- “Class B” non-RPP customers are billed GA based on the electricity they consume in a month at the IESO published GA price. Distributors track any difference between the billed amounts and actual costs for these customers in the GA Variance Account for disposal, once audited.

Under the general principle of cost causality, customer groups that cause variances which are recorded in Group 1 accounts should be responsible for paying (or receiving credits) for their disposal. A customer’s movement from one group to another should not prevent that customer from paying/receiving a debit/credit balance.

Westario Power proposes the recovery of its GA variance account balance of \$302,467 as at December 31, 2019, including interest to December 31, 2020, in accordance with the following table.

Table 6.1: Recovery of GA Variance

Proposed Amounts	Proposed Method for Recovery
\$294,965 recovered from customers who were Class B for the entire period from January 2019 to December 2019	per kWh rate rider
\$7,502 from customers formerly in Class B during the period January 2019 to June 2019 who were reclassified to Class A	12 equal installments ¹⁴

b) Capacity Based Recovery Class B Sub-account

The balance of the Group 1 accounts includes the Capacity Based Recovery (CBR) sub-account for Class B customers of \$33,537, relating to the IESO's wholesale energy market for the CBR program. Westario Power had Class A customers during the period from January 2019 to December 2019 so it applied to have the balance of this account disposed through a separate kWh rate rider for Class B customers in order to ensure proper allocation between Class A and Class B customers.

As some customers were reclassified between Class A and Class B during the period from January 2019 to December 2019, Westario Power requested refund of a portion of CBR Class B costs by way of 12 equal installments.¹⁵

c) Group 1 Accounts

¹⁴ 2021 IRM Rate Generator Model, Tab 6.1a “GA Allocation”

¹⁵ 2021 IRM Rate Generator Model Tab 6.2a “CBR B_Allocation”

The Group 1 accounts being sought for disposition (excluding GA), include the following flow through variance accounts: Low Voltage Charges, Smart Meter Entity Charges, Wholesale Market Service Charges, Retail Transmission Service Charges, Commodity Power Charges, and Account 1595 residual balances. These Group 1 accounts have a total debit balance of \$505,381, which results in a charge to customers. This balance combined with the balance for the GA account results in the total debit balance for Group 1 accounts of \$807,848.

The balances proposed for disposition reconcile with the amounts reported as part of the OEB's *Electricity Reporting and Record-Keeping Requirements*.¹⁶ Westario Power further submits that its proposal for a one-year disposition period is in accordance with the OEB's policy.¹⁷

In 2018, the OEB suspended its approvals of Group 1 rate riders on a final basis pending the development of further accounting guidance on commodity pass-through variance accounts.¹⁸ The OEB issued accounting guidance¹⁹ on the commodity accounts on February 21, 2019. In this letter, the OEB indicated that it expects distributors to consider the accounting guidance in the context of historical balances that have not yet been disposed on a final basis. Distributors are expected to make any adjustments needed prior to filing for final disposition.

In Westario Power's 2019 rate application, the OEB approved Westario Power's request to dispose of its Group 1 account balances excluding amounts recorded in Accounts 1588 and 1589. The matter regarding Accounts 1588 and 1589 was referred to the OEB's Audit & Investigations unit for an inspection of these accounts, as there was still uncertainty as to the validity and accuracy of the balances within the accounts as well as the processes that are in place to accumulate such balances.

In its 2020 rate application, Westario Power received approval to dispose of 2018 Group 1 balances on an interim basis. In the 2020 IRM decision and order, the OEB stated that "the OEB is not prepared to dispose of the 2016 to 2018 variances on a final basis in advance of the completion of the OEB's inspection" and "the OEB expects that Westario Power will provide further verification of its Group 1 account balances (as of December 31, 2019) in its 2021 incentive rate-setting application".²⁰

¹⁶ Electricity Reporting and Record Keeping Requirements, Version dated May 3, 2016

¹⁷ Report of the OEB – "Electricity Distributors' Deferral and Variance Account Review Initiative (EDDVAR)." EB-2008-0046, July 31, 2009

¹⁸ OEB letter to all rate-regulated licensed electricity distributors – "Re: OEB's Plan to Standardize Processes to Improve Accuracy of Commodity Pass-Through Variance Accounts." July 20, 2018

¹⁹ Accounting Procedures Handbook Update – Accounting Guidance Related to Commodity Pass-Through Accounts 1588 & 1589, February 21, 2019

²⁰ Decision and Rate Order, EB-2019-0074, page 9.

As part of the current application, Westario Power states that the OEB-authorized inspection of 2016 to 2018 balances for Accounts 1588 and 1589 has been completed and principal adjustments have been made to Accounts 1588 and 1589. The OEB notes that the principal adjustments for Accounts 1588 and 1589 made in this application for the 2016 to 2018 period, except for the ones pertaining to the adjustments for the 2017 IESO overbilling, match the adjustments identified in the OEB's report on the inspection (the Inspection Report). The OEB notes that Westario Power has made a number of correcting adjusting entries in 2018 and 2019 to correct an accounting entry mistake in recording an IESO overbilling of the GA in 2017. The OEB is not able to trace these accounting entries to the Inspection Report. However, the OEB reviewed information provided by Westario Power identifying these adjusting entries from Westario Power's general ledger and is satisfied that the effect of these adjusting entries reflects the correct allocation of the IESO GA over-billing into Account 1588 and Account 1589.

In addition, the OEB has also reviewed the principal adjustments in Account 1588 and Account 1589 in 2019 and notes that these adjustments are mainly related to the reversal of the prior period adjustments from 2016 to 2018 because Westario Power had settled with the IESO in 2019 for RPP settlement mistakes made in 2016 to 2018 identified in the OEB's Inspection Report. Furthermore, Westario Power states that "Westario Power has fully implemented the OEB's February 21, 2019 guidance on commodity account 1588 and 1589 effective from January 1, 2019".²¹ Westario Power has requested final disposition of its 2019 balances.

Findings

The OEB approves the disposition of debit balance of \$807,848 as of December 31, 2019 for Group 1 accounts on a final basis because Westario Power has made the necessary adjustments arising from the OEB's Inspection Report and made further verification for its balances as at December 31, 2019.

The following table identifies the principal and interest amounts, which the OEB approves for disposition.

²¹ Application and Evidence, Appendix 5.

Table 6.2: Group 1 Deferral and Variance Account Balances

Account Name	Account Number	Principal Balance (\$) A	Interest Balance (\$) B	Total Claim (\$) C=A+B
LV Variance Account	1550	462,946	17,937	480,883
Smart Meter Entity Variance Charge	1551	(2,454)	(598)	(3,502)
RSVA - Wholesale Market Service Charge	1580	(69,425)	(72,534)	(72,534)
Variance WMS - Sub-account CBR Class B	1580	(32,105)	(33,537)	(33,537)
RSVA - Retail Transmission Network Charge	1584	111,729	986	112,715
RSVA - Retail Transmission Connection Charge	1586	144,926	4,774	149,700
RSVA – Power	1588	(88,427)	(3,885)	(92,312)
RSVA - Global Adjustment	1589	210,478	91,988	302,467
Disposition and Recovery of Regulatory Balances (2017)	1595	(60,467)	23,985	(36,482)
Totals for Group 1 accounts (excluding Account 1589)		466,723	38,658	505,381
Totals for all Group 1 accounts		677,202	130,646	807,848

The balance of each of the Group 1 accounts approved for disposition shall be transferred to the applicable principal and interest carrying charge sub-accounts of Account 1595. Such transfer shall be pursuant to the requirements specified in Article 220, Account Descriptions, of the *Accounting Procedures Handbook for Electricity Distributors*.²² The date of the transfer must be the same as the effective date for the associated rates, which is, generally, the start of the rate year. Westario Power shall ensure these adjustments are included in the reporting period ending March 31, 2021 (Quarter 1).

²² Accounting Procedures Handbook for Electricity Distributors, effective January 1, 2012

The OEB approves these balances to be disposed through final rate riders, charges and payments as calculated in the Rate Generator Model. The final riders, charges and payments will be in effect over a one-year period from January 1, 2021 to December 31, 2021.²³

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²³ 2021 IRM Rate Generator Model Tab 6.1 GA, Tab 6.1a GA Allocation, Tab 6.2 CBR B, Tab 6.2a CBR B_Allocation and Tab 7 Calculation of Def-Var RR

7 IMPLEMENTATION AND ORDER

This Decision is accompanied by a Rate Generator Model, applicable supporting models, and a Tariff of Rates and Charges (Schedule A).

Model entries were reviewed in order to ensure that they are in accordance with Westario Power's last cost of service decision, and to ensure that the 2020 OEB-approved Tariff of Rates and Charges, as well as the cost, revenue and consumption results from 2019, are as reported by Westario Power to the OEB.

The Rate Generator Model was adjusted, where applicable, to correct any discrepancies. The Rate Generator Model incorporates the rates set out in the following table.

Table 7.1: Regulatory Charges

Rate	per kWh
Rural or Remote Electricity Rate Protection (RRRP)	\$0.0005
Wholesale Market Service (WMS) billed to Class A and B Customers	\$0.0030
Capacity Based Recovery (CBR) billed to Class B Customers	\$0.0004

Each of these rates is a component of the "Regulatory Charge" on a customer's bill, established annually by the OEB through a separate, generic order. The RRRP, WMS and CBR rates were set by the OEB on December 17, 2019.²⁴

The Smart Metering Entity Charge is a component of the "Distribution Charge" on a customer's bill, established by the OEB through a separate order. The Smart Metering Entity Charge was set by the OEB on March 1, 2018.²⁵

In the *Report of the Board: Review of Electricity Distribution Cost Allocation Policy*,²⁶ the OEB indicated that it will review the default province-wide microFIT charge annually to ensure it continues to reflect actual costs in accordance with the established methodology. Distributors shall apply the updated value, if applicable, following the OEB's announcement of the microFIT charge for the 2021 rate year.

²⁴ EB-2019-0278, Decision and Order, December 17, 2019

²⁵ EB-2017-0290, Decision and Order, March 1, 2018

²⁶ EB-2010-0219, Report of the Board "Review of Electricity Distribution Cost Allocation Policy", March 31, 2011.

THE ONTARIO ENERGY BOARD ORDERS THAT

1. The Tariff of Rates and Charges set out in Schedule A of this Decision and Rate Order is approved effective January 1, 2021 for electricity consumed or estimated to have been consumed on and after such date. Westario Power Inc. shall notify its customers of the rate changes no later than the delivery of the first bill reflecting the new final and interim rates.

DATED at Toronto, [date]

ONTARIO ENERGY BOARD

Christine E. Long
Registrar

Schedule A

To Decision and Rate Order

Tariff of Rates and Charges

OEB File No: EB-2020-0062

DATED: [Date]

Westario Power Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2021

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

EB-2020-0062

RESIDENTIAL SERVICE CLASSIFICATION

This classification refers to customers residing in residential dwelling units taking energy at 600 volts or less, with energy generally supplied as single phase, 3-wire, 60 Hertz, having a nominal voltage of 120/240 volts. 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 Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	29.39
Smart Metering Entity Charge - effective until December 31, 2022	\$	0.57
Low Voltage Service Rate	\$/kWh	0.0031
Rate Rider for Disposition of Global Adjustment Account (2021) - effective until December 31, 2021		
Applicable only for Non-RPP Customers	\$/kWh	0.0026
Rate Rider for Disposition of Deferral/Variance Accounts (2021) - effective until December 31, 2021	\$/kWh	0.0012
Rate Rider for Disposition of Capacity Based Recovery Account (2021) - effective until December 31, 2021		
Applicable only for Class B Customers	\$/kWh	(0.0001)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0066
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0051

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

Westario Power Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2021
This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2020-0062

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification refers to general service buildings, defined as buildings that are used for purposes other than single-family dwellings, taking energy at 600 volts or less, requiring a connection with a connected load of less than 50 kW, and including Town Houses and Condominiums that require centralized bulk metering, 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.

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 Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	28.54
Smart Metering Entity Charge - effective until December 31, 2022	\$	0.57
Distribution Volumetric Rate	\$/kWh	0.0127
Low Voltage Service Rate	\$/kWh	0.0028
Rate Rider for Disposition of Global Adjustment Account (2021) - effective until December 31, 2021		
Applicable only for Non-RPP Customers	\$/kWh	0.0026
Rate Rider for Disposition of Deferral/Variance Accounts (2021) - effective until December 31, 2021	\$/kWh	0.0012
Rate Rider for Disposition of Capacity Based Recovery Account (2021) - effective until December 31, 2021		
Applicable only for Class B Customers	\$/kWh	(0.0001)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0060
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0046

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

Westario Power Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2021
This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2020-0062

GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION

This classification refers to general service buildings, defined as buildings that are used for purposes other than single-family dwellings, requiring a connection with a connected load greater than 50 kW but less than 5,000 kW, 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. 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.

If included in the following listing of monthly rates and charges, 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.

If included in the following listing of monthly rates and charges, 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 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 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 Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	242.85
Distribution Volumetric Rate	\$/kW	2.5629
Low Voltage Service Rate	\$/kW	1.0438

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Rate Rider for Disposition of Global Adjustment Account (2021) - effective until December 31, 2021 Applicable only for Non-RPP Customers	\$/kWh	0.0026
Rate Rider for Disposition of Deferral/Variance Accounts (2021) - effective until December 31, 2021 Applicable only for Non-Wholesale Market Participants	\$/kW	(0.1510)
Rate Rider for Disposition of Deferral/Variance Accounts (2021) - effective until December 31, 2021	\$/kW	0.6436
Rate Rider for Disposition of Capacity Based Recovery Account (2021) - effective until December 31, 2021 Applicable only for Class B Customers	\$/kW	(0.0353)
Retail Transmission Rate - Network Service Rate	\$/kW	2.5110
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.8337

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 refers to an account taking electricity at 600 volts or less whose monthly average peak 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 customer will provide detailed manufacturer information/documentation with regard to electrical demand/consumption of the proposed unmetered load. 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.

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per customer)	\$	5.30
Distribution Volumetric Rate	\$/kWh	0.0197
Low Voltage Service Rate	\$/kWh	0.0028
Rate Rider for Disposition of Global Adjustment Account (2021) - effective until December 31, 2021 Applicable only for Non-RPP Customers	\$/kWh	0.0026
Rate Rider for Disposition of Deferral/Variance Accounts (2021) - effective until December 31, 2021	\$/kWh	0.0011
Rate Rider for Disposition of Capacity Based Recovery Account (2021) - effective until December 31, 2021 Applicable only for Class B Customers	\$/kWh	(0.0001)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0060
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0046

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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SENTINEL LIGHTING SERVICE CLASSIFICATION

This classification refers to accounts that are an unmetered lighting load supplied to a sentinel light. 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)	\$	6.00
Distribution Volumetric Rate	\$/kW	31.0545
Low Voltage Service Rate	\$/kW	0.8245
Rate Rider for Disposition of Global Adjustment Account (2021) - effective until December 31, 2021 Applicable only for Non-RPP Customers	\$/kWh	0.0022
Rate Rider for Disposition of Deferral/Variance Accounts (2021) - effective until December 31, 2021	\$/kW	0.7149
Rate Rider for Disposition of Capacity Based Recovery Account (2021) - effective until December 31, 2021 Applicable only for Class B Customers	\$/kW	(0.0606)
Retail Transmission Rate - Network Service Rate	\$/kW	1.9055
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.4482

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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STREET LIGHTING SERVICE CLASSIFICATION

This classification refers to an account for roadway lighting with a Municipality, Regional Municipality, Ministry of Transportation and private roadway lighting operation, controlled by photocells. 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

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	5.99
Distribution Volumetric Rate	\$/kW	5.0045
Low Voltage Service Rate	\$/kW	0.8056
Rate Rider for Disposition of Global Adjustment Account (2021) - effective until December 31, 2021 Applicable only for Non-RPP Customers	\$/kWh	0.0026
Rate Rider for Disposition of Deferral/Variance Accounts (2021) - effective until December 31, 2021	\$/kW	0.4389
Rate Rider for Disposition of Capacity Based Recovery Account (2021) - effective until December 31, 2021 Applicable only for Class B Customers	\$/kW	(0.0345)
Retail Transmission Rate - Network Service Rate	\$/kW	1.8909
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.4152

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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microFIT SERVICE CLASSIFICATION

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

APPLICATION

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	10.00
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ALLOWANCES

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

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SPECIFIC SERVICE CHARGES

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Customer Administration

Arrears certificate	\$	15.00
Statement of account	\$	15.00
Pulling post dated cheques	\$	15.00
Duplicate invoices for previous billing	\$	15.00
Request for other billing information	\$	15.00
Easement letter	\$	15.00
Income tax letter	\$	15.00
Notification charge	\$	15.00
Account history	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Returned cheque (plus bank charges)	\$	15.00
Charge to certify cheque	\$	15.00
Legal letter charge	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00
Special meter reads	\$	30.00

Non-Payment of Account

Late payment - per month (effective annual rate 19.56% per annum or 0.04896% compounded daily rate)	%	1.50
Reconnection charge - at meter - during regular hours	\$	65.00
Reconnection charge - at meter - after regular hours	\$	185.00
Reconnection charge - at pole - during regular hours	\$	185.00
Reconnection charge - at pole - after regular hours	\$	415.00

Other

Service call - customer-owned equipment	\$	30.00
Service call - after regular hours	\$	165.00
Temporary service - install & remove - overhead - no transformer	\$	500.00

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Temporary service - install & remove - underground - no transformer	\$	300.00
Temporary service - install & remove - overhead - with transformer	\$	1,000.00
Specific charge for access to the power poles - \$/pole/year		
(with the exception of wireless attachments)	\$	45.39

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RETAIL SERVICE CHARGES (if applicable)

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

One-time charge, per retailer, to establish the service agreement between the distributor and the retailer	\$	104.04
Monthly fixed charge, per retailer	\$	41.62
Monthly variable charge, per customer, per retailer	\$/cust.	1.04
Distributor-consolidated billing monthly charge, per customer, per retailer	\$/cust.	0.62
Retailer-consolidated billing monthly credit, per customer, per retailer	\$/cust.	(0.62)
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	\$	0.52
Processing fee, per request, applied to the requesting party	\$	1.04
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)	\$	4.16
Notice of switch letter charge, per letter (unless the distributor has opted out of applying the charge as per the Ontario Energy Board's Decision and Order EB-2015-0304, issued on February 14, 2019)	\$	2.08

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	1.0713
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0607