EXHIBIT 6: CALCULATION OF REVENUE DEFICIENCY OR SUFFICIENCY

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2.6 Calculation of Revenue Deficiency or Sufficiency

- 2 ERHDC revenue deficiency is \$449,736. This deficiency is calculated as the difference between
- 3 the 2021 Test Year Revenue Requirement of \$2,272,419 and the Forecast 2021 Test Year Revenue,
- 4 based on the 2020 approved rates, at \$1,822,683. Table 6-1 on the following page provides the
- 5 revenue deficiency calculations. The table also includes the determination of net utility income,
- 6 statement of rate base, the utility return on rate base at existing rates and the requested rate of
- 7 return on rate base, deficiency or sufficiency in revenue and gross deficiency or sufficiency in
- 8 revenue in this application. Further details on these items are provided in the pdf version of the
- 9 Revenue Requirement Work Form ("RRWF") filed as part of this Exhibit 6 at Appendix 6-1. A
- 10 live Microsoft Excel version of the RRWF has also been filed with this Application.

11 2.6.1 Revenue Requirement

- 12 ERHDC's Revenue Requirement consists of the following:
- Administrative & General, Billing & Collecting Expense
- Operation & Maintenance Expense
- Depreciation Expense
- Property Taxes
- 17 PILs

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- Deemed Interest & Return on Equity
- 19 ERHDC's revenue requirement is primarily received through electricity distribution rates with
- supplemental revenue from Board-approved specific service charges such as late payment charges
- and other miscellaneous charges.
- 22 The revenue deficiency calculated in Table 6-1 below includes only the delivery-related deficiency
- and is net of electricity price differentials captured in the Retail Settlement Variance Accounts and
- 24 costs associated with low voltage charges or DVA balances.

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Table 6-1: Revenue Deficiency Calculation

Revenue Deficiency/Sufficiency

Initial Application

Line No.	Particulars	At Current Approved Rates	At Proposed Rates
1	Revenue Deficiency from Below		\$449,736
2	Distribution Revenue	\$1,621,267	\$1,621,267
3	Other Operating Revenue Offsets - net	\$201,416	\$201,416
4	Total Revenue	\$1,822,683	\$2,272,419
5	Operating Expenses	\$1,884,820	\$1,884,820
6	Deemed Interest Expense	\$134,095	\$134,095
8	Total Cost and Expenses	\$2,018,915	\$2,018,915
9	Utility Income Before Income Taxes	(\$196,232)	\$253,504
10	Tax Adjustments to Accounting Income per 2013 PILs model	(\$317,522)	(\$317,522)
11	Taxable Income	(\$513,754)	(\$64,018)
12	Income Tax Rate	0.00%	0.00%
13		\$ -	\$ -
	Income Tax on Taxable Income		
14	Income Tax Credits	\$ - (\$400,000)	\$-
15	Utility Net Income	(\$196,232)	\$253,504
16	Utility Rate Base	\$7,599,049	\$7,599,049
17	Deemed Equity Portion of Rate Base	\$3,039,619	\$3,039,619
18	Income/(Equity Portion of Rate Base)	-6.46%	8.34%
19	Target Return - Equity on Rate Base	8.34%	8.34%
20	Deficiency/Sufficiency in Return on Equity	-14.80%	0.00%
21	Indicated Rate of Return	-0.82%	5.10%
22	Requested Rate of Return on	5.10%	5.10%
	Rate Base		
23	Deficiency/Sufficiency in Rate of Return	-5.92%	0.00%
24	Target Return on Equity	\$253,504	\$253,504
25	Revenue Deficiency/(Sufficiency)	\$449,736	(\$0)
26	Gross Revenue Deficiency/(Sufficiency)	\$449,736 ⁽¹⁾	(,,,,,
	Denote incy/(Outriciency)	L	

2.6.1.1 Cost Drivers on Revenue Deficiency

Table 6-2 below outlines the contributors to the revenue deficiency by revenue requirement component. Column A lists ERHDC's 2012 approved amounts. Column B lists the ERHDC revenue at existing rates shown in Table 6-1 allocated to revenue requirement component based on the proportions in Column A. It is ERHDC's view that Column B estimates the revenue requirement components for revenue at existing rates based on the components assumed in existing rates. Column C lists the ERHDC's proposed components. Finally, Column D represents the

9 requirement components for the revenue deficiency of \$449,736.

Table 6-2 Revenue Deficiency by Revenue Requirement Component

difference between Column C and Column B which provides an estimate of the revenue

Service Revenue Requirement	2012 Approved (A)	2021 Revenue at Existing Rates Allocated in Proportion to 2012 Approved (B)	2021 Proposed (C)	Revenue Deficiency (D) = (C) - (B)
OM&A	1,350,727	1,384,123	1,649,371	265,248
LEAP	2,000	2,049	2,000	(\$49)
Property Tax	7,400	7,583	4,060	(\$3,523)
Depreciation	146,055	149,666	229,389	79,723
Return on Rate Base	263,208	269,716	387,599	117,883
PILs	9,316	9,546	0	(\$9,546)
Total	1,778,706	1,822,683	2,272,419	449,736
				Difference
				(D) = (C) - (A)
Rate Base	4,244,736		7,599,049	3,354,313

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The majority of the revenue deficiency of \$449,736 for the 2021 Test Year relates to increases to OM&A (\$265,000) which are explained in detail in Exhibit 4. In summary, the main contributors to the increases in OM&A are:

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Espanola Regional Hydro Distribution Corporation (ERHDC) EB-2020-0020 Exhibit 6 Filed: December 31, 2020 Page 5 of 22

1	• Increased regulatory rate filing costs \$110,000
2	• Inflationary increases over 9 years \$155,000
3	\$265,000
4	The remaining major revenue deficiency of \$198,000 relates mostly to increases in capital related
5	items such as Depreciation - Exhibit 4 ($\$80,000$) and Return on Rate Base -Exhibit 2 ($\$118,000$).
6	The main contributors to these costs are:
7	• Increased depreciation as a result of capital expenditures since last Cost of Service ("COS")
8	application
9	• Increased rate base, therefore, increased return as a result of capital expenditures since last
10	COS application
11	A portion of the revenue increase related to the increase in capital assets is due to the inclusion in
12	rate base of the new distribution station which was subject to an ICM. The elimination of the ICM
13	rate rider will in part offset the revenue requirement increase.
14	
15	There are also minor differences in property taxes (\$-3,000) and PILS (-\$10,000).
16	The increase in rate base from \$4,244,736 in the 2012 approved to the proposed Test Year of
17	\$7,599,049 is a result of annual capital expenditures since 2012 and the inclusion of the new
18	distribution station which was subject to the ICM process in 2014 as described in Exhibit 2.
19	ERHDC did not change any methodologies in determining its revenue deficiency/sufficiency.

Espanola Regional Hydro Distribution Corporation (ERHDC) EB-2020-0020 Exhibit 6 Filed: December 31, 2020 Page 6 of 22

Appendix 6-A		
Revenue Requirement	Work	Form

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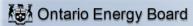
Revenue Requirement Workform (RRWF) for 2021 Filers



Utility Name	North Bay Hydro Distribution Limited - Espanola service territory					
Service Territory	Espanola					
Assigned EB Number	EB-2020-0020					
Name and Title	Tyler Kasubeck, Regulatory Financial Analyst					
Phone Number	705-759-3006					
Email Address	tyler.kasubeck@ssmpuc.com					
Test Year	2021					
Bridge Year	2020					
Last Rebasing Yea	2012					

Filed: December 31, 2020





Revenue Requirement Workform (RRWF) for 2021 Filers

1. Info 8. Rev_Def_Suff

2. Table of Contents 9. Rev_Reqt

3. Data Input Sheet 10. Load Forecast

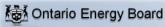
4. Rate_Base 11. Cost Allocation

5. Utility Income 12. Residential Rate Design

6. Taxes_PlLs 13. Rate Design and Revenue Reconciliation

7. Cost_of_Capital 14. Tracking Sheet

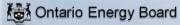
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Revenue Requirement Workform (RRWF) for 2021 Filers

Data Input (1)

		Initial Application	(2)			(6)	Per Board Decision
1	Rate Base						
	Gross Fixed Assets (average) Accumulated Depreciation (average)	\$13,138,830 (\$6,187,071)	(5)	\$	13,138,830 (\$6,187,071)		\$13,138,830 (\$6,187,071)
	Allowance for Working Capital:	(40,101,011)			(40,101,011)		(40,101,011)
	Controllable Expenses	\$1,628,151		\$	1,628,151		\$1,628,151
	Cost of Power	\$7,002,367		\$	7,002,367		\$7,002,367
	Working Capital Rate (%)	7.50%	(9)			(9)	
2	Utility Income						
	Operating Revenues:						
	Distribution Revenue at Current Rates	\$1,621,267					
	Distribution Revenue at Proposed Rates Other Revenue:	\$2,071,003					
	Specific Service Charges	\$15,050					
	Late Payment Charges	\$10,000					
	Other Distribution Revenue	\$105,166					
	Other Income and Deductions	\$71,200					
	Total Revenue Offsets	\$201,416	(7)				
	Operating Expenses:						
	OM+A Expenses	\$1,653,431		\$	1,653,431		\$1,653,431
	Depreciation/Amortization	\$229,389		\$	229,389		\$229,389
	Property taxes						
	Other expenses	\$2,000			2000		\$2,000
3	Taxes/PILs						
	Taxable Income:						
	A disentence to require dita engles at touch la income	(\$317,522)	(3)				
	Adjustments required to arrive at taxable income Utility Income Taxes and Rates:						
	Income taxes (not grossed up)	\$ -					
	Income taxes (grossed up)	\$ -					
	Federal tax (%)	0.00%					
	Provincial tax (%)	0.00%					
	Income Tax Credits						
4	Capitalization/Cost of Capital Capital Structure:						
	Long-term debt Capitalization Ratio (%)	56.0%					
	Short-term debt Capitalization Ratio (%)	4.0%	(8)			(8)	
	Common Equity Capitalization Ratio (%)	40.0%					
	Prefered Shares Capitalization Ratio (%)	40.070					
		100.0%					
	Cost of Capital	2 020/					
	Long-term debt Cost Rate (%) Short-term debt Cost Rate (%)	3.03% 1.75%					
	Common Equity Cost Rate (%)	8.34%					
	Prefered Shares Cost Rate (%)	0.34%					
	(.,						



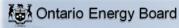
Rate Base and Working Capital

Rate Base

Line No.	Particulars	Initial Application				Per Board Decision
1	Gross Fixed Assets (average) (2)	\$13,138,830	\$ -	\$13,138,830	\$ -	\$13,138,830
2	Accumulated Depreciation (average) (2)	(\$6,187,071)	\$-	(\$6,187,071)	\$ -	(\$6,187,071)
3	Net Fixed Assets (average) (2)	\$6,951,760	\$ -	\$6,951,760	\$ -	\$6,951,760
4	Allowance for Working Capital (1)	\$647,289	(\$647,289)	\$	\$ -	\$-
5	Total Rate Base	\$7,599,049	(\$647,289)	\$6,951,760	\$ -	\$6,951,760

(1) Allowance for Working Capital - Derivation

7	Controllable Expenses Cost of Power Working Capital Base		\$1,628,151 \$7,002,367 \$8,630,518	\$ - \$ - \$ -	\$1,628,151 \$7,002,367 \$8,630,518	\$ - \$ - \$ -	\$1,628,151 \$7,002,367 \$8,630,518
9	Working Capital Rate %	(1)	7.50%	-7.50%	0.00%	0.00%	0.00%
10	Working Capital Allowance		\$647,289	(\$647,289)	\$ -	\$ -	\$ -



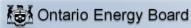
Utility Income

Line No.	Particulars	Initial Application				Per Board Decision
1	Operating Revenues: Distribution Revenue (at Proposed Rates)	\$2,071,003	(\$2,071,003)	\$ -	\$ -	\$ -
2	Other Revenue (1)	\$201,416	(\$201,416)	<u> </u>	<u> </u>	\$-
3	Total Operating Revenues	\$2,272,419	(\$2,272,419)	\$-	\$ -	\$-
	Operating Expenses:					
4	OM+A Expenses	\$1,653,431	\$ -	\$1,653,431	\$ -	\$1,653,431
5	Depreciation/Amortization	\$229,389	\$ -	\$229,389	\$ -	\$229,389
6	Property taxes	\$-	\$ -		\$ -	
7	Capital taxes	S -	\$ -	\$ -	\$ -	\$ -
8	Other expense	\$2,000	\$-	\$2,000	\$ -	\$2,000
9	Subtotal (lines 4 to 8)	\$1,884,820	\$ -	\$1,884,820	\$ -	\$1,884,820
10	Deemed Interest Expense	\$134,095	(\$134,095)	\$ -	\$ -	\$ -
11	Total Expenses (lines 9 to 10)	\$2,018,915	(\$134,095)	\$1,884,820	\$ -	\$1,884,820
12	Utility income before income taxes	\$253,504	(\$2,138,324)	(\$1,884,820)	\$ -	(\$1,884,820)
13	Income taxes (grossed-up)	\$-	\$ -	S -	\$ -	\$ -
14	Utility net income	\$253,504	(\$2,138,324)	(\$1,884,820)	\$ -	(\$1,884,820)
<u>Notes</u>	Other Revenues / Revenue	e Offsets				
(1)	Specific Service Charges	\$15,050		\$ -		\$ -
	Late Payment Charges	\$10,000		\$ -		\$ -
	Other Distribution Revenue	\$105,166		\$ -		\$ -
	Other Income and Deductions	\$71,200		\$-		\$-
	Total Revenue Offsets	\$201,416	\$-	\$	\$-	\$ -



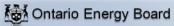
Taxes/PILs

Line No.	Particulars	Application		Per Board Decision
	<u>Determination of Taxable Income</u>			
1	Utility net income before taxes	\$253,504	\$ -	\$ -
2	Adjustments required to arrive at taxable utility income	(\$317,522)	\$-	\$ -
3	Taxable income	(\$64,018)	<u> </u>	<u> </u>
	Calculation of Utility income Taxes			
4	Income taxes	\$ -	\$ -	<u> </u>
6	Total taxes	\$-	\$ -	<u> </u>
7	Gross-up of Income Taxes	\$	\$-	\$
8	Grossed-up Income Taxes	<u> </u>	<u> </u>	<u> </u>
9	PILs / tax Allowance (Grossed-up Income taxes + Capital taxes)	<u> </u>	<u> </u>	<u> </u>
10	Other tax Credits	\$ -	\$ -	\$ -
	Tax Rates			
11 12 13	Federal tax (%) Provincial tax (%) Total tax rate (%)	0.00% 0.00% 0.00%	0.00% 0.00% 0.00%	0.00% 0.00% 0.00%



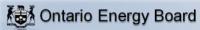
Capitalization/Cost of Capital

Line No.	Particulars	Capitalizat	ion Ratio	Cost Rate	Return
		Initial App	lication		
		(%)	(\$)	(%)	(\$)
	Debt				
1	Long-term Debt	56.00%	\$4,255,467	3.03%	\$128,776
2	Short-term Debt	4.00%	\$303,962	1.75%	\$5,319
3	Total Debt	60.00%	\$4,559,429	2.94%	\$134,095
	Equity				
4	Common Equity	40.00%	\$3,039,619	8.34%	\$253,504
5	Preferred Shares	0.00%	<u> </u>	0.00%	\$ -
6	Total Equity	40.00%	\$3,039,619	8.34%	\$253,504
7	Total	100.00%	\$7,599,049	5.10%	\$387,599
		(%)	(\$)	(%)	(\$)
	Debt	0.000/		0.000/	
1	Long-term Debt	0.00%	\$ -	0.00%	\$ -
2	Short-term Debt	0.00%	\$ -	0.00%	
3	Total Debt	0.00%	<u> </u>	0.00%	\$ -
4	Equity Common Equity	0.00%	\$ -	0.00%	\$ -
5	Preferred Shares	0.00%	\$ -	0.00%	\$ -
6	Total Equity	0.00%	\$-	0.00%	\$ -
•	Total Equity	0.00%	φ-	0.00%	
7	Total	0.00%	\$6,951,760	0.00%	\$ -
		Per Board	Decision		
		(%)	(\$)	(%)	(\$)
	Debt	(70)	(0)	(70)	(0)
8	Long-term Debt	0.00%	\$ -	3.03%	\$ -
9	Short-term Debt	0.00%	\$ -	1.75%	\$-
10	Total Debt	0.00%	\$ -	0.00%	\$ -
	Equity				
11	Common Equity	0.00%	\$ -	8.34%	\$ -
12	Preferred Shares	0.00%	\$ -	0.00%	\$ -
13	Total Equity	0.00%	\$ -	0.00%	\$ -
14	Total	0.00%	\$6,951,760	0.00%	\$ -



Revenue Deficiency/Sufficiency

		Initial Appl	ication	Per Board Decision			
Line No.	Particulars	At Current Approved Rates	At Proposed Rates	At Current Approved Rates	At Proposed Rates	At Current Approved Rates	At Proposed Rates
1	Revenue Deficiency from Below		\$449,736		\$263,553		\$1,884,820
2	Distribution Revenue	\$1,621,267	\$1,621,267	\$1,621,267	\$1,807,450	\$ -	(\$1,884,820)
3	Other Operating Revenue Offsets - net	\$201,416	\$201,416	\$ -	\$ -	\$ -	\$ -
4	Total Revenue	\$1,822,683	\$2,272,419	\$1,621,267	\$2,071,003	\$ -	\$ -
5	Operating Expenses	\$1,884,820	\$1,884,820	\$1.884.820	\$1,884,820	\$1,884,820	\$1,884,820
6	Deemed Interest Expense	\$134,095	\$134,095	\$ -	\$ -	\$ -	\$ -
8	Total Cost and Expenses	\$2,018,915	\$2,018,915	\$1,884,820	\$1,884,820	\$1,884,820	\$1,884,820
9	Utility Income Before Income Taxes	(\$196,232)	\$253,504	(\$263,553)	\$186,183	(\$1,884,820)	(\$1,884,820)
10	Tax Adjustments to Accounting Income per 2013 PILs model	(\$317,522)	(\$317,522)	(\$317,522)	(\$317,522)	\$-	\$ -
11	Taxable Income	(\$513,754)	(\$64,018)	(\$581,075)	(\$131,339)	(\$1,884,820)	(\$1,884,820)
12 13	Income Tax Rate	0.00%	0.00% \$-	0.00%	0.00% \$ -	0.00%	0.00%
	Income Tax on Taxable Income						
14	Income Tax Credits	\$-	\$-	\$-	\$-	\$-	\$-
15	Utility Net Income	(\$196,232)	\$253,504	(\$263,553)	(\$1,884,820)	(\$1,884,820)	(\$1,884,820)
16	Utility Rate Base	\$7,599,049	\$7,599,049	\$6,951,760	\$6,951,760	\$6,951,760	\$6,951,760
17	Deemed Equity Portion of Rate Base	\$3,039,619	\$3,039,619	\$ -	\$ -	\$ -	\$ -
18	Income/(Equity Portion of Rate Base)	-6.46%	8.34%	0.00%	0.00%	0.00%	0.00%
19	Target Return - Equity on Rate Base	8.34%	8.34%	0.00%	0.00%	0.00%	0.00%
20	Deficiency/Sufficiency in Return on Equity	-14.80%	0.00%	0.00%	0.00%	0.00%	0.00%
21	Indicated Rate of Return	-0.82%	5.10%	-3.79%	0.00%	-27.11%	0.00%
22	Requested Rate of Return on Rate Base	5.10%	5.10%	0.00%	0.00%	0.00%	0.00%
23	Deficiency/Sufficiency in Rate of Return	-5.92%	0.00%	-3.79%	0.00%	-27.11%	0.00%
24	Target Return on Equity	\$253,504	\$253,504	\$ -	\$ -	\$ -	\$ - \$ -
25 26	Revenue Deficiency/(Sufficiency) Gross Revenue Deficiency/(Sufficiency)	\$449,736 (1)	(\$0)	\$263,553 \$263,553 ⁽¹⁾	\$ -	\$1,884,820 \$1,884,820 ⁽¹⁾	\$ -



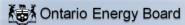
Revenue Requirement

Line No.	Particulars	Application			Per Board Decision
1	OM&A Expenses	\$1,653,431		\$1,653,431	\$1,653,431
2	Amortization/Depreciation	\$229,389		\$229,389	\$229,389
3	Property Taxes	\$ -			
5	Income Taxes (Grossed up)	\$ -		\$ -	\$ -
6	Other Expenses	\$2,000		\$2,000	\$2,000
7	Return				
	Deemed Interest Expense	\$134,095		\$ -	\$ -
	Return on Deemed Equity	\$253,504	_	\$ -	\$-
8	Service Revenue Requirement				
	(before Revenues)	\$2,272,419	_	\$1,884,820	\$1,884,820
9	Revenue Offsets	\$201,416		\$ -	\$ -
10	Base Revenue Requirement	\$2,071,003		\$1,884,820	\$1,884,820
	(excluding Tranformer Owership Allowance credit adjustment)				
11	Distribution revenue	\$2,071,003		\$ -	\$ -
12	Other revenue	\$201,416	_	\$ -	\$ -
13	Total revenue	\$2,272,419		\$ -	\$-
14	Difference (Total Revenue Less Distribution Revenue Requirement		(1)		(1) (64 884 820) (1)
	before Revenues)	(\$0)	,,,	(\$1,884,820)	(\$1,884,820)

Summary Table of Revenue Requirement and Revenue Deficiency/Sufficiency

	Application		Δ% (2)	Per Board Decision	Δ% (2
Service Revenue Requirement Grossed-Up Revenue	\$2,272,419	\$1,884,820	(\$0)	\$1,884,820	(\$1
Deficiency/(Sufficiency)	\$449,736	\$263,553	(\$0)	\$1,884,820	(\$1
Base Revenue Requirement (to be recovered from Distribution Rates)	\$2,071,003	\$1,884,820	(\$0)	\$1,884,820	(\$1
Revenue Deficiency/(Sufficiency) Associated with Base Revenue Requirement	\$449.736	\$ -	(\$1)	\$ -	(\$1

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Revenue Requirement Workform (RRWF) for 2021 Filers

Load Forecast Summary

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

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

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

Initial Application

Stage in Process:

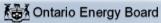
Customer Class					
Input the name of	f each customer class				
Residential					
GS<50					
GS>50					
Sentinnel Light					
Street Light					
USL					

	Initial Application	
Customer / Connections	kWh	kW/kVA (1)
Test Year average or mid-year	Annual	Annual
2,910 369 30 25 799 21	32,639,692 10,191,190 15,482,365 24,258 224,919 115,182	38,559 67 660

Customer / Connections	kWh	kW/kVA (1)
Test Year average or mid-year	Annual	Annual

Customer / Connections	kWh	kW/kVA
Test Year average or mid-year	Annual	Annual

Per Board Decision



Cost Allocation and Rate Design

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

Stage in Application Process:

Initial Application

A) Allocated Costs

Name of Customer Class (3) From Sheet 10. Load Forecast	Costs Allocated from Previous Study ⁽¹⁾		%	Allocated Class Revenue Requirement (1) (7A)		%
Residential GS-50 GS>50 Sentinnel Light Street Light USL	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$	1,151,305 320,982 186,181 2,492 110,488 7,256	64.73% 18.05% 10.47% 0.14% 6.21% 0.41%	9999	1,644,390 371,655 219,021 4,131 26,813 6,409	72.36% 16.36% 9.64% 0.18% 0.28%
Total	\$	1,778,704	100.00%	\$	2,272,418	100.00%
			Service Revenue Requirement (from Sheet 9)	\$	2,272,419.36	

- (1) Class Allocated Revenue Requirement, from Sheet O-1, Revenue to Cost || RR, row 40, from the Cost Allocation Study in this application. This excludes costs in deferral and variance accounts. For Embedded Distributors, Account 4750 Low Voltage (LV) Costs are also excluded.
- accounts. For Embedded Distributors, Account 4750 Low Voltage (LV) Costs are also excluded.

 (2) Host Distributors Provide information on any embedded distributor(s) as a separate class, if applicable. If embedded distributors are billed in a General Service class, include the allocated costs and revenues of the embedded distributor(s) in the applicable class, and also complete Appendix 2-Q.
- (3) Customer Classes If these differ from those in place in the previous cost allocation study, modify the customer classes to match the proposal in the current application as closely as possible

B) Calculated Class Revenues

Name of Customer Class		Load Forecast (LF) X current approved rates (7B)		LF X current approved rates X (1+d)		LF X Proposed Rates		Miscellaneous Revenues	
				(7C)		(7D)	(7E)		
Residential	\$	1,046,199	\$	1,336,412	\$	1,381,388	\$	141,405	
GS<50	\$	322,632	\$	412,129	\$	412,129	\$	32,342	
GS>50	\$	210,101	\$	268,382	\$	245,332	\$	17,493	
Sentinnel Light	\$	1,805	\$	2,305	\$	2,869	S	436	
Street Light	\$	35,633	5	45,517	\$	23,029	\$	9,146	
USL	\$	4,898	\$	6,257	\$	6,257	\$	593	
Total	\$	1,621,267	\$	2,071,002	\$	2,071,003	\$	201,416	

C) Rebalancing Revenue-to-Cost Ratios

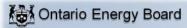
Name of Customer Class	Previously Approved Ratios	Status Quo Ratios	Proposed Ratios	Policy Range
	Most Recent Year:	(7C + 7E) / (7A)	(7D + 7E) / (7A)	
	2012			
	%	%	%	%
Residential	93.33%	89.87%	92.61%	85 - 115
GS<50	114.16%	119.59%	119.59%	80 - 120
GS>50	135.39%	130.52%	120.00%	80 - 120
Sentinnel Light	68.22%	66.35%	80.00%	80 - 120
Street Light	68.51%	203.87%	120.00%	80 - 120
USL	114.31%	106.87%	106.87%	80 - 120

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

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

Name of Customer Class		Proposed Revenue-to-Cost Ratio					
	Test Year 2021	Price Cap 2022	2023				
Residential	92.61%	92.61%	92.61%	85 - 115			
GS<50	119.59%	119.59%	119.59%	80 - 120			
GS>50	120.00%	120.00%	120.00%	80 - 120			
Sentinnel Light	80.00%	80.00%	80.00%	80 - 120			
Street Light	120.00%	120.00%	120.00%	80 - 120			
USL	106.87%	106.87%	106.87%	80 - 120			

(11) The applicant should complete Table D if it is applying for approval of a revenue-to-cost ratio in 2021 that is outside of the OEB's policy range for any customer class. Table D will show that the distributor is likely to enter into the 2022 and 2023 Price Cap IR models, as necessary. For 2022 and 2023, enter the planned revenue-to-cost ratios that will be "Change" or "No Change" in 2019 (in the current Revenue/Cost Ratio Adjustment Workform, Worksheet C1.1 'Decision - Cost Revenue Adjustment, column d), and enter TBD for class(es) that will be entered as 'Rebalance'.



New Rate Design Policy For Residential Customers

Please complete the following tables.

A Data Inputs (from Sheet 10. Load Forecast)

2,910
32,639,692
\$ 1,381,388.04
\$

Residential Base Rates on Current Tariff										
Monthly Fixed Charge (\$)	\$	14.07								
Distribution Volumetric Rate (\$/kWh)	\$	0.0170								

B Current Fixed/Variable Split

	Base Rates	Billing Determinants	Revenue	% of Total Revenue
Fixed	14.07	2,910	\$ 491,324.40	46.96%
Variable	0.017	32,639,692	\$ 554,874.76	53.04%
TOTAL	-	-	\$ 1,046,199.16	-

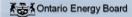
C Calculating Test Year Base Rates

Number of Remaining Rate Design Policy	_
Transition Years ²	5

	 st Year Revenue @ Current F/V Split	Test Year Base Rates @ Current F/V Split	Reconciliation - Tes Year Base Rates @ Current F/V Split		
Fixed	\$ 648,738.48	18.58	\$	648,813.60	
Variable	\$ 732,649.56	0.0224	\$	731,129.10	
TOTAL	\$ 1,381,388.04	-	\$	1,379,942.70	

	New F/V Split	Revenue @ new F/V Split	Final Adjusted Base Rates	Revenue Reconciliation @ Adjusted Rates		
Fixed	57.57%	\$ 795,268.39	\$ 22.77	\$	795,128.40	
Variable	42.43%	\$ 586,119.65	\$ 0.0180	\$	587,514.45	
TOTAL		\$ 1,381,388.04	-	\$	1,382,642.85	

Checks ³										
Change in Fixed Rate	\$	4.19								
Difference Between Revenues @ Proposed Rates		\$1,254.81								
and Class Specific Revenue Requirement		0.09%								



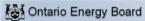
Rate Design and Revenue Reconciliation

This sheet replaces Appendix 2-V, and provides a simplified model for calculating the standard monthly and voluentric rates based on the allocated class revenues and fixed/variable split resulting from the cost allocation study and rate design and as proposed by the applicant. However, the applicant model for calculating the standard monthly and voluentric rates based on the interpretable split resulting from the cost allocation study and rate design and as proposed by the applicant. However, the applicants were the revenue requirement and on the proposed base distribution rates to recover the revenue requirement, based on summary information from a more detailed rate generator model and other models that applicants use for cost allocation, bad forecasting, bases PLs, etc.

Customer Class	Volumetric Charge Determinant KWh KW KW KW	Customers / Connections 2,910 369 30 25 799	kWh 32,639,692 10,191,190 15,482,365 24,259	kW or kVA	Tot Re Req	tal Class evenue juirement	Mo Se	Allocation of Rate Designation on the Property of the Property	ign	et 12.	Fixed / Varia Percentage to b fraction betw	e entered as a	Trans Own	sformer	Monthly Serv	ce Charge	Volu	umetric Ra	ite				Revenues le
From sheet 10. Load Forecast Residential KY 35 < 50 KY 35 < 50 KY 65 < 50 KY 66 Kinnel Light KY 86 Kinnel Light KY 87 Kinsel Light KY	Charge Determinant kWh kWh kW kW	2,910 369 30 25	32,639,692 10,191,190 15,482,365		Req	evenue juirement	Se	ervice	Volu	metric	Fixed	Variable			Monthly Serv	ce Charge	Volu	umetric Ra	ite				
Residential KV SS<50 KV SS>50 KV Sentantel Light KV Streat Light KV	KVVh KVV KVV	369 30 25	10,191,190 15,482,365	-	\$					- 1				vance 1	Rate	No. of decimals	Rate		No. of decimals	MSC Revenues	Volume		Ownershi
		21	24,919	38,559 67 680 - - - - - - - - - - -	******	1,381,388 412,129 245,332 2,869 23,029 6,257		795,265 142,652 82,573 1,021 12,328 3,947	\$	586,123 289,477 162,759 1,849 10,701 2,310	57.57% 34.61% 33.66% 26.57% 53.53% 63.00%	42,43% 65,39% 66,34% 64,43% 46,47% 36,52%	\$	6,941	\$22.77 \$32.22 \$229.37 \$3.40 \$1.29 \$1.566	2	\$4.4011 \$27.4341 \$16.2041	ACM'TH ACM'TH ACM' ACM' ACM'TH ACM'TH	4	\$ 795,128.4 \$ 142,670.11 \$ 82,573.2 \$ 1,020.0 \$ 12,368.5 \$ 3,946.3 \$ 5 \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ -	\$ 587,51 \$ 269,04 \$ 169,70 \$ 1,84	.4514	\$ 1,382,545 \$ 411,71 \$ 245,33 \$ 2,96 \$ 23,00 \$ 6,26 \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$
										Tot	al Transformer Own	ership Allowance	\$	6,941						Total Distribution	Revenues		\$ 2,071,89
:																	Rates recover r	revenue re		Base Revenue R	equirement		\$ 2,071,0

Exhibit 6 Filed: December 31, 2020

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Revenue Requirement Workform (RRWF) for 2021 Filers

Tracking Form

3

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

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

Summary of Proposed Changes

			Cost of	Capital	Rate Base	and Capital Exp	enditures	Ope	erating Expense	es	Revenue Requirement				
	Reference (1)	Item / Description ⁽²⁾	Regulated Return on Capital	Regulated Rate of Return	Rate Base	Working Capital	Working Capital Allowance (\$)	Amortization / Depreciation	Taxes/PILs	OM&A	Service Revenue Requirement	Other Revenues			
		Original Application	\$ 387,599	5.10%	\$ 7,599,049	\$ 8,630,518	\$ 647,289	\$ 229,389	\$ -	\$ 1,653,431	\$ 2,272,419	\$ 201,416	\$ 2,071,003	\$ 449,736	
'		Change													

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

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