



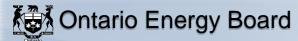
Version 1.00

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 Year	2012

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

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

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



1. Info 8. Rev_Def_Suff

2. Table of Contents 9. Rev_Regt

3. Data_Input_Sheet 10. Load Forecast

4. Rate_Base 11. Cost Allocation

5. Utility Income 12. Residential Rate Design

6. Taxes_PILs 13. Rate Design and Revenue Reconciliation

7. Cost_of_Capital 14. Tracking Sheet

Notes:

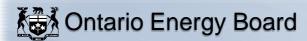
(1) Pale green cells represent inputs

Pale green boxes at the bottom of each page are for additional notes

(3) Pale yellow cells represent drop-down lists

4) Please note that this model uses MACROS. Before starting, please ensure that macros have been enabled.

(5) Completed versions of the Revenue Requirement Work Form are required to be filed in working Microsoft Excel format.



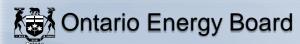
Data Input (1)

		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: Controllable Expenses Cost of Power	\$1,628,151 \$7,002,367 7.50%	(9)	\$ \$	1,628,151 7,002,367	(9)	\$1,628,151 \$7,002,367	(9)
	Working Capital Rate (%)	7.50%	(3)			(3)		(3)
2	Utility Income							
	Operating Revenues:							
	Distribution Revenue at Current Rates Distribution Revenue at Proposed Rates	\$1,621,267 \$2,071,003						
	Other Revenue: 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:							
		(\$317,522)	(3)					
	Adjustments required to arrive at taxable income							
	Utility Income Taxes and Rates:	Φ.						
	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)		(8)
	Common Equity Capitalization Ratio (%)	40.0%						
	Prefered Shares Capitalization Ratio (%)							
		100.0%						
	Cost of Capital							
	Long-term debt Cost Rate (%)	3.03%						
	Short-term debt Cost Rate (%)	1.75%						
	Common Equity Cost Rate (%)	8.34%						
	Prefered Shares Cost Rate (%)							

Notes:

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

- (1) All inputs are in dollars (\$) except where inputs are individually identified as percentages (%)
- Data in column E is for Application as originally filed. For updated revenue requirement as a result of interrogatory responses, technical or settlement conferences, etc., use column M and Adjustments in column I
- Net of addbacks and deductions to arrive at taxable income.
- Average of Gross Fixed Assets at beginning and end of the Test Year
- ⁽⁵⁾ Average of Accumulated Depreciation at the beginning and end of the Test Year. Enter as a negative amount.
- (6) Select option from drop-down list by clicking on cell M12. This column allows for the application update reflecting the end of discovery or Argument-in-Chief. Also, the outcome of any Settlement Process can be reflected.
- Input total revenue offsets for deriving the base revenue requirement from the service revenue requirement
- (8) 4.0% unless an Applicant has proposed or been approved for another amount.
- (9) The default Working Capital Allowance factor is **7.5%** (of Cost of Power plus controllable expenses), per the letter issued by the Board on June 3, 2015. Alternatively, a WCA factor based on lead-lag study, with supporting rationale could be provided.



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)	<u> </u>	<u> \$ -</u>	\$ -
5	Total Rate Base	\$7,599,049	(\$647,289)	\$6,951,760	<u> </u>	\$6,951,760

(1) Allowance for Working Capital - Derivation

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 Base		\$8,630,518	\$ -	\$8,630,518	\$ -	\$8,630,518
Working Capital Rate %	(1)	7.50%	-7.50%	0.00%	0.00%	0.00%
Working Capital Allowance		\$647,289	(\$647,289)	\$ -		\$ -

<u>Notes</u>

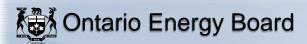
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9

10

Some Applicants may have a unique rate as a result of a lead-lag study. The default rate for 2021 cost of service applications is 7.5%, per the letter issued by the Board on June 3, 2015.

Average of opening and closing balances for the year.



Utility Income

Line No.	Particulars	Initial Application				Per Board Decision
	Operating Revenues:					
1	Distribution Revenue (at Proposed Rates)	\$2,071,003	(\$2,071,003)	\$ -	\$ -	\$ -
2	Other Revenue (1)	\$201,416	(\$201,416)	<u> </u>	<u> </u>	<u> </u>
3	Total Operating Revenues	\$2,272,419	(\$2,272,419)	<u> </u>	\$-	<u> </u>
	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	\$ -	\$ -	\$ -	\$ -	\$ -
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)	<u> </u>	\$-	\$ -
11	Total Expenses (lines 9 to 10)	\$2,018,915	(\$134,095)	\$1,884,820	<u> </u>	\$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)	<u> </u>	<u> </u>	<u> </u>	\$-	<u> </u>
14	Utility net income	\$253,504	(\$2,138,324)	(\$1,884,820)	<u> </u>	(\$1,884,820)
		24				
<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		<u> </u>		\$ -
	Total Revenue Offsets	\$201,416	\$ -	<u> </u>	<u> </u>	\$ -



Taxes/PILs

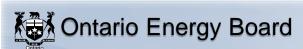
Line No.	Particulars	Application		Per Board Decision
	Determination of Taxable Income			
1	Utility net income before taxes	\$253,504	\$ -	\$ -
2	Adjustments required to arrive at taxable utility income	(\$317,522)	\$ -	\$ -
3	Taxable income	(\$64,018)	<u> </u>	<u> </u>
	Calculation of Utility income Taxes			
4	Income taxes	\$ -	\$ -	\$ -
6	Total taxes	<u>\$ -</u>	\$ -	<u> </u>
7	Gross-up of Income Taxes	\$ -	\$-	<u> </u>
8	Grossed-up Income Taxes	\$ -	<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%

<u>Notes</u>



Capitalization/Cost of Capital

Line No.	Particulars	Capitaliza	ation Ratio	Cost Rate	Return
		Initial A _l	oplication		
		(%)	(\$)	(%)	(\$)
	Debt				
1	Long-term Debt	56.00%	\$4,255,467	3.03%	\$128,776
2 3	Short-term Debt Total Debt	4.00%	\$303,962 \$4,559,429	1.75% 2.94%	\$5,319 \$134,095
3	Total Debt	00.00 /6	Ψ4,339,429	2.94 /0	φ134,093
	Equity				
4	Common Equity	40.00%	\$3,039,619	8.34%	\$253,504
5	Preferred Shares	0.00%	\$ -	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	(%)	(\$)	(%)	(\$)
1	Long-term Debt	0.00%	\$ -	0.00%	\$ -
2	Short-term Debt	0.00%	\$ -	0.00%	\$ -
3	Total Debt	0.00%	\$ -	0.00%	<u> </u>
	Equity				
4	Common Equity	0.00%	\$ -	0.00%	\$ -
5	Preferred Shares	0.00%	\$ -	0.00%	\$ -
6	Total Equity	0.00%	\$ -	0.00%	\$ -
7	Total	0.00%	\$6,951,760	0.00%	\$ -
		Per Boar	d Decision		
		(%)	(\$)	(%)	(\$)
	Debt	0.000/	•	0.000/	•
8	Long-term Debt Short-term Debt	0.00%	\$ -	3.03%	\$ - \$ -
9 10	Total Debt	0.00%	\$ - \$ -	1.75% 0.00%	\$ -
.0	Total Dest	0.0070		0.0070	
	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%	<u> </u>
Notes					



Revenue Deficiency/Sufficiency

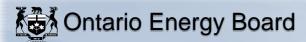
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Per Board Decision

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 2 3	Revenue Deficiency from Below Distribution Revenue Other Operating Revenue Offsets - net	\$1,621,267 \$201,416	\$449,736 \$1,621,267 \$201,416	\$1,621,267 \$ -	\$263,553 \$1,807,450 \$ -	\$ - \$ -	\$1,884,820 (\$1,884,820) \$-
4	Total Revenue	\$1,822,683	\$2,272,419	\$1,621,267	\$2,071,003	\$ -	\$ -
5 6 8	Operating Expenses Deemed Interest Expense Total Cost and Expenses	\$1,884,820 \$134,095 \$2,018,915	\$1,884,820 \$134,095 \$2,018,915	\$1,884,820 \$- \$1,884,820	\$1,884,820 \$ - \$1,884,820	\$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% \$ -
14	Income Tax on Taxable Income Income Tax Credits	\$ -	Φ	\$ -	Φ	\$ -	¢
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 22	Indicated Rate of Return Requested Rate of Return on Rate Base	-0.82% 5.10%	5.10% 5.10%	-3.79% 0.00%	0.00% 0.00%	-27.11% 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 25 26	Target Return on Equity Revenue Deficiency/(Sufficiency) Gross Revenue Deficiency/(Sufficiency)	\$253,504 \$449,736 \$449,736 (1)	\$253,504 (\$0)	\$ - \$263,553 \$263,553 (1)	\$ - \$ -	\$ - \$1,884,820 \$1,884,820 ⁽¹⁾	\$ - \$ -

Notes:

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



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				
Ū	(before Revenues)	\$2,272,419	\$1,884,820	\$1,884,820	
9 10	Revenue Offsets Base Revenue Requirement (excluding Tranformer Owership	\$201,416 \$2,071,003	\$ - \$1,884,820	\$ - \$1,884,820	
	Allowance credit adjustment)				
11	Distribution revenue	\$2,071,003	\$ -	\$ -	
12	Other revenue	\$201,416	<u> </u>	\$ -	
13	Total revenue	\$2,272,419	<u> </u>	<u> </u>	
14	Difference (Total Revenue Less Distribution Revenue Requirement		(4)	(4)	(1)
	before Revenues)	(\$0)	(\$1,884,820)	(\$1,884,820)	(1)

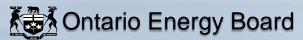
Summary Table of Revenue Requirement and Revenue Deficiency/Sufficiency

	Application		$\Delta\%$ ⁽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

Notes

Line 11 - Line 8

Percentage Change Relative to Initial Application



Load Forecast Summary

This spreadsheet provides a summary of the customer and load forecast on which 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.

Stage in Process:

Residential GS<50 GS>50

Sentinnel Light

Street Light

USL

Stage in Process:	Initial Application							
Customer Class	Initial Application							
Input the name of each customer class.	Customer / Connections	kWh	kW/kVA (1)					
	Test Year average or mid-year	Annual	Annual					
Residential	2,910	32,639,692						
GS<50	369	10,191,190						
GS>50	30	15,482,365	38,559					
Sentinnel Light	25	24,258	67					
Street Light	799	224,919	660					
JSL	21	115,182						

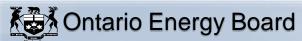
kWh Annual	kW/kVA ⁽¹⁾ Annual

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

Total 58,677,605 39,286

Notes:

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



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		Allocated from ous Study ⁽¹⁾	%		located Class nue Requirement (1) (7A)	%
1 Residential 2 GS<50 3 GS>50 4 Sentinnel Light	\$ \$ \$	1,151,305 320,982 186,181 2,492	64.73% 18.05% 10.47% 0.14%	\$ \$ \$	1,644,390 371,655 219,021 4,131	72.36% 16.36% 9.64% 0.18%
5 Street Light 6 USL 7 8 9 0 1 2 3 4 5 6 7 8 9 0 0	\$ \$	110,488 7,256	6.21% 0.41%	\$	26,813 6,409	1.18% 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.
- (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		LF X current approved rates X (1+d)		LF X Proposed Rates		iscellaneous Revenues
		(7B)		(7C)		(7D)		(7E)
1 Residential	\$	1,046,199	\$	1,336,412	\$	1,381,388	\$	141,405
2 GS<50	\$	322,632	\$	412,129	\$	412,129	\$	32,342
3 GS>50	\$	210,101	\$	268,382	\$	245,332	\$	17,493
4 Sentinnel Light	\$	1,805	\$	2,305	\$	2,869	\$ \$ \$	436
5 Street Light 6 USL	\$ \$	35,633 4,898	\$ \$	45,517 6,257	\$ \$	23,029 6,257	\$	9,146 593
7 8 9 0 1 2 3 4 5 6 7 8								
Total	\$	1,621,267	\$	2,071,002	\$	2,071,003	\$	201,416

⁽⁴⁾ In columns 7B to 7D, LF means Load Forecast of Annual Billing Quantities (i.e., customers or connections, as applicable X 12 months, and kWh, kW or kVA as applicable. Revenue quantities should be net of the Transformer Ownership Allowance for applicable customer classes. Exclude revenues from rate adders and rate riders.

⁽⁵⁾ Columns 7C and 7D - Column Total should equal the Base Revenue Requirement for each.

⁽⁶⁾ Column 7C - The OEB-issued cost allocation model calculates "1+d" on worksheet O-1, cell C22. "d" is defined as Revenue Deficiency/Revenue at Current Rates.

⁽⁷⁾ Column 7E - If using the OEB-issued cost allocation model, enter Miscellaneous Revenues as it appears on worksheet O-1, row 19,

C) Rebalancing Revenue-to-Cost Ratios

Name of Customer Class	stomer Class Previously Approved Status Quo Ratios Proposed Ratios Ratios								
	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.

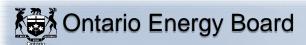
⁽⁹⁾ Status Quo Ratios - The OEB-issued cost allocation model provides the Status Quo Ratios on Worksheet O-1. The Status Quo means "Before Rebalancing".

⁽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	Propos	ed Revenue-to-Cost Ratio		Policy Range
	Test Year	Price Cap IR Period		, ,
	2021	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
JSL	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'.



Revenue Requirement (RRWF) for 2021

New Rate Design Policy For Residential C

Please complete the following tables.

A Data Inputs (from Sheet 10. Load Forecast)

Test Year Billing Determinants for Residential Class						
Customers		2,910				
kWh		32,639,692				
Proposed Residential Class Specific Revenue	\$	1 381 388 04				

Proposed Residential Class Specific Revenue	\$ 1,381,388.04
Requirement ¹	

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
Fixed	14.07	2,910
Variable	0.017	32,639,692
TOTAL	-	-

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
Fixed	\$ 648,738.48	18.58
Variable	\$ 732,649.56	0.0224
TOTAL	\$ 1,381,388.04	-

	Revenue @ new
New F/V Split	F/V Split

Fixed	57.57%	\$ 795,268.39
Variable	42.43%	\$ 586,119.65
TOTAL	-	\$ 1,381,388.04

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

Notes:

- The final residential class specific revenue requirement, excluding allocated Miscellaneous Revenues, a used (i.e. the revenue requirement after any proposed adjustments to R/C ratios).
- The distributor should enter the number of years remaining before the transition to fully fixed rates is cor almost complete and distributors should have either 0 or 1 year remaining. If the distributor has fully tran distributor has proposed an additional transition year because the change in the residential rate design v than \$4/year, put "1" in cell D40.
- ³ Change in fixed rate due to rate design policy should be less than \$4. The difference between the propo calculated base rates should be minimal (i.e. should be reasonably considered as a rounding error)

Workform Filers

ustomers

Revenue	% of Total Revenue
\$ 491,324.40	46.96%
\$ 554,874.76	
\$ 1,046,199.16	-

Reconciliation - Test									
Year Base Rates @									
Current F/V Split									
\$	648,813.60								
\$	731,129.10								
\$	1,379,942.70								

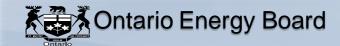
	Revenue
Final Adjusted	Reconciliation @
Base Rates	Adjusted Rates

\$ 22.77	\$ 795,128.40
\$ 0.0180	\$ 587,514.45
-	\$ 1,382,642.85

ıs shown on Sheet 11. Cost Allocation, should be

npleted. The change in residential rate design is sitioned to fixed rates put "0" in cell D40. If the vill result in the fixed charge increasing by more

sed class revenue requirement and the revenue at



Rate Design and Revenue Reconciliation

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

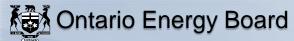
Stage in Process: Initial Application		Application Class Allocated Revenues							Dis	tribution Rates	Revenue Reconciliation							
Customer and Load Forecast				From Sheet R	11. Cost Allo esidential R			Percentage to	iable Splits ² be entered as a ween 0 and 1									
Customer Class From sheet 10. Load Forecast	Volumetric Charge Determinant	Customers / Connections	kWh	kW or kVA	Total Class Revenue Requirement	Month Service C	•	Volumetric	Fixed	Variable	Transformer Ownership Allowance ¹ (\$)	Monthly Se Rate	rvice Charge No. of decimals	Volumetric Rate	Rate No. of decimals	MSC Revenues	Volumetric revenues	Revenues le Transforme Ownership Allowance
Residential GS<50 GS>50 Sentinnel Light Street Light USL GS GS>60 GS GS>60 GS	kWh kW kW kW kWh	2,910 369 30 25 799 21	32,639,692 10,191,190 15,482,365 24,258 224,919 115,182 - - - - - - - - - - - - - - - - -	- - - - 660 - - - - - - - - - - - - - -	\$ 1,381,388 \$ 412,129 \$ 245,332 \$ 2,869 \$ 23,029 \$ 6,257	\$ 14 \$ 8 \$ \$ 1	32,573 1,021 12,328	\$ 586,123 \$ 269,477 \$ 162,759 \$ 1,849 \$ 10,701 \$ 2,310	57.57% 34.61% 33.66% 35.57% 53.53% 63.08%	42.43% 65.39% 66.34% 64.43% 46.47% 36.92%	\$ 6,941	\$22.7 \$32.2 \$229.3 \$3.4 \$1.2 \$15.6	22 37 40 29	\$0.0180 /kWh \$0.0264 /kWh \$4.4011 /kW \$27.4341 /kW \$16.2041 /kW \$0.0201 /kWh	4	\$ 795,128.40 \$ 142,670.16 \$ 82,573.20 \$ 1,020.00 \$ 12,368.52 \$ 3,946.32 \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ -	\$ 587,514.4514 \$ 269,047.4154 \$ 169,700.6666 \$ 1,848.5713 \$ 10,701.1876 \$ 2,315.1673 \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ -	\$ 411,717 \$ 245,333 \$ 2,868 \$ 23,069
									Total Transformer Ow	nership Allowance	\$ 6,941					Total Distribution Rev	enues	\$ 2,071,893
etes:														Rates recover revenue	requirement	Base Revenue Require	ement	\$ 2,071,003 \$ 890

% Difference

0.043%

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

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



Tracking Form

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

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

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

Summary of Proposed Changes

		Cost of	Capital	Rate Base	e 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

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