EB-2020-0026

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

AND IN THE MATTER OF an application by Halton Hills Hydro Inc. for an order approving just and reasonable rates and other charges for electricity distribution beginning May 1, 2021.

HALTON HILLS HYDRO INC.

SETTLEMENT PROPOSAL

FEBRUARY 18, 2021

Halton Hills Hydro Inc.
EB-2020-0026
Settlement Proposal

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LIVE EXCEL MODELS

In addition to the Appendices listed above, the following live excel models have been filed together with and form an integral part of this Settlement Proposal:

Halton_Settlement_2021_Rev_Reqt_Workform_2021_COS_20210218
Halton_Settlement_Load_Forecast_2021_COS_20210218
Halton_Settlement_2021_Cost_Allocation_Model-201_COS_20210218

Halton_Settlement_RTSR_Workform_2021_COS_20210218
Halton_Settlement_2021_Tariff_Schedule_and_Bill_Impact_Model_2021_COS_20210218
Halton_Settlement_2021_DVA_Continuity_Schedule_2021_COS_20210218
Halton_Settlement_2021_LRAMVA_Model_20210218
Halton_Settlement_Test_Year_Income_Tax_PILs_20210218
Halton_Settlement_Chapter_2_Appendices_2021_COS_20210218
Halton_Settlement_Appendix_2C_Dep_Cal_2016_to_2021_COS_20210218
Halton_Settlement_2020_Benchmarking_Spreadsheet_Forecast_Model_20210218

Halton Hills Hydro Inc.
EB-2020-0026
Settlement Proposal

Filed with OEB: February 18, 2021

Halton Hills Hydro Inc. (the "**Applicant**" or "**HHHI**") filed a Cost of Service application with the Ontario Energy Board (the "**OEB**") on August 27, 2020 under section 78 of the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, (Schedule B) (the "**Act**") seeking approval for changes to the rates that HHHI charges for electricity distribution and other charges, to be effective May 1, 2021 (OEB Docket Number EB-2020-0026) (the "**Application**").

The OEB issued and published a Notice of Hearing dated September 15, 2020, and Procedural Order No. 1 on October 16, 2020, the latter of which required the parties to the proceeding to develop a proposed Issues List by November 27, 2020 and scheduled a Settlement Conference for December 14, 15, and 16.

HHHI filed its Interrogatory Responses with the OEB on November 25, 2020, pursuant to which HHHI updated several models and submitted them to the OEB as Excel documents. On December 1, 2020, following the Interrogatories, Ontario Energy Board staff ("**OEB staff**") submitted a proposed Issues List as agreed to by the parties. On December 2, 2020, the OEB issued its Decision on the proposed Issues List, approving the list submitted by OEB staff (the "**Issues List**"). This Settlement Proposal is filed with the OEB in connection with the Application and is organized in accordance with the Issues List.

A Settlement Conference was convened on December 14, 2020 and continued to December 21, 2020, in accordance with the OEB's *Rules of Practice and Procedure* (the "**Rules**") and the OEB's *Practice Direction on Settlement Conferences* (the "**Practice Direction**").

Karen Wianecki acted as facilitator for the settlement conference which lasted for five days.

HHHI and the following Intervenors (the "**Intervenors**"), participated in the settlement conference:

Energy Probe Research Foundation ("**Energy Probe**")
School Energy Coalition ("**SEC**")
Vulnerable Energy Consumers Coalition ("**VECC**")
Distributed Resource Coalition ("**DRC**")

HHHI and the Intervenors are collectively referred to below as the "**Parties**".

OEB staff also participated in the settlement conference. The role adopted by OEB staff is set out in page 6 of the Practice Direction. Although OEB staff is not a party to this Settlement Proposal, as noted in the Practice Direction, OEB staff who did participate in the settlement conference are bound by the same confidentiality requirements that apply to the Parties to the proceeding.

The OEB issued and published Procedural Order No. 5 on February 17, 2021, which required any settlement proposal arising from the Settlement Conference to be filed with the OEB on or before February 26, 2021.

This document is called a "**Settlement Proposal**" because it is a proposal by the Parties to the OEB to settle the issues in this proceeding. It is termed a proposal as between the Parties and the OEB. However, as between the Parties, and subject only to the OEB's approval of this Settlement Proposal, this document is intended to be a legal agreement, creating mutual obligations, and binding and enforceable in accordance with its terms. As set forth later in this Preamble, this Settlement Proposal is subject to a condition subsequent, that if it is not accepted by the OEB in its entirety, then unless amended by the Parties it is null and void and of no further effect. In entering into this Settlement Proposal, the Parties understand and agree that, pursuant to the Act, the OEB has exclusive jurisdiction with respect to the interpretation and enforcement of the terms hereof.

The Parties acknowledge that this settlement proceeding is confidential and privileged in accordance with the Practice Direction. The Parties understand that confidentiality in that context does not have the same meaning as confidentiality in the OEB's *Practice Direction on Confidential Filings*, and the rules of that latter document do not apply. Instead, in this settlement conference, and in this Settlement Proposal, the Parties have interpreted "confidential" to mean that the documents and other information provided during the course of the settlement proceeding, the discussion of each issue, the offers and counter-offers, and the negotiations leading to the settlement – or not – of each issue during the settlement conference are strictly privileged and without prejudice. None of the foregoing is admissible as evidence in this proceeding, or otherwise, with one exception, the need to resolve a subsequent dispute over the interpretation of any provision of this Settlement Proposal. Further, the Parties shall not disclose those documents or other information to persons who were not attendees at the settlement conference. However, the Parties agree that "attendees" is deemed to include, in this context, persons who were not in attendance via video conference at the settlement conference but were (a) any persons or entities that the Parties engage to assist them with the settlement conference, and (b) any persons or entities from whom they seek instructions with respect to the negotiations; in each case provided that any such persons or entities have agreed to be bound by the same confidentiality provisions.

This Settlement Proposal provides a brief description of each of the settled and partially settled issues, together with references to the evidence. The Parties agree that references to the "evidence" in this Settlement Proposal shall, unless the context otherwise requires, include (a) additional information included by the Parties in this Settlement Proposal, (b) the Appendices to this document, and (c) the evidence filed concurrently with this Settlement Proposal titled "Clarifying Question Responses" ("**Clarification Responses**"). The supporting Parties for each settled and partially settled issue, as applicable, agree that the evidence in respect of that settled or partially settled issue, as applicable, is sufficient in the context of the overall settlement to support the proposed settlement, and the sum of the evidence in this proceeding provides an appropriate evidentiary record to support acceptance by the OEB of this Settlement Proposal.

There are Appendices to this Settlement Proposal which provide further support for the proposed settlement. The Parties acknowledge that the Appendices were prepared by HHHI. While the Intervenors have reviewed the Appendices, the Intervenors are relying on the accuracy of those Appendices and the underlying evidence in entering into this Settlement Proposal.

Outlined below are the final positions of the Parties following the settlement conference. For ease of reference, this Settlement Proposal follows the format of the final approved issues list for the Application attached to the Issues List Decision dated December 2, 2020.

The Parties are pleased to advise the OEB that they have reached an agreement with respect to the settlement of all but one of the issues in this proceeding. The unresolved matter pertains to the amount included in HHHI's 2021 opening rate base for HHHI's newly-constructed Municipal Transformer Station (the "**TS**"). The TS was the subject of an ICM application by HHHI (EB-2018-0328) (the "**TS ICM**"). The defined term "TS ICM" is used to distinguish it from the generic term "ICM" used elsewhere in this Settlement Proposal. The issue is explained more fully under Issue 2.1 of this Settlement Proposal.

Certain information in this Settlement Proposal (such as Table A(Summary of Revenue Requirement), Table B(Summary of Bill Impacts), Table 2.2A(Revenue Requirement) and Table 2.2B(Rate Base)) assumes the OEB accepts HHHI's proposal on the partially settled issue. This information is included for information purposes only, in order to illustrate the impact of the Settlement Proposal on the balance of the Application, and is without prejudice to the Parties' right to take any position they choose on the partially settled issue. Aspects of the Settlement Proposal that are dependent upon the partially settled issue will be updated once this issue has been resolved by way of an OEB decision.

A summary of the status of the issues in this proceeding is provided below:

"**Complete Settlement**" means an issue for which complete settlement was reached by all Parties, and if this Settlement Proposal is accepted by the OEB, the Parties will not adduce any evidence or argument during the oral hearing in respect of these issues.	# issues settled: **16**
"**Partial Settlement**" means an issue for which there is partial settlement, as HHHI and the Intervenors who take any position on the issue were able to agree on some, but not all, aspects of the particular issue. If this Settlement Proposal is accepted by the OEB, the Parties who take any position on the issue will only adduce evidence and argument during the hearing on those portions of the issues not addressed in this Settlement Proposal.	# issues partially settled: **1**
"**No Settlement**" means an issue for which no settlement was reached. HHHI and the Intervenors who take a position on the issue will adduce evidence and/or argument at the hearing on the issue.	# issues not settled: **None**

According to the Practice Direction (p. 3), the Parties must consider whether a Settlement Proposal should include an appropriate adjustment mechanism for any settled issue that may be affected by external factors. These adjustments are specifically set out in the text of the Settlement Proposal.

The Parties have settled the issues as a package, and none of the parts of this Settlement Proposal are severable. If the OEB does not accept this Settlement Proposal in its entirety, then there is no settlement (unless the Parties agree in writing that any part(s) of this Settlement Proposal that the OEB does accept may continue as a valid settlement without inclusion of any part(s) that the OEB does not accept).

In the event that the OEB directs the Parties to make reasonable efforts to revise the Settlement Proposal, the Parties agree to use reasonable efforts to discuss any potential revisions, but no Party will be obligated to accept any proposed revision. The Parties agree that all of the Parties who took a position on a particular issue must agree with any revised Settlement Proposal as it relates to that issue, or decide to take no position on the issue, prior to its resubmission to the OEB.

Unless stated otherwise, the settlement of any particular issue in this proceeding and the positions of the Parties in this Settlement Proposal are without prejudice to the rights of Parties to raise the same issue and/or to take any position thereon in any other proceeding, whether or not HHHI is a party to such proceeding.

Where in this Settlement Proposal, the Parties “Accept” the evidence of HHHI, or the Parties or any of them “agree” to a revised term or condition, including a revised budget or forecast, then unless the Settlement Proposal expressly states to the contrary, the words “for the purpose of settlement of the issues herein” shall be deemed to qualify that acceptance or agreement.

SUMMARY

In reaching this partial settlement, the Parties have been guided by the current *Filing Requirements for Electricity Distribution Rate Applications* dated May 14, 2020, the *Handbook for Utility Rate Applications* dated October 13, 2016, the approved Issues List attached as Schedule A to the OEB's Issues List Decision of December 2, 2020, and the Report of the OEB titled *Renewed Regulatory Framework for Electricity Distributors: A Performance-Based Approach* dated October 18, 2012 ("**RRFE**").

This Settlement Proposal reflects a settlement of all but one of the issues in this proceeding. The Parties believe that, if accepted by the OEB as the Parties request, this Settlement Proposal will narrow the scope of issues to be heard during a hearing.

The sole outstanding issue related to a part of Issue 2.1 (Revenue Requirement). The Parties were unable to agree on the following outstanding issue:

> ***Is HHHI's approach to applying the half-year rule (in the year the TS came into service) to the TS ICM costs included in the 2021 Test Year opening rate base correct or appropriate?***

The Parties have explained this outstanding issue under Issue 2.1 below.

For presentation purposes only, other issues (which are dependant on the outcome of the outstanding issue) have been shown assuming HHHI's approach is accepted by the OEB. If the Board determines that HHHI's approach is not correct or appropriate, the Parties agree that these issues will need to be adjusted.

Based on this Settlement Proposal, HHHI has made changes to its Test Year Revenue Requirement, as per Table A below.

Table A – Summary of Revenue Requirement

	Description	**Application**	**Interrogatories**	**Variance**	**Settlement**	**Variance**
		(a)	**(b)**	**(c) = (b) – (a)**	**(d)**	**(e) = (d) – (b)**
Cost of Capital	Regulated Return on Capital	5,696,715	5,560,752	(135,963)	5,469,306	(91,446)
	Regulated Rate of Return	5.46%	5.33%	(0.13%)	5.29%	(0.04) %
Rate Base and Capital Expenditure	Rate Base	104,249,216	104,322,554	73,338	103,436,448	(886,106)
	Net Fixed Assets	99,356,973	99,356,973	-	98,615,268	(741,705)
	Working Capital Base	65,229,911	66,207,753	977,842	64,282,388	(1,925,365)
	Working Capital Allowance	4,892,243	4,965,581	73,338	4,821,179	(144,402)
Operating Expenses	Amortization	3,611,342	3,611,342	-	3,600,129	(11,213)
	Taxes/PILs (Grossed Up)	-	-	-	-	-
	OM&A (Including Property Taxes and LEAP)	7,737,808	7,737,808	-	7,157,808	(580,000)
Revenue Requirement	Service Revenue Requirement	17,045,865	16,909,902	(135,963)	16,227,243	(682,659)
	Other Revenue	1,293,382	1,223,382	(70,000)	1,361,188	137,806
	Base Revenue Requirement	15,752,482	15,686,519	(65,963)	14,866,055	(820,464)
Grossed Up Revenue Deficiency		**5,422,387**	**5,325,726**	**(96,661)**	**4,231,112**	**(1,094,614)**

The Bill Impacts as a result of HHHI's proposal are summarized in Table B. The Parties agree that Table B may change again to reflect the impact of the ultimate disposition of the partially settled issue that has yet to be determined by the OEB.

Table B – Summary of Bill Impacts

Class	kWh	kW	Distribution (Fixed and Volumetric)				Total Bill			
			Current (2020)	Proposed (2021)	Change	Impact	Current (2020)	Proposed (2021)	Change	Impact
			$	$	$	%	$	$	$	%
Residential	750		31.65	39.61	7.96	25.15%	121.05	127.05	6.00	4.95%
General Service less than 50kW	2,000		58.64	74.18	15.54	26.50%	298.22	309.47	11.25	3.77%
General Service 50kW to 999 kW	328,500	500	2,418.42	3,052.22	633.80	26.21%	50,916.29	49,114.33	(1,801.96)	(3.54)%
General Service 1,000 kW to 4,999 kW	1,600,000	2,500	10,631.86	13,842.68	3,210.82	30.20%	247,148.81	238,675.64	(8,473.17)	(3.43)%
Un-metered Scattered Load	438		12.41	23.62	11.21	90.35%	65.01	73.82	8.80	13.54%
Sentinel	650	1	54.44	60.71	6.27	11.53%	121.28	125.49	4.21	3.47%
Street Lighting	94,033	251	11,970.36	11,758.74	(211.62)	(1.77)%	27.559.97	26,643.15	(916.82)	(3.33)%

The impact of the Settlement Proposal with regard to capital expenditures and OM&A expenses results in an estimated efficiency of 48.33% below predicted costs for the Test Year using the PEG forecasting model provided by the OEB as shown in Table C.

Table C – Cost Benchmarking Results

Cost Benchmarking Summary	2018 Actual	2019 Actual	2020 (Bridge)	2021 (Test Year)
Actual Total Cost	17.821,525	18,435,155	19,126,159	18,657,929
Predicted Total Cost	23,853,248	25,155,628	26,424,513	26,597,747
Difference	(6,031,723)	(6,720,473)	(7,298,354)	(7,939,818)
Percentage Difference (Cost Performance	**(29.15)%**	**(31.08)%**	**(32.32)%**	**(35.46)%**
Three Year Average Performance			(30.90)%	(32.95)%
Stretch Factor Cohort				
Annual Result	1	1	1	1
Three Year Average			1	1

There has been an increase in benchmarking efficiency from 2016 Actual to the 2021 Test Year of 20.83%. In the 2021 Test Year, HHHI is forecast to maintain its stretch factor group 1 ranking.

The Parties believe that the partially settled issue can be resolved by way of a written hearing, and that no oral hearing is required if this Settlement Proposal is accepted by the OEB.

Based on the foregoing, and the evidence and rationale provided below, the Parties agree that this Settlement Proposal is appropriate and recommend its acceptance by the OEB. Please refer to Appendix A of this Settlement Proposal for the draft schedule of tariffs resulting if this settlement is accepted by the OEB.

This Settlement Proposal reflects the Parties' agreement on an effective date for new rates of May 1, 2021.

1. Planning

1.1 Capital

Is the level of planned capital expenditures appropriate and is the rationale for planning and pacing choices appropriate and adequately explained, giving due consideration to:

- customer feedback and preferences
- productivity
- benchmarking of costs
- reliability and service quality
- impact on distribution rates
- investment in non-wire alternatives, including distributed energy resources, where appropriate
- trade-offs with OM&A spending
- government-mandated obligations
- the objectives of Halton Hills Hydro and its customers
- the distribution system plan
- the business plan

Complete Settlement: For the purposes of settlement of all but the outstanding issue in this proceeding, the Parties accept the level of planned capital expenditures and additions in the Test Year (see Table 1.1A below) as appropriate.

The Parties also agree to: (a) remove $192,293 from rate base (costs related to Account 1606 – Organization); and (b) adjust the opening 2021 Test Year rate base to appropriate reflect HHHI's most up to date forecast of year-end 2020 net capital additions of 5,220,338 (see Table 1.1A below).

The Parties further agree that the Distribution System Plan filed in this proceeding, combined with the resources made available to HHHI in the Test Year under the terms of this Settlement Proposal, provide sufficient resources to HHHI in the Test Year and subsequent IRM years to continue to: (a) pursue continuous improvement in productivity; (b) maintain system reliability and service quality objectives; and (c) maintain reliable and safe operation of its distribution system.

Appendix B of this Settlement Proposal provides an updated Appendix 2-AB to reflect this settlement. Appendix C of this Settlement Proposal provides an updated 2017-2021 Fixed Asset Continuity Schedule to reflect this settlement.

Capital expenditures as a result of the Settlement are produced below in Table 1.1A.

Table 1.1A – Capital Expenditures

CATEGORY	Bridge Year			Forecast Period (planned)				
	2020			2021	2022	2023	2024	2025
	Plan	Actual	Var					
	$’000		%	*$’000*				
System Access	2,524	2,119	-16.1%	2,530	1,810	3,243	2,999	2,099
System Renewal	2,070	2,058	-0.6%	2.362	2.669	1.427	1.776	2.425
System Service	1,525	1,525	0.0%	882	1,111	1,424	968	1,099
General Plant	621	568	-8.6%	828	582	607	694	618
TOTAL EXPENDITURE	**6,741**	**6,270**	**-7.0%**	**6,602**	**6,172**	**6,701**	**6,437**	**6,241**
Capital Contributions	1,068	1,050	-1.7%-	1,135	885	1,479	1,391	997
Net Capital Expenditures	**5.673**	**5,220**	**8.0%**	**5,467**	**5,287**	**5,222**	**5,046**	**5,244**
System O&M	$ 1,708	$ 1,708	0.0%	$ 1,769	$ 1,804	$ 1,840	$ 1,877	$ 1,915

Evidence:

Application:
- Exhibit 1, Section 1.2.2 (Executive Summary and Business Plan)
- Exhibit 1, Appendix 1-1 (2020 Corporate Business Plan)
- Exhibit 1, Section 1.5.4 (Rate Base and DSP)
- Exhibit 1, Section 1.7 (Customer Engagement)
- Exhibit 1, Appendix 1-2 (Draft 2019 Scorecard)
- Exhibit 2 (Rate Base & DSP), inclusive of Appendix 2-1 (Distribution System Plan)

IRRs:
- 1-DRC IRR-1 and 2; 2-DRC IRR-3, 4, 5, 6 and 7; 1-EP IRR-2, 3, 9, 10, 14 and 15; 2-EP IRR-16, 18 and 20; 1-SEC IRR-7; 2-SEC IRR-8, 10, 12, 14, 15, 16, 17, 18, 19, 20, 22 and 24; 2-Staff IRR-7, 9, 11, 12, 13, 14, 15, 16, 17, 18, 19, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 34, 35, 36, 37 and 38; 7-Staff IRR-69; 1-VECC IRR-1; 2-VECC IRR-2, 3, 4, 5, 7, 8, 9 and 10

Appendices to this Settlement Proposal:
- Appendix B– OEB Appendix 2-AB Capital Expenditure Summary
- Appendix C – OEB Appendix 2-BA 2017 to 2021 Fixed Asset Continuity Schedules

Settlement Models: None

Clarifying Responses:
- SEC CQR-5, 6 and 7; 1-STAFF CQR-80; 2-STAFF CQR-82, 83 and 84

Supporting Parties: All

1.2 OM&A

Is the level of planned OM&A expenditures appropriate and is the rationale for planning choices appropriate and adequately explained, giving due consideration to:

- customer feedback and preferences
- productivity
- benchmarking of costs
- reliability and service quality
- impact on distribution rates
- trade-offs with capital spending
- government-mandated obligations
- the objectives of Halton Hills Hydro and its customers
- the distribution system plan
- the business plan

Complete Settlement: For the purposes of settlement of all but the outstanding issue in this proceeding, HHHI agrees to adjust its OM&A expenses to $6,981,372 (excluding LEAP and property taxes), which is a reduction of $580,000.

The Parties acknowledge that there is a bad debt allowance built into this Settlement Proposal in the 2021 Test Year of $70,000, which does not include any forecast impacts of COVID-19.

The Parties agree with HHHI's overall objectives, and have agreed that the revised OM&A expenses will allow HHHI to achieve those objectives in the Test Year.

HHHI's application included $279,700 of specific proposed OM&A expenses related to its Climate Change Plan in the Test Year (See Exhibit 4, p. 31-35). Some Parties take the position that some or all of those proposed expenses are of the type appropriate for inclusion in distribution rates, while others take the position that they are not appropriate for inclusion in distribution rates. Since the agreement on the level of OM&A expenses (and the reduction from the amount applied for) in the Test Year is based on an envelope amount, the Settlement Proposal should not be taken as indicative of the Parties' views on whether the specific proposed Climate Change Plan related expenses are reasonable or appropriate.

HHHI has considered possible adjustments to its OM&A expenses on a preliminary basis and has provided, in Table 1.2A below, revised OM&A expenses based on the proposed total amount. The breakdown of the expenses into categories is not intended to reflect any agreement amongst the Parties of its appropriateness, nor is it intended to be a deviation from the normal rule that it is up to management to determine throughout the year how best to incur expenses given the actual circumstances and priorities of the company throughout the Test Year.

As shown in Table 1.2A below, Total 2021 Test Year OM&A Expenses have increased by 16% compared to 2016 Actuals, and increased by 11% compared to 2019 Actuals. As compared to 2019, HHHI's Test Year capital expenditure will decrease, and it will be focusing more on the maintenance of its assets. In addition there are incremental increases related to the addition of new FTE(s), cybersecurity costs, and maintenance costs related to its new TS. HHHI confirms that this level of spending is sufficient to maintain a safe and reliable distribution system.

HHHI currently does not track OM&A at the program level and is only able to present Appendix 2-JC by USoA. The Parties agree that HHHI will begin to transition to recording program -specific OM&A expenses starting in 2021, becoming fully compliant in 2022, and at its next rebasing application will provide historic and forecast OM&A costs by program in Appendix 2-JC.

Table 1.2A – Appendix 2-JA Summary of OM&A Expenses

	2016 Actuals	**2019 Actuals**	**2021 Test Year**	**Interrogatories**	**Variance**	**Settlement**	**Variance**
Operations	1,412,667	1,264,254	1,440,804	1,440,804	-	1,331,136	(109,668)
Maintenance	444,659	305,637	458,000	458,000	-	438,000	(20,000)
SubTotal	**1,857,325**	**1,569,890**	**1,898,804**	**1,898,804**	**-**	**1,769,136**	**(129,668)**
% Change (Test Year vs Last Rebasing Year - Actual)			2.2%	2.2%		(4.75)%	
Billing and Collecting	1,097,634	1,125,654	1,177,856	1,177,856	-	1,165,729	(12,127)
Administrative and General	3,057,180	3,592,639	4,484,712	4,484,712	-	4,046,508	(438,204)
SubTotal	**4,154,814**	**4,718,293**	**5,662,568**	**5,662,568**	**-**	**5,212,237**	**(450,331)**
%Change (Test Year vs Last Rebasing Year – Actual)			36.3%	36.3%		25.5%	
Total	**6,012,140**	**6,288,183**	**7,561,372**	**7,561,372**	**-**	**6,981,372**	**(580,000)**
%Change (Test Year vs Last Rebasing Year – Actual)			25.8%	25.8%		16.1%	

Evidence:

Application:

- Exhibit 1, Section 1.2.2 (Executive Analysis and Business Plan)
- Exhibit 1, Section 1.5.5 (OM&A Expense)
- Exhibit 1, Section 1.7 (Customer Engagement)
- Exhibit 1, Appendix 1-2 (2019 Draft Scorecard)
- Exhibit 4 (Operating Expenses)

IRRs:

- 1-DRC IRR-2; 1-EP IRR-11, 14 and 15; 2-EP IRR-17 and 19; 4-EP IRR-26, 27 and 29; 1-SEC IRR-2, 5 and 7; 2-SEC IRR-19; 4-SEC IRR-29, 30, 31, 32, 34 and 37; 1-Staff IRR-3, 4 and 5; 2-Staff IRR-9, 16, 27 and 34; 4-Staff IRR-48, 49, 50, 51, 52, 53, 54 and 55; 4-VECC IRR-23, 24, 25 and 26

Appendices to this Settlement Proposal: None

Settlement Models: None

Clarifying Responses:

- SEC CQR-7, 10, 11 and 12; 4-STAFF CQR-86, 87 and 88

Supporting Parties: All

2. Revenue Requirement

2.1 Are all elements of the Revenue Requirement reasonable, and have they been appropriately determined in accordance with OEB policies and practices?

Partial Settlement: The Parties agree that all elements of the Revenue Requirement have been correctly determined in accordance with OEB policies and practices. Specifically:

(a) *Rate Base*: The Parties are unable to agree upon the appropriate opening Test Year rate base amount for the TS, as explained under the heading "Outstanding Issue" below. Subject to the resolution of this outstanding issue, as well as adjustments expressly noted in this Settlement Proposal, the Parties agree that the Test Year rate base is correct and based on OEB policies and practices.

(b) *Working Capital*: The Parties agree that the updated working capital calculation is reasonable and has been appropriately determined in accordance with OEB policies and practices. The updates include: (a) the removal of a wholesale market participant from the cost of power calculation; (b) updated regulated price plan rates; and (c) an updated Ontario electricity rebate. (See Tables 2.2B, 2.2C and 2.2D.)

(c) *Cost of Capital*: HHHI agrees to adjust the debt rate applicable to the Promissory Note with the Town of Halton Hills to the rate of 2.85%, to maintain the debt rate applicable to the Interest Rate swap at the rate of 4.095% and to enter into a second Interest Rate swap at the rate of 2.95% on May 25, 2021. This will result in a long-term weighted average debt rate of 3.36%. Subject to this adjustment, the Parties agree that the proposed capital structure, rate of return on equity and short-term and long-term debt costs are determined in accordance with OEB policy.

(d) *Other Revenue*: The Parties accept the evidence of HHHI that a revised forecast of other revenues of HHHI of $1,361,189 is appropriate and correctly determined in accordance with OEB policies and practices. This includes an increase (compared to the initial application) of $58,033 for pole attachment revenues and an increase of $9,773 to reflect microFIT revenues. The increase in pole attachment revenues is the result of updating: (i) the pole attachment charge (from the 2019 rate of $43.63 used in HHHI's initial application to the current 2020/21 rate of $44.50); and (ii) the pole attachment count (from the 2019 figures used in HHHI's initial application to its current forecast).

(e) *Depreciation*: Subject to the adjustments to rate base as noted herein, the Parties accept the evidence of HHHI that its forecast depreciation/amortization expenses are appropriate and reflect the useful lives of the assets and have been correctly determined in accordance with OEB accounting policies and practices.

(f) *Taxes*: The Parties agree that the calculated level of taxes to be included in 2021 rates (NIL) is accurate.

Appendix D (Bill Impacts) in working Microsoft Excel format reflecting this Settlement Proposal is provided as part of the supporting material in the file named Halton_Settlement_2021_Tariff_Schedule_and_Bill_Impact_Model_2021_COS_20210218.

The total bill impact with respect to the Unmetered Scattered Load customer class is 13.5%. Given that this only modestly exceeds 10%, and annual revenues from all Unmetered Scattered Loads customers is approximately $50,000 (i.e., immaterial), HHHI is not proposing any mitigation measures.

Evidence:

Application:
- Exhibit 1, Section 1.5.1 (Revenue Requirement)
- Exhibit 2, including Tables 2, 4 through 9 and 46
- Exhibit 3, Section 3.4 (Other Revenues)
- Exhibits 4, 5 and 6

IRRs:
- 1-EP IRR-7; 6-EP IRR-33; 1-SEC IRR-6; 3-SEC IRR-25; 4-SEC IRR-27 and 33; 5-SEC IRR-38, 39, 41, 42 and 43; 1-Staff IRR-1; 2-Staff IRR-8 and 10; 4-Staff IRR-56, 58, 59, 60, 61, 62, 63, 65, 66 and 67; 3-VECC IRR-21 and 22; 4-VECC IRR-27, 31, 32 and 33; 5-VECC IRR 35, 36, 37 and 38

Appendices to this Settlement Proposal:
- Appendix C– OEB Appendix 2-BA **2016 to** 2021 Fixed Asset Continuity Schedule
- Appendix E – Revenue Requirement Work Form

Settlement Models:
- Halton_Settlement_2021_Rev_Reqt_Workform_2021_COS_20210218
- Halton_Settlement_2021_Tariff_Schedule_and_Bill_Impact_Model_2021_COS_20210218

Clarifying Responses:
- SEC CQR-1, 2 and 9; 5-STAFF CQR-89

Supporting Parties: All

Outstanding Issue:
The Parties were unable to agree on the following outstanding issue:

> ***Is HHHI's approach to applying the half-year rule (in the year the TS came into service) to the TS ICM costs included in the 2021 Test Year opening rate base correct or appropriate?***

In EB-2018-0328, the Board approved ICM funding of $23.48 million for HHHI's construction of the new TS. HHHI began recovery of these capital costs via rate riders approved by the Board effective May 1, 2019. The TS came into service in November 2019. In accordance with section 3.3.2.4 of the *Filing Requirements for Electricity Distribution Rate Applications* ("**Filing Requirements**"), the Board's half-year rule was not applied in 2019 in respect of the rate riders. For the purposes of calculating HHHI's opening rate base for the 2021 Test Year, HHHI has calculated the rate base value of the TS based on the half-year rule for 2019 and a full year of depreciation for the 2020 bridge year. The view of intervenors is that the opening rate base for the 2021 Test Year should reflect two full years of depreciation (2019 and 2020) to account for the non-application of the half-year rule to the rate rider by virtue of section 3.3.2.4 of the Filing Requirements.

The Parties to this Settlement Proposal suggest the Board make provision for very brief contemporaneous written submissions by the Parties on this issue (i.e., Parties would make a single submission on a date established by the Board, with no opportunity to submit a reply submission).

2.2 Has the Revenue Requirement been accurately determined based on these elements?

Complete Settlement: The Parties agree that the proposed Revenue Requirement has been accurately determined based on the elements described in 2.1 of this Settlement Proposal.

The elements of the Revenue Requirement are detailed in Tables 2.2A to 2.2I below.

Table 2.2A – Revenue Requirement

	Application (a)	Interrogatories (b)	Variance (c) = (b) – (a)	Settlement (d)	Variance (e) = (d) – (b)
OM&A	7,561,372	7,561,372	-	6,981,372	(580,000)
Taxes other than income	157,546	157,546	-	157,546	-
LEAP	18,890	18,890	-	18,890	-
Depreciation and amortization	3,611,342	3,611,342	-	3,600,129	(11,213)
Total	**11,349,150**	**11,349,150**	**-**	**10,757,938**	**(591,212)**
Regulated Return on Capital	5,696,715	5,560,752	(135,963)	5,469,306	(91,446)
Income Taxes Grossed Up	-	-	-	-	-
Service Revenue Requirement	**17,045,865**	**16,909,902**	**(135,963)**	**16,227,243**	**(682,659)**
Other Revenues	1,293,382	1,223,382	(70,000)	1,361,188	137,806
Based Revenue Requirement	**15,752,483**	**15,686,519**	**(65,964)**	**14,866,055**	**(820,465)**
Distribution Revenue at current rates	10,330,095	10,360,793	30,698	10,634,942	274,149
Grossed Up Revenue Deficiency	**5,422,387**	**5,325,726**	**(96,661)**	**4,231,112**	**(1,094,615)**

Table 2.2B – Rate Base

	Application (a)	Interrogatories (b)	Variance (c) = (b) – (a)	Settlement (d)	Variance (e) = (d) – (b)
Average Gross Capital (Average)	117,939,104	117,939,104	-	117,186,188	(752,916)
Average Accumulated Depreciation (Average)	18,582,131	18,582,131	-	18,570,919	(11,212)
Average Net Book Value	**99,356,973**	**99,356,973**	**-**	**98,615,268**	**(741,705)**
Working Capital Base	65,229,911	66,207,753	977,842	64,282,388	(1,925,365)
Working Capital Allowance %	7.50%	7.50%	-	7.50%	-
Working Capital $	4,892,243	4,965,581	73,338	4,821,179	(144,402)
Rate Base	**104,249,216**	**104,322,554**	**73,338**	**103,436,448**	**(886,107)**

Table 2.2C – Cost of Power

	Application (a)	Interrogatories (b)	Variance (c) = (b) – (a)	Settlement (d)	Variance (e) = (d) – (b)
Power Purchased	25,537,217	26,129,309	592,092	25,631,601	(497,708)
Global Adjustment	21,993,404	22,379,154	385,750	21,029,560	(1,349,594)
Wholesale Market Services	1,880,318	1,880,318	-	1,936,328	56,010
Transmission Network	3,300,315	3,300,315	-	3,488,128	187,813
Transmission Connection	2,796,881	2,796,881	-	2,960,122	163,241
Smart Metering Entity	150,777	150,777	-	150,777	-
Low Voltage	2,138,031	2,138,031	-	2,232,903	94,872
Total Cost of Power	**57,796,943**	**58,774,785**	**977,842**	**57,429,420**	**(1,345,365)**

Commodity Prices	Application (a)	Interrogatories (b)	Variance (c) = (b) – (a)	Settlement (d)	Variance (e) = (d) – (b)
Non-RPP					
HOEP ($/MWh)	20.09	20.87	0.78	20.87	-
Global Adjustment ($/MWh)	106.94	109.47	2.53	93.05	(25.85)
Adjustments ($/MWh)	-	-	-	-	-
RPP					
HOEP ($/MWh)	20.09	20.87	0.78	20.87	-
Global Adjustment ($/MWh)	106.94	109.47	2.53	83.62	(25.85)
Adjustments ($/MWh)	1.00	3.24	2.24	3.24	-
ORECA CREDIT	31.80%	31.80%	-	21.20%	(10.60)%

Table 2.2D – Working Capital Allowance Calculation

	Application	Interrogatories	Variance	Settlement	Variance
Distribution Expense	**(a)**	**(b)**	**(c) = (b) – (a)**	**(d)**	**(e) = (d) – (b)**
Operations	1,440,803	1,440,803	-	1,331,136	(109,667)
Maintenance	458,000	458,000	-	438,000	(20,000)
Billing and Collecting	1,177,856	1,177,856	-	1,165,729	(12,127)
Administrative and General Expenses	4,484,712	4,484,712	-	4,046,508	(438,204)
Donations – LEAP	18,890	18,890	-	18,890	-
Property Taxes	157,546	157,546	-	157,546	-
Less Allocated Depreciation in OM&A	(304,840)	(304,840)	-	(304,840)	-
Total Distribution Expenses	**7,432,967**	**7,432,967**	**-**	**6,852,968**	**(579,999)**
Power Supply Expenses	57,796,943	58,744,785	977,842	57,429,420	(1,345,365)
Total Expenses for Working Capital	**65,229,910**	**66,207,752**	**997,842**	**64,282,388**	**(1,925,364)**
Working Capital Factor	7.50%	7.50%	-	7.50%	-
Total Working Capital Allowance	**4,892,243**	**4,965,581**	**73,338**	**4,821,179**	**(144,402)**

Table 2.2E – Cost of Capital

	Capitalization Ratios		Rate	Return
	%	**$**	**%**	**$**
Debt				
Long-term Debt	56.00%	57,924,411	3.36%	1,946,260
Short-term Debt	4.00%	4,137,458	1.75%	72,406
Total Debt	**60.00%**	**62,061,869**	**3.25%**	**2,018,666**
Equity				
Common Equity	40.00%	41,455,798	8.34%	3,450,640
Preferred Shares	0.00%	-	0.00%	-
Total Equity	**40.00%**	**41,455,798**	**8.34%**	**3,450,640**
Total	**100.00%**	**103,517,667**	**5.29%**	**5,469,306**

Table 2.2F – Amortization and Depreciation

	Application	Interrogatories	Variance	Settlement	Variance
	(a)	**(b)**	**(c) = (b) – (a)**	**(d)**	**(e) = (d) – (b)**
Amortization and Depreciation	3,611,342	3,611,342	-	3,600,129	(11,213)

Table 2.2G – Other Revenue

	Application	Interrogatories	Variance	Settlement	Variance
	(a)	(b)	(c) = (b) – (a)	(d)	(e) = (d) – (b)
Specific Service Charges	216,775	216,775	-	216,775	-
Late Payment Charges	145,000	145,000	-	145,000	-
Other Distribution/Operating Revenues	727,025	727,025	-	785,058	58,033
Other Income or Deductions	204,583	134,583	(70,000)	214,356	79,773
Total	**$1,293,383**	**$1,223,383**	**$(70,000)**	**$1,361,189**	**$137,807**

Table 2.2H – Appendix 2-R Loss Factor

		Historical Years					5-Year Average
		2015	2016	2017	2018	2019	
	Losses Within Distributor's System						
A(1)	"Wholesale" kWh delivered to distributor (higher value)	533,813,769	526,701,336	500,433,348	520,181,401	513,132,840	518,852,539
A(2)	"Wholesale" kWh delivered to distributor (lower value)	520,395,181	513,458,896	487,853,407	507,097,511	500,222,040	505,805,407
B	Portion of "Wholesale" kWh delivered to distributor for its Large Use Customer(s)	-	-	-	-	-	-
C	Net "Wholesale" kWh delivered to distributor =**A(2) - B**	520,395,181	513,458,896	487,853,407	507,097,511	500,222,040	505,805,407
D	"Retail" kWh delivered by distributor	512,279,689	505,220,809	483,076,156	500,061,363	494,417,598	499,011,123
E	Portion of "Retail" kWh delivered by distributor to its Large Use Customer(s)	-	-	-	-	-	-
F	Net "Retail" kWh delivered by distributor = **D-E**	512,279,689	505,220,809	483,076,156	500,061,363	494,417,598	499,011,123
G	Loss Factor in Distributor's system = **C/F**	1.0158	1.0163	1.0099	1.0141	1.0117	1.0136
	Losses Upstream of Distributor's System						
H	Supply Facilities Loss Factor	1.02156	1.02156	1.02156	1.02156	1.02156	1.02156
	Total Losses						
I	Total Loss Factor = **G x H**	1.0377	1.0382	1.0317	1.0359	1.0335	**1.0355**

Table 2.2I – Total Loss Factors

Total Loss Factors	
Supply Facility Loss Factor	1.0216
Distribution Loss Factor	
Distribution Loss Factor - Secondary Metered Customer <5,000kW	1.0136
Distribution Loss Factor -Primary Metered Customer <5,000kW	1.0035
Total Loss Factors	
Distribution Loss Factor - Secondary Metered Customer <5,000kW	1.0355
Distribution Loss Factor -Primary Metered Customer <5,000kW	1.0251

Evidence:

Application:

- Exhibit 6, including Tables 4 through 6, 10 and 11

- Exhibit 6, Appendix 6-1

IRRs: None

Appendices to this Settlement Proposal:

- Appendix E – Revenue Requirement Work Form

Settlement Models:

- Halton_Settlement_2021_Rev_Reqt_Workform_2021_COS_20210218
- Halton_Settlement_Load_Forecast_2021_COS_20210218

Clarifying Responses: None

Supporting Parties: All

2.3 Is the proposed shared services cost allocation methodology and the quantum appropriate?

Complete Settlement: The Parties agree that the proposed shared services cost allocation methodology and the quantum, as determined in the Appendices, are appropriate.

Evidence:

Application:

- Exhibit 4, Section 4.5

IRRs:

- 4-EP IRR-30 and 31; 4-SEC IRR- 35 and 36; 4-Staff IRR-57; 4-VECC IRR-28, 29 and 30

Appendices to this Settlement Proposal: None

Settlement Models: None

Clarifying Responses:

- SEC CQR-12

Supporting Parties: All

3. Load Forecast, Cost Allocation and Rate Design

3.1 Are the proposed load and customer forecast, loss factors, CDM adjustments and resulting billing determinants appropriate, and, to the extent applicable, are they an appropriate reflection of the energy and demand requirements of Halton Hills Hydro's customers?

Complete Settlement: The Parties agree to the following adjustments to the load forecast:

- an increase in load (energy) forecast for the Test Year resulting in a load forecast of 478,891,295 kWh (weather normalized, including impact of CDM). The increase is primarily attributed to the removal of a COVID-19 adjustment factor. In addition, the adjustment to the load forecast attributed to a CHP project planned for completion in 2021 has been reduced to a half-year of savings and HHHI agrees not to seek LRAMVA for CDM savings related to the project; and,

- an increase in the load (demand) forecast for the Test Year resulting in a load forecast of 608, 479 kW (weather normalized, including impact of CDM) for all customer classes except Residential, General Service less than 50 kW and Unmetered Scattered Load.

Since its last cost of service application, HHHI has reduced its loss factor. The loss factor for secondary metered customers has decreased from 1.0560 to 1.0355 and the loss factor for primary metered customers has decreased from 1.0455 to 1.0251. The improvements in HHHI's loss factors are attributed to a combination of enhanced metering practices and the conversion of load from 4.16kV to 27.6kV.

Subject to the adjustments above, the Parties agree that the customer forecast, loss factors and the resulting billing determinants are appropriate and are reflective of the energy and demand requirements of HHHI's customers. The adjusted 2021 load forecast is presented below as Table 3.1A.

Table 3.1A – Load Forecast

Customer Class	Application		Interrogatories		Settlement	
	kWh	kW	kWh	kW	kWh	kW
Residential	207,178,634		207,178,634		198,793,434	
General Service less than 50 kW	46,722,885		46,722,885		50,332,121	
General Service 50 to 999 kW	132,955,988	371,084	132,955,988	371,084	147,533,138	411,666
General Service 1,000 to 4,999 kW	70,322,012	168,373	70,322,012	168,373	80,039,090	193,029
Sentinel Lights	251,879	680	251,879	680	251,879	680
Street Lighting	979,604	3,105	979,604	3,105	979,604	3,105
Unmetered Scattered Load	962,029	-	962,029	-	962,029	
Total	**459,373,031**	**543,242**	**459,373,031**	**543,242**	**478,891,295**	**608,479**

The customer forecast is presented below as Table 3.1B.

Table 3.1B – Customer Forecast (Average Annual)

Customer Class	Application	Interrogatories	Settlement
Residential	20,758	20,757	20,758
General Service less than 50 kW	1,863	1,863	1,863
General Service 50 to 999 kW	219	219	219
General Service 1,000 to 4,999 kW	9	9	9
Sentinel Lights	175	175	175
Street Lighting	4,833	4,833	4,833
Unmetered Scattered Load	183	183	183
Total	**28,040**	**28,040**	**28,040**

A revised load forecast model in working Microsoft Excel format reflecting this Settlement Proposal is included together with this Settlement Proposal in the file named Halton_Settlement_Load_Forecast_2021_COS_20210218.

Evidence:

Application:

- Exhibit 1, Section 1.5.3
- Exhibit 3

IRRs:

- 1-EP IRR-8; 3-EP IRR-22; 4-EP IRR-34; 1-Staff IRR-4; 3-Staff IRR-39, 40, 41, 42, 43, 44, 45, 46 and 47; 2-VECC IRR-12; 3-VECC IRR-13, 14, 15, 16, 17, 18, 19 and 20

Appendices to this Settlement Proposal:

- Appendix F – Updated Load Forecast Model

Settlement Models:

- Halton_Settlement_Load_Forecast_2021_COS_20210218

Clarifying Responses:

- 3-STAFF CQR-85; VECC CQR-50, 54, 55, 56, 57, 60 and 61

Supporting Parties: All

3.2 Are the proposed cost allocation methodology, allocations, and revenue-to-cost ratios appropriate?

Complete Settlement: The Parties agree that the weighting factors for billing and collecting on Sheet I5.2 of the cost allocation model, as presented below in Table 3.2A, are appropriate.

Table 3.2A – Weighting Factors Billing and Collecting

	Residential	General Service less than 50 kW	General Service 50 to 999 kW	General Service 1,000 to 4,999 kW	Sentinel Lights	Street Lighting	Unmetered Scattered Load
As per Application	1.00	0.90	6.39	6.28	1.32	6.28	1.95
As per Settlement	1.00	0.90	6.39	6.28	1.32	6.28	1.95

The Parties agree that the cost allocation methodology is appropriate. Where the resulting revenue-to-cost ratios are within the OEB's permitted ranges the resulting revenue-to-cost ratios are proposed and where the resulting revenue-to-cost ratios are outside the OEB's permitted ranges the Parties agree the proposed ratios be adjusted to the nearest range limit. These revenue-to-cost ratios are reproduced below in Table 3.2B.

Table 3.2B – Revenue to Cost Ratios

Customer Class	Revenue to Cost Ratios from 2021 Cost Allocation Model-Line 75 Sheet O1	Proposed Revenue to Cost Ratio	Board Target low	Board Target High
Residential	107.04%	107.04%	85%	115%
General Service less than 50 kW	108.21%	108.21%	80%	120%
General Service 50 to 999 kW	81.01%	81.42%	80%	120%
General Service 1,000 to 4,999 kW	78.58%	81.42%	80%	120%
Sentinel Lights	133.61%	120.00%	80%	120%
Street Lighting	157.89%	120.00%	80%	120%
Unmetered Scattered Load	55.54%	81.42%	80%	120%

A revised working Microsoft Excel version of the cost allocation model from this Settlement Proposal is provided as part of the supporting material in the file named Halton_Settlement_2021_Cost_Allocation_Model-201_COS_20210218.

Evidence:

Application:
- Exhibit 1, Section 1.5.7
- Exhibit 7

IRRs:
- 1-EP IRR-12; 7-Staff IRR-68, 69, 70, 71, 72 and 73; 7-VECC IRR-40, 41 and 42

Appendices to this Settlement Proposal:
- Appendix G – Updated Cost Allocation Model

Settlement Models:
- Halton_Settlement_2021_Cost_Allocation_Model-201_COS_20210218

Clarifying Responses: None

Supporting Parties: All

3.3 Are Halton Hills Hydro's proposals, including the proposed fixed/variable splits, for rate design appropriate?

Complete Settlement: Subject to the adjustments expressly noted in this Settlement Proposal, the Parties agree that HHHI's proposals, including the proposed fixed/variable splits, for rate design are appropriate. The distribution charges resulting from this Settlement Proposal are produced below as Table 3.3A.

Table 3.3A – 2021 Proposed Distribution Charges

Customer Class	Unit	Application	Interrogatories	Variance	Settlement Agreement	Variance	Fixed and Variable Split
Residential							
Monthly Service Charge	$	37.31	37.22	(0.09)	38.22	1.00	100.00%
Distribution Charges	$/kWh	-	-	-	-	-	-
General Services less than 50kW							
Monthly Service Charge	$	48.43	29.38	(19.05)	29.38	-	39.45%
Distribution Charges – kW	$/kWh	0.0175	0.0263	0.0088	0.0200	(0.0063)	60.55%
General Service 50 to 999 kW							
Monthly Service Charge	$	160.44	158.90	(1.54)	125.12	(33.78)	12.56%
Distribution Charges - kW	$/kW	6.8190	6.9272	0.1082	5.5589	(1.3683)	87.44%
General Service 1,000 to 4,999 kW							
Monthly Service Charge	$	510.87	476.68	(34.19)	279.18	(197.50)	3.05%
Distribution Charges - kW	$/kW	7.5928	8.0927	0.4999	4.9673	(3.1254)	96.95%
Sentinel Lights							
Monthly Service Charge	$	10.25	10.29	0.04	12.20	1.91	44.89%
Distribution Charges - kW	$/kW	38.8900	39.0223	0.1323	46.2706	7.2483	55.11%
Street Lighting							
Monthly Service Charge	$	2.69	2.85	0.16	2.34	(0.51)	96.51%
Distribution Charges - kW	$/kW	1.8150	1.9262	0.1112	1.5810	(0.3452)	3.49%
Unmetered Scattered Load							
Monthly Service Charge	$	23.00	23.05	0.05	18.01	(5.04)	77.08%
Distribution Charges - kWh	$/kWh	0.0156	0.0156	-	0.0122	(0.0034)	22.92%

Evidence:

Application:

- Exhibit 1, Section 1.5.7
- Exhibit 8

IRRs:

- 8-Staff IRR-75; 8-VECC IRR-44

Appendices to this Settlement Proposal: None

Settlement Models:

- Halton_Settlement_2021_Rev_Reqt_Workform_2021_COS_20210218

Clarifying Responses: None

Supporting Parties: All

3.4 Are the proposed Retail Transmission Service Rates and Low Voltage Service Rates appropriate?

Complete Settlement: The Parties agree that the proposed forecast of other regulated rates and charges including the updated proposed Retail Transmission Service Rates and Low Voltage service rates are appropriate. Retail Transmission Service Rates and Low Voltage service rates have been reproduced below as Tables 3.4A and 3.4B, respectively.

Table 3.4A – Retail Transmission Service Rates

Rate Class	Unit	Proposed 2021 RTSR Network Charges				
		Application	Interrogatories	Variance	Settlement	Variance
Residential	kWh	0.0071	0.0071	-	0.0074	0.0003
General Service Less Than 50 kW	kWh	0.0062	0.0062	-	0.0065	0.0003
General Service 50 to 999 kW	kW	2.6986	2.6986	-	2.8318	0.1332
General Service 1,000 to 4,999 kW	kW	2.6986	2.6986	-	2.8318	0.1332
Sentinel Lights	kW	1.9252	1.9252	-	2.0203	0.0951
Street Lighting	kW	1.9163	1.9163	-	2.0109	0.0946
Unmetered Scattered Load	kWh	0.0062	0.0062	-	0.0065	0.0003

Rate Class	Unit	Proposed 2021 RTSR Connection Charges				
		Application	Interrogatories	Variance	Settlement	Variance
Residential	kWh	0.0059	0.0059	-	0.0059	0.0000
General Service Less Than 50 kW	kWh	0.0055	0.0055	-	0.0055	0.0000
General Service 50 to 999 kW	kW	2.3110	2.3110	-	2.3135	0.0025
General Service 1,000 to 4,999 kW	kW	2.3110	2.3110	-	2.3135	0.0025
Sentinel Lights	kW	1.6636	1.6636	-	1.6654	0.0018
Street Lighting	kW	1.6298	1.6298	-	1.6316	0.0018
Unmetered Scattered Load	kWh	0.0055	0.0055	-	0.0055	0.0000

Table 3.4B – Low Voltage Service Rates

Rate Class	Unit	Proposed 2021 Low Voltage Charges				
		Application	Interrogatories	Variance	Settlement	Variance
Residential	kWh	0.0044	0.0044	-	0.0042	(0.0002)
General Service Less Than 50 kW	kWh	0.0041	0.0041	-	0.0039	(0.0002)
General Service 50 to 999 kW	kW	1.7123	1.7123	-	1.6397	(0.0726)
General Service 1,000 to 4,999 kW	kW	1.7123	1.7123	-	1.6397	(0.0726)
Sentinel Lights	kW	1.2326	1.2326	-	1.1804	(0.0522)
Street Lighting	kW	1.2075	1.2075	-	1.1564	(0.0511)
Unmetered Scattered Load	kWh	0.0041	0.0041	-	0.0039	(0.0002)

Evidence:

Application:

- Exhibit 8, Section 8.2.3
- Exhibit 8, Section 8.2.9
- Exhibit 8, Appendix 8-1

IRRs:

- 8-Staff IRR-77; 8-VECC IRR-44

Appendices to this Settlement Proposal:

- Appendix A – Proposed Tariff of Rates and Charges

Settlement Models:

- Halton_Settlement_RTSR_Workform_2021_COS_20210218

Clarifying Responses: None

Supporting Parties: All

3.5 Are the proposed standby/capacity reserve charge for customers who have load displacement generation in the General Service (GS) 50 to 999 kW and GS 1,000 to 4,999 kW classes appropriate?

Complete Settlement: HHHI agrees to withdraw the request for the proposed standby/capacity reserve charge for customers who have load displacement generation in the General Service (GS) 50 to 999 kW and GS 1,000 to 4,999 kW classes.

Nothing in this Settlement Proposal shall limit HHHI's ability to create or apply standby charges in the future in compliance with future OEB policies, directions, or orders, or to apply for a utility specific standby charge in future proceedings.

In addition, the Parties agree that the proposed use of gross load billing for retail service transmission rates for customers who have load displacement and generation in the General Service (50 to 999 kW) and General Service (1000 to 4999 kW) rate classes is appropriate. HHHI agreed to and has adjusted the wording in its Tariff of Rates and Charges to reflect the various details of the IESO rules related to retail service transmission rates. HHHI's draft Tariff of Rates and Charges can be found in Appendix A to this Settlement Proposal.

Evidence:

Application:
- Exhibit 8, Section 8.2

IRRs:
- 1-EP IRR-5 and 13; 8-Staff IRR-76; 8-SEC IRR-45; 8-VECC IRR-45

Appendices to this Settlement Proposal:
- Appendix A – Proposed Tariff of Rates and Charges

Settlement Models: None

Clarifying Responses:
- SEC CQR-15, VECC CQR-52

Supporting Parties: All

3.6 Are the Specific Service Charges, Retail Service Charges, and Pole Attachment Charge appropriate?

Complete Settlement: The Parties agree HHHI's proposed Specific Service Charges, Retail Service Charges, and Pole Attachment Charge, as shown in the tariff sheet in Appendix A, are appropriate.

The Retail Service Charge in the tariff sheet has been updated in accordance with the decision in EB-2020-0285, dated December 3, 2020. The Pole Attachment Charge in the tariff sheet is consistent with the decision in EB-2020-0288, dated December 10, 2020.

Evidence:

Application:
- Exhibit 1, Section
- Exhibit 8, Section 2.2.8

IRRs:
- 8-Staff IRR-74; 8-VECC IRR-46 and 47

Appendices to this Settlement Proposal:
- Appendix A – Proposed Tariff of Rates and Charges

Settlement Models: None

Clarifying Responses:
- VECC CQR-58

Supporting Parties: All

4. Accounting

4.1 Have all impacts of any changes in accounting standards, policies, estimates and adjustments been properly identified and recorded, and is the rate-making treatment of each of these impacts appropriate?

Complete Settlement: The Parties agree that, to the extent the impacts of any changes in accounting standards, policies, estimates and adjustments have been reviewed during the proceeding, they have been properly identified and recorded, and the treatment of each of these impacts is appropriate.

Evidence:

Application:

- Exhibit 1, Section 1.10
- Exhibit 2, Section 2.2.4
- Exhibit 2, Section 2.3.8
- Exhibit 4, Section 4.8
- Exhibit 9, Section 9.3

IRRs:

- 3-EP IRR-25; 9-Staff IRR-79

Appendices to this Settlement Proposal: None

Settlement Models: None

Clarifying Responses: None

Supporting Parties: All

4.2 Are Halton Hills Hydro's proposals for deferral and variance accounts, including the balances in the existing accounts and their disposition, requests for discontinuation of accounts, and the continuation of existing accounts, appropriate?

Complete Settlement: For the purposes of settlement the Parties agree to the following:

(a) Other – Account #1568 – LRAM Variance Account – Persistence values revised to account for the Net to Gross ratio.

The updated DVA balances are set out in Table 4.2A below:

Table 4.2A – Deferral and Variance Account Balances

Account Descriptions	USofA	Application	Interrogatories	Variance	Settlement	Variance
Group 1 Accounts						
LV Variance Account	1550	(2,645)	(2,645)	-	(2,645)	-
Smart Metering Entity Charge Variance Account	1551	(29,745)	(29,745)	-	(29,745)	-
RSVA – Wholesale Market Service Charge	1580	(228,883)	(228,883)	-	(228,883)	-
RSVA – Retail Transmission Network Charge	1584	222,547	222,547	-	222,547	-
RSVA – Retail Transmission Connection Charge	1586	76,826	76,826	-	76,826	-
RSVA – Power (excluding Global Adjustment)	1588	536,394	536,394	-	536,394	-
Group 1 Sub-Total		**574,494**	**574,494**	-	**574,494**	-
RSVA – Global Adjustment – Class B	1589	(2,856,164)	(2,856,164)	-	(2,856,164)	-
Group 1 Total		**(2,281,669)**	**(2,281,669)**	-	**(2,281,669)**	-
Group 2 and Other Accounts						
Other Regulatory Assets- Sub-Account- Deferred IFRS Transition Costs	1508	(6,758)	(6,758)	-	(6,758)	-
Pole Attachment Revenue Variance	1508	(413,709)	(413,709)	-	(413,709)	-
Other Regulatory Assets – Sub-Account – OEB Assessment	1508	203,355	203,355	-	203,355	-
Other Regulatory Assets – Sub-Account – Depreciation Adjustment	1508	1,100879	1,100,879		1,100,879	-
Retail Cost Variance Account – Retail	1518	47,522	47,522	-	47,522	-
Retail Cost Variance Account - STR	1548	664	664	-	664	-
Smart Meter Capital and Recovery Offset Variance – Sub-Account – Stranded Meter Costs	1555	99,411	99,411	-	99,411	-
Group 2 and Other Sub-Total		**1,031,364**	**1,031,364**	-	**1,031,364**	-
LRAM Variance Account	1568	346,905	345,193	(1,712)	345,193	-
Group 2 and Other Total		**1,378,269**	**1,376,557**	**(1,712)**	**1,376,557**	-
Total		**(903,400)**	**(905,112)**	**(1,712)**	**(905,112)**	-

Subject to the above, the Parties agree that all of HHHI's other proposals for deferral and variance accounts are appropriate.

The proposal for treatment and disposition of all deferral and variance accounts, except subaccount 1508, is reflected in the EDDVAR Model which is attached to this Settlement Proposal under file named Halton_Settlement_2021_DVA_Continuity_Schedule_2021_COS_20210218. Subaccount 1508, for Depreciation adjustment, was disposed of in accordance with the OEB's decision in EB-2017-0045.

The updated rate riders are as follows, in Tables 4.2B to 4.2F.

Table 4.2B – Group 1 DVA Rate Rider by Class (Excluding 1589)

Rate Rider Calculation for Deferral / Variance Accounts Balances (excluding Global Adj.)
1550, 1551, 1584, 1586, 1595, 1580 and 1588

Customer Class	2021 Forecasted Customer Numbers	2021 Forecasted kWh	2021 Forecasted kW	Allocated Balance – Group 1 Excluding Global Adjustment (1589)	Rate Rider	Units
Residential		198,793,434		224,574	0.0006	kWh
General Service less than 50 kW		50,332,121		61,314	0.0006	kWh
General Service 50 kW to 999 kW			411,666	91,414	0.1110	kW
General Services 1,000 kW to 4,999 kW			193,029	101,406	0.2627	kW
Un-metered Scattered Load		962,029		1,219	0.0006	kWh
Sentinel Lighting			680	319	0.2346	kW
Street Lighting			3,105	1,241	0.1999	kW
TOTAL				**481,486**		

Table 4.2C – Group 1 DVA Rate Rider by Class (Non-WMP)

Rate Rider Calculation for Deferral / Variance Accounts Balances (excluding Global Adj.) – NON-WMP
1580 and 1588

Customer Class	2021 Forecasted Customer Numbers	2021 Forecasted kWh	2021 Forecasted kW	Allocated Balance 1580 / 1588	Rate Rider	Units
Residential						
General Service less than 50 kW						
General Service 50 kW to 999 kW			403,967	93,008	0.1151	kW
General Service 1,000 kW to 4,999 kW						
Un-metered Scattered Load						
Sentinel Lighting						
Street Lighting						
TOTAL				**93,008**		

Table 4.2D – Rate Rider for Account 1589 – RSVA – Global Adjustment

Rate Rider Calculation for RSVA – Power – Global Adjustment
Balance of Account 1589 Allocated to Non-WMPS

Customer Class	2021 Forecasted Non-RPP Customer Numbers	2021 Forecasted Non-RPP kWh	2021 Forecasted Non-RPP kW	Allocated Balance 1589	Rate Rider	Units
Residential		3,518,644		(39,906)	(0.0057)	kWh
General Service less than 50 kW		7.585,051		(86,025)	(0.0057)	kWh
General Service 50 kW to 999 kW		132,846,828		(1,506,665)	(0.0057)	kWh
General Services 1,000 kW to 4,999 kW		80,039,090		(907,753)	(0.0057)	kWh
Un-metered Scattered Load		962,029		(10,911)	(0.0057)	kWh
Sentinel Lighting		18,009		(204)	(0.0057)	kWh
Street Lighting		979,604		(11,110)	(0.0057)	kWh
TOTAL				**(2,562,575)**		

Table 4.2E – Group 2 and Other DVA Rate Rider by Class (Excluding 1568)

Rate Rider Calculation for Group 2 Accounts (excluding 1508 – Sub-account Depreciation Adjustment)

Customer Class	2021 Forecasted Customer Numbers	2021 Forecasted kWh	2021 Forecasted kW	Allocated Balance 1508 /1518 /1548	Rate Rider	Units
Residential	20,852			(122,041)	(0.24)	# of Customers
General Service less than 50 kW		50,332,121		(10,134)	(0.0001)	kWh
General Service 50 kW to 999 kW			411,666	34,995	0.0425	kW
General Services 1,000 kW to 4,999 kW			193,029	33,020	0.0855	kW
Un-metered Scattered Load		962,029		(736)	(0.0004)	kWh
Sentinel Lighting			680	(1,407)	(1.0344)	kW
Street Lighting			3,105	(3,213)	(0.5174)	kW
TOTAL				**(69,515)**		

Rate Rider Calculation for Group 2 Account 1508 – Sub-account Depreciation Adjustment

Customer Class	2021 Forecasted Customer Numbers	2021 Forecasted kWh	2021 Forecasted kW	Allocated Balance 1508 – Depreciation Adjustment	Rate Rider	Units
Residential	20,852			664,662	1.33	# of Customers
General Service less than 50 kW		50,332,121		133,425	0.0013	kWh
General Service 50 kW to 999 kW			411,666	169,001	0.2053	kW
General Services 1,000 kW to 4,999 kW			193,029	113,243	0.2933	kW
Un-metered Scattered Load		962,029		1,945	0.0010	kWh
Sentinel Lighting			680	4,453	3.2740	kW
Street Lighting			3,105	14,150	2.2785	kW
TOTAL				**1,100,879**		

Table 4.2F – Rate Rider for Account 1568 – LRAMVA

Customer Class	2021 Forecasted Customer Numbers	2021 Forecasted kWh	2021 Forecasted kW	Allocated Balance 1568	Rate Rider	Units
Residential		198,793,434		173,700	0.0004	kWh
General Service less than 50 kW		50,332,121		114,462	0.0011	kWh
General Service 50 kW to 999 kW			411,666	39,114	0.0475	kW
General Services 1,000 kW to 4,999 kW			193,029	30,619	0.0793	kW
Un-metered Scattered Load		962,029		-	-	kWh
Sentinel Lighting			680	-	-	kW
Street Lighting			3,105	(12,702)	(2.0455)	kW
TOTAL				**345,193**		

Evidence:

Application:

- Exhibit 1, Section 1.5.8
- Exhibit 9

IRRs:

- 4-Staff IRR-58, 9-Staff IRR-78; 9-VECC IRR-49

Appendices to this Settlement Proposal: None

Settlement Models:

- Halton_Settlement_2021_DVA_Continuity_Schedule_2021_COS_20210218
- Halton_Settlement_2021_LRAMVA_Model_20210218

Clarifying Responses: None

Supporting Parties: All

4.3 Is the proposal to continue Sub-Account 1592 (PILs and Tax Variances – CCA Changes) appropriate?

Complete Settlement: HHHI application proposed to continue the use of Sub-Account 1592 (PILs and Tax Variances – CCA Changes) due to an on-going audit that is underway by the Ministry of Finance.

The Parties agree that, while HHHI is under audit by the Ministry of Finance, a new Account 1508 – Sub-Account should be created for the specific use described below:

HHHI is currently under audit by the Ministry of Finance for tax years 2015 and 2016 related to tax deduction(s) related to the expensing of Pole Replacement and deductions of related burdens. HHHI is aware that this may be an industry wide issue related to potential changes in how the Ministry of Finance treats these expenses. Should the Ministry of Finance issue reassessment(s) relating to tax deduction(s) of Pole Replacement and/or the deduction of burden related expenses the Parties agree that HHHI will be permitted to record amounts related to the PILs Tax consequence of that audit, as it might impact the period 2021 through 2025, into a new Sub-Account 1508 for possible future disposition. A 'PILs Tax consequence' would include any re-assessment interest and any other re-assessment penalties as related to the outcome of that audit.

Nothing in this Settlement Proposal should be construed as the Parties agreeing to the appropriateness of the calculation or disposition of any balance which HHHI may bring forward for disposition in the future, what if any offsetting entries may be required, or even if recovery itself is appropriate. All that has been agreed to is the extent to which HHHI shall be permitted to record amounts in this account so that the issue of any potential recovery may be determined in a future proceeding if a reassessment(s) occurs.

See Appendix H for a draft accounting order based on the requirements agreed to above.

Evidence:

Application:
- Exhibit 9, Section 9.3.3

IRRs:
- 9-Staff IRR-79

Appendices to this Settlement Proposal:

- Appendix H – Draft Accounting Order

Settlement Models: None

Clarifying Responses: None

Supporting Parties: All

5. Other

5.1 Is the proposed effective date (i.e. May 1, 2021) for 2021 rates appropriate?

Complete Settlement: The Parties agree that the proposed effective date of May 1, 2021 is appropriate.

Evidence:

Application:
- Exhibit 1, Section 1.3.5

IRRs: None

Clarifying Questions: None

Appendices to this Settlement Proposal: None

Settlement Models: None

Supporting Parties: All

5.2 Has Halton Hills Hydro responded appropriately to the requirement to conduct a review of long-term debt financing options and filed results of such review as outlined in the approved EB-2015-0074 settlement proposal?

Complete Settlement: The Parties agree that HHHI has responded appropriately to the requirement to conduct a review of long-term debt financing options and has filed documents related to the review, as outlined in the OEB-approved EB-2015-0074 settlement proposal, as part of this Settlement Proposal.

HHHI's review included consultation with two unrelated and independent third parties:

1. KPMG LLP; and
2. TD Securities Inc.

That review considered a variety of long-term debt financing options including private placement, institutional loans as well as term bank loans (including interest rate fixed with an interest rate swap).

Evidence:

Application:

- Exhibit 5, Section 5.5.4

IRRs:

- 5-SEC IRR-40; 5-Staff IRR-64

Clarifying Questions:

- SEC CQR-13

Appendices to this Settlement Proposal: None

Settlement Models: None

Supporting Parties: All

5.3 Is the proposed true-up of the Incremental Capital Module approved in EB-2018-0328 appropriate?

Complete Settlement: HHHI agrees to withdraw its request for the true-up of a variance of $112,597 from the Incremental Capital Module approved in EB-2018-0328.

Evidence: None

Supporting Parties: All

APPENDIX A
Proposed Tariff of Rates and Charges

Halton Hills Hydro Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date May 1, 2021
This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2020-0026

RESIDENTIAL SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less where the electricity is used exclusively in a separate metered living accommodation. Customers shall be residing in single-dwelling units that consist of a detached house or one unit of a semi-detached, duplex, triplex or quadruplex house, with a residential zoning. Separately metered dwellings within a town house complex or apartment building also qualify as residential customers. The customer will be supplied at one service entrance only. 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	$	38.22
Rate Rider for Disposition of Group 2 Deferral/Variance Accounts (2021) - effective until April 30, 2023	$	1.09
Smart Metering Entity Charge - effective until December 31, 2022	$	0.57
Low Voltage Service Rate	$/kWh	0.0042
Rate Rider for Lost Revenue Recovery (LRAM) - effective until April 30, 2023	$/kWh	0.0004
Rate Rider for Disposition of Global Adjustment Account (2021) - Applicable only for Non-RPP Customers - effective until April 30, 2023	$/kWh	(0.0057)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2021) - effective until April 30, 2023	$/kWh	0.0006
Retail Transmission Rate - Network Service Rate	$/kWh	0.0074
Retail Transmission Rate - Line and Transformation Connection Service Rate	$/kWh	0.0059

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

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification applies to a non-residential account taking electricity at 750 volts or less whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor’s Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor’s Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

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	$	29.38
Smart Metering Entity Charge - effective until December 31, 2022	$	0.57
Distribution Volumetric Rate	$/kWh	0.0200
Low Voltage Service Rate	$/kWh	0.0039
Rate Rider for Lost Revenue Recovery (LRAM) - effective until April 30, 2023	$/kWh	0.0012
Rate Rider for Disposition of Group 2 Deferral/Variance Accounts (2021) - effective until April 30, 2023	$/kWh	0.0012
Rate Rider for Disposition of Global Adjustment Account (2021) - Applicable only for Non-RPP Customers - effective until April 30, 2023	$/kWh	(0.0057)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2021) - effective until April 30, 2023	$/kWh	0.0006
Retail Transmission Rate - Network Service Rate	$/kWh	0.0065
Retail Transmission Rate - Line and Transformation Connection Service Rate	$/kWh	0.0055

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

GENERAL SERVICE 50 TO 999 KW SERVICE CLASSIFICATION

This classification applies to a non-residential customer with an average peak demand equal to or greater than 50 kW over the past twelve months, or is forecast to be equal to or greater than 50 kW, but less than 1,000 kW. For a new customer without prior billing history, the peak demand will be based on 90% of the proposed capacity or installed transformer. 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.

Billing demands are established at the greater of 100% of the kW, or 90% of the kVA amounts with the exception of the Retail Transmission Rate-Network Service Rate, which is billed on a $/kW basis only.

Halton Hills Hydro Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2021

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

EB-2020-0026

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	$	125.12
Distribution Volumetric Rate	$/kW	5.5589
Low Voltage Service Rate	$/kW	1.6397
Rate Rider for Disposition of Deferral/Variance Accounts Applicable only for Non-Wholesale Market Participants - effective until April 30, 2023	$/kW	0.1151
Rate Rider for Lost Revenue Recovery (LRAM) - effective until April 30, 2023	$/kW	0.0475
Rate Rider for Disposition of Group 2 Deferral/Variance Accounts (2021) - effective until April 30, 2023	$/kW	0.2478
Rate Rider for Disposition of Global Adjustment Account (2021) - Applicable only for Non-RPP Customers - effective until April 30, 2023	$/kWh	(0.0057)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2021) - effective until April 30, 2023	$/kW	0.1110
Retail Transmission Rate - Network Service Rate	$/kW	2.8318
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Gross Load Billing Note)	$/kW	2.3135

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

GROSS LOAD BILLING NOTE

The Billing Demand for Line and Transformation Connection Services is defined as the Non-Coincident Peak demand (MW) in any hour of the month. The customer demand in any hour is the sum of (a) the loss adjusted demand supplied from the distribution system plus (b) the demand that is supplied by embedded generation installed after October 30, 1998, which have installed capacity of 2 MW or more for renewable generation and 1 MW or higher for non-renewable generation. The term renewable generation refers to a facility that generates electricity from the following sources: wind, solar, Biomass, Bio-oil, Bio-gas, landfill gas, or water. The demand supplied by embedded generation will not be adjusted for loss.

GENERAL SERVICE 1,000 TO 4,999 KW SERVICE CLASSIFICATION

This classification applies to a non-residential customer with an average peak demand equal to or greater than 1,000 kW over the past twelve months, or is forecast to be equal to or greater than 1,000 kW, but less than 5,000 kW. For a new customer without prior billing history, the peak demand will be based on 90% of the installed transformer. 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.

Billing demands are established at the greater of 100% of the kW, or 90% of the kVA amounts with the exception of the Retail Transmission Rate-Network Service Rate, which is billed on a $/kW basis only.

Halton Hills Hydro Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2021

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	$	279.18
Distribution Volumetric Rate	$/kW	4.9673
Low Voltage Service Rate	$/kW	1.6397
Rate Rider for Lost Revenue Recovery (LRAM) - effective until April 30, 2023	$/kW	0.0793
Rate Rider for Disposition of Group 2 Deferral/Variance Accounts (2021) - effective until April 30, 2023	$/kW	0.3788
Rate Rider for Disposition of Global Adjustment Account (2021) - Applicable only for Non-RPP Customers - effective until April 30, 2023	$/kWh	(0.0057)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2021) - effective until April 30, 2023	$/kW	0.2627
Retail Transmission Rate - Network Service Rate	$/kW	2.8318
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Gross Load Billing Note)	$/kW	2.3135

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

GROSS LOAD BILLING NOTE

The Billing Demand for Line and Transformation Connection Services is defined as the Non-Coincident Peak demand (MW) in any hour of the month. The customer demand in any hour is the sum of (a) the loss adjusted demand supplied from the distribution system plus (b) the demand that is supplied by embedded generation installed after October 30, 1998, which have installed capacity of 2 MW or more for renewable generation and 1 MW or higher for non-renewable generation. The term renewable generation refers to a facility that generates electricity from the following sources: wind, solar, Biomass, Bio-oil, Bio-gas, landfill gas, or water. The demand supplied by embedded generation will not be adjusted for loss.

Halton Hills Hydro Inc.

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UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

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

APPLICATION

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	$	18.01
Distribution Volumetric Rate	$/kWh	0.0122
Low Voltage Service Rate	$/kWh	0.0039
Rate Rider for Lost Revenue Recovery (LRAM) - effective until April 30, 2023	$/kWh	0.0000
Rate Rider for Disposition of Group 2 Deferral/Variance Accounts (2021) - effective until April 30, 2023	$/kWh	0.0006
Rate Rider for Disposition of Global Adjustment Account (2021) - Applicable only for Non-RPP Customers - effective until April 30, 2023	$/kWh	(0.0057)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2021) - effective until April 30, 2023	$/kWh	0.0006
Retail Transmission Rate - Network Service Rate	$/kWh	0.0065
Retail Transmission Rate - Line and Transformation Connection Service Rate	$/kWh	0.0055

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

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

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	$	12.20
Distribution Volumetric Rate	$/kW	46.2706
Low Voltage Service Rate	$/kW	1.1804
Rate Rider for Lost Revenue Recovery (LRAM) - effective until April 30, 2023	$/kW	0.0000
Rate Rider for Disposition of Group 2 Deferral/Variance Accounts (2021) - effective until April 30, 2023	$/kW	2.2396
Rate Rider for Disposition of Global Adjustment Account (2021) - Applicable only for Non-RPP Customers - effective until April 30, 2023	$/kWh	(0.0057)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2021) - effective until April 30, 2023	$/kW	0.2346
Retail Transmission Rate - Network Service Rate	$/kW	2.0203
Retail Transmission Rate - Line and Transformation Connection Service Rate	$/kW	1.6654

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

All services supplied to street lighting equipment owned by or operated for the Municipality, the Region or the Province of Ontario shall be classified as Street Lighting Service. Street Lighting plant, facilities, or equipment owned by the customer are subject to the Electrical Safety Authority (ESA) requirements and Halton Hills Hydro specifications. 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)	$	2.34
Distribution Volumetric Rate	$/kW	1.5810
Low Voltage Service Rate	$/kW	1.1564
Rate Rider for Lost Revenue Recovery (LRAM) - effective until April 30, 2023	$/kW	(1.5512)
Rate Rider for Disposition of Group 2 Deferral/Variance Accounts (2021) - effective until April 30, 2023	$/kW	1.7611
Rate Rider for Disposition of Global Adjustment Account (2021) - Applicable only for Non-RPP Customers - effective until April 30, 2023	$/kWh	(0.0057)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2021) - effective until April 30, 2023	$/kW	0.1999
Retail Transmission Rate - Network Service Rate	$/kW	2.0109
Retail Transmission Rate - Line and Transformation Connection Service Rate	$/kW	1.6316

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

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	$	4.55

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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 & energy	%	(1.00)

SPECIFIC SERVICE CHARGES

APPLICATION

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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
Special meter reads	$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	$	30.00

Non-Payment of Account (see Note below)

Late Payment - per month (effective annual rate 19.56% per annum or 0.04896% compounded daily rate)	%	1.50
Reconnection at Meter - during regular hours	$	65.00
Reconnection at Meter - after regular hours	$	185.00
Reconnection at Pole - during regular hours	$	185.00
Reconnection at Pole - after regular hours	$	415.00

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Other

Service call - customer owned equipment	$	30.00
Service call - after regular hours	$	165.00
Temporary service install & remove - overhead - no transformer	$	500.00
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)	$	44.50
Interval meter charge	$	20.00

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RETAIL SERVICE CHARGES (if applicable)

APPLICATION

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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	$	104.24
Monthly Fixed Charge, per retailer	$	41.70
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)	$	4.17
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	1.0355
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0251

APPENDIX B
OEB Appendix 2-AB Capital Expenditure Summary

CATEGORY	**Historical Period**															**Forecast Period** (planned)				
	2016			**2017**			**2018**			**2019**			**2020**			**2021**	**2022**	**2023**	**2024**	**2025**
	Plan	**Actual**	**Var**	**Plan**	**Actual**	**Var**	**Plan**	**Actual**	**Var**	**Plan**	**Actual**	**Var**	**Plan**	**Actual**	**Var**					
	$ '000		%	*$ '000*		%	*$ '000*		%	*$ '000*		%	*$ '000*		%	*$ '000*				
System Access	1,161	1,161	0.0%	886	1,587	79.1%	3,331	2,182	-34.5%	967	1,796	85.7%	2,524	2,119	-16.1%	2,530	1,810	3,243	2,999	2,099
System Renewal	4,120	4,991	21.2%	4,227	4,601	8.8%	2,818	4,196	48.9%	3,891	3,406	-12.5%	2,070	2,058	-0.6%	2,362	2,669	1,427	1,776	2,425
System Service	2,303	2,035	-11.6%	2,411	1,574	-34.7%	2,959	1,747	-41.0%	3,321	2,000	-39.8%	1,525	1,525	0.0%	882	1,111	1,424	968	1,099
General Plant	778	491	-36.9%	479	793	65.4%	421	496	17.9%	425	654	53.8%	621	568	-8.6%	828	582	607	694	618
TOTAL EXPENDITURE	**8,361**	**8,678**	**3.8%**	**8,004**	**8,555**	**6.9%**	**9,529**	**8,622**	**-9.5%**	**8,605**	**7,856**	**-8.7%**	**6,741**	**6,270**	**-7.0%**	**6,602**	**6,172**	**6,701**	**6,437**	**6,241**
Capital Contributions	652	655	0.4%	596	1,451	143.6%	1,741	998	-42.7%	711	833	17.2%	1,068	1,050	-1.7%	1,135	885	1,479	1,391	997
Net Capital Expenditures	**7,709**	**8,023**	**4.1%**	**7,408**	**7,104**	**-4.1%**	**7,788**	**7,624**	**-2.1%**	**7,894**	**7,023**	**-11.0%**	**5,673**	**5,220**	**-8.0%**	**5,467**	**5,287**	**5,222**	**5,046**	**5,244**
System O&M	$ 1,730	$ 1,905	10.1%	$ 1,730	$ 1,706	-1.4%	$ 1,730	$ 1,636	-5.4%	$ 1,730	$ 1,570	-9.2%	$ 1,708	$ 1,708	0.0%	$ 1,769	$ 1,804	$ 1,840	$ 1,877	$ 1,915

APPENDIX C
OEB Appendix 2-BA 2016 to 2021 Fixed Asset Continuity Schedule

Accounting Standard MIFRS
Year 2016

			Cost				**Accumulated Depreciation**				
CCA Class [2]	**OEB Account [3]**	**Description [3]**	**Opening Balance**	**Additions [4]**	**Disposals [6]**	**Closing Balance**	**Opening Balance**	**Additions**	**Disposals [6]**	**Closing Balance**	**Net Book Value**
	1606	Organization Costs		-	-	-	-	-	-	-	-
	1609	Capital Contributions Paid	-	-	-	-	-	-	-	-	-
12	1611	Computer Software (Formally known as Account 1925)	933,452	27,789	-	961,241	(671,803)	(89,235)	-	(761,038)	200,203
CEC	1612	Land Rights (Formally known as Account 1906)	4,738	-	-	4,738	-	-	-	-	4,738
N/A	1805	Land	-	-	-	-	-	-	-	-	-
47	1808	Buildings	-	-	-	-	-	-	-	-	-
13	1810	Leasehold Improvements	-	-	-	-	-	-	-	-	-
47	1815	Transformer Station Equipment >50 kV	-	-	-	-	-	-	-	-	-
47	1820	Distribution Station Equipment <50 kV	966,718	238,560	-	1,205,278	(159,619)	(88,515)	-	(248,135)	957,143
47	1825	Storage Battery Equipment	-	-	-	-	-	-	-	-	-
47	1830	Poles, Towers & Fixtures	19,460,699	3,625,314	(2,364)	23,083,650	(809,683)	(516,418)	233	(1,325,868)	21,757,782
47	1835	Overhead Conductors & Devices	7,382,720	136,306	-	7,519,026	(408,559)	(212,191)	-	(620,750)	6,898,276
47	1840	Underground Conduit	1,098,446	64,038	-	1,162,484	(47,143)	(25,818)	-	(72,960)	1,089,524
47	1845	Underground Conductors & Devices	8,147,791	293,763	-	8,441,554	(546,399)	(285,154)	-	(831,553)	7,610,000
47	1850	Line Transformers	11,187,370	3,619,875	-	14,807,244	(536,649)	(371,446)	-	(908,095)	13,899,149
47	1855	Services (Overhead & Underground)	36,955	31,708	-	68,663	-	(1,056)	-	(1,056)	67,607
47	1860	Meters	3,338,614	24,252	-	3,362,866	(336,168)	(170,579)	-	(506,748)	2,856,118
47	1860	Meters (Smart Meters)			-	-			-	-	-
N/A	1905	Land	1,571,819	-	-	1,571,819	-	-	-	-	1,571,819
47	1908	Buildings & Fixtures	2,699,426	46,742	-	2,746,169	(164,588)	(86,451)	-	(251,039)	2,495,130
13	1910	Leasehold Improvements	-	-	-	-	-	-	-	-	-
8	1915	Office Furniture & Equipment (10 years)	197,290	22,642	-	219,932	(88,336)	(42,282)	-	(130,618)	89,314
8	1915	Office Furniture & Equipment (5 years)			-	-			-	-	-
10	1920	Computer Equipment - Hardware	214,040	76,653	-	290,692	(95,172)	(57,461)	-	(152,633)	138,059
45	1920	Computer Equip.-Hardware(Post Mar. 22/04)			-	-			-	-	-
50	1920	Computer Equip.-Hardware(Post Mar. 19/07)			-	-			-	-	-
10	1930	Transportation Equipment	1,628,573	72,450	(35,426)	1,665,597	(302,278)	(172,465)	31,367	(443,376)	1,222,221
8	1935	Stores Equipment	-	-	-	-	-	-	-	-	-
8	1940	Tools, Shop & Garage Equipment	392,752	16,730	-	409,482	(83,643)	(56,335)	-	(139,978)	269,504
8	1945	Measurement & Testing Equipment	-	-	-	-	-	-	-	-	-
8	1950	Power Operated Equipment	-	-	-	-	-	-	-	-	-
8	1955	Communications Equipment	12,169	-	-	12,169	(5,606)	(1,820)	-	(7,426)	4,744
8	1955	Communication Equipment (Smart Meters)			-	-			-	-	-
8	1960	Miscellaneous Equipment	-	-	-	-	-	-	-	-	-
47	1970	Load Management Controls Customer Premises	-	-	-	-	-	-	-	-	-
47	1975	Load Management Controls Utility Premises	-	-	-	-	-	-	-	-	-
47	1980	System Supervisor Equipment	605,830	15,960	-	621,790	(90,469)	(45,917)	-	(136,386)	485,404
47	1985	Miscellaneous Fixed Assets	-	-	-	-	-	-	-	-	-
47	1990	Other Tangible Property	-	-	-	-	-	-	-	-	-
47	1995	Contributions & Grants	-	-	-	-	-	-	-	-	-
	2005	Property Under Finance Lease[7]	-			-				-	-
47	2440	Deferred Revenue[5]	(1,839,300)	(654,903)	-	(2,494,203)	-	249,423	-	249,423	(2,244,780)
						-				-	-
						-				-	-
		Sub-Total	**58,040,102**	**7,657,879**	**(37,790)**	**65,660,191**	**(4,346,115)**	**(1,973,720)**	**31,600**	**(6,288,236)**	**59,371,955**
		Less Socialized Renewable Energy Generation Investments (input as negative)				-				-	-
		Less Other Non Rate-Regulated Utility Assets (input as negative)				-				-	-
	2055	Work in Progress	3,393,936	1,227,216		4,621,152				-	4,621,152
		Total PP&E	**61,434,038**	**8,885,095**	**(37,790)**	**70,281,343**	**(4,346,115)**	**(1,973,720)**	**31,600**	**(6,288,236)**	**63,993,107**
		Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable[6]									
		Total						**(1,973,720)**			

			Less: *Fully Allocated Depreciation*	
10		Transportation	Transportation	(172,465)
8		Stores Equipment	Other Adj	(5,400)
47		Deferred Revenue	Deferred Revenue	249,423
			Net Depreciation	(2,045,279)

Notes:

1	Tables in the format outlined above covering all fixed asset accounts should be submitted for the Test Year, Bridge Year and all relevant historical years. At a minimum , the applicant must provide data for the earlier of: 1) all historical years back to its last rebasing; or 2) at least three years of historical actuals, in addition to Bridge Year and Test Year forecasts.
2	The "CCA Class" for fixed assets should generally agree with the CCA Class used for tax purposes in Tax Returns. Fixed Assets sub-components may be used where the underlying asset components are classified under multiple CCA Classes for tax purposes. If an applicant uses any different classes from those shown in the table, an explanation should be provided. (also see note 3).
3	The table may need to be customized for a utility's asset categories or for any new asset accounts announced or authorized by the OEB.
4	The additions in column (E) must not include construction work in progress (CWIP).
5	Effective on the date of IFRS adoption, customer contributions will no longer be recorded in Account 1995 Contributions & Grants, but will be recorded in Account 2440, Deferred Revenues. Amortization of deferred revenue will be removed from the depreciation expense shown on this fixed asset continuity schedule as it should be included as income in Appendix 2-H Other Revenues.
6	The applicant must ensure that all asset disposals have been clearly identified in the Chapter 2 Appendices for all historic, bridge and test years. Where a distributor for general financial reporting purposes under IFRS has accounted for the amount of gain or loss on the retirement of assets in a pool of like assets as a charge or credit to income, for reporting and rate application filings, the distributor shall reclassify such gains and losses as depreciation expense, and disclose the amount separately.
7	This account includes the amount recorded under finance leases for plant leased from others and used by the utility in its utility operations.

			Accounting Standard	MIFRS						
				Year	**2017**					
			Cost				**Accumulated Depreciation**			
CCA Class [2]	**OEB Account [3]**	**Description [3]**	**Opening Balance**	**Additions [4]**	**Disposals [6]**	**Closing Balance**	**Opening Balance**	**Additions**	**Disposals [6]**	**Closing Balance**	**Net Book Value**
	1606	Organization Costs	-	-		-	-	-		-	-
	1609	Capital Contributions Paid	-	-		-	-	-		-	-
12	1611	Computer Software (Formally known as Account 1925)	961,241	123,564		1,084,805	(761,038)	(71,320)		(832,358)	252,447
CEC	1612	Land Rights (Formally known as Account 1906)	4,738	-		4,738	-	-		-	4,738
N/A	1805	Land	-	-		-	-	-		-	-
47	1808	Buildings	-	-		-	-	-		-	-
13	1810	Leasehold Improvements	-	-		-	-	-		-	-
47	1815	Transformer Station Equipment >50 kV	-	-		-	-	-		-	-
47	1820	Distribution Station Equipment <50 kV	1,205,278	970,561		2,175,838	(248,135)	(107,276)		(355,411)	1,820,428
47	1825	Storage Battery Equipment	-	-		-	-	-		-	-
47	1830	Poles, Towers & Fixtures	23,083,650	1,882,924		24,966,573	(1,325,868)	(556,162)		(1,882,030)	23,084,543
47	1835	Overhead Conductors & Devices	7,519,026	1,075,419		8,594,445	(620,750)	(238,392)		(859,142)	7,735,303
47	1840	Underground Conduit	1,162,484	118,808		1,281,292	(72,960)	(64,751)		(137,712)	1,143,580
47	1845	Underground Conductors & Devices	8,441,554	2,205,900		10,647,453	(831,553)	(326,713)		(1,158,266)	9,489,187
47	1850	Line Transformers	14,807,244	779,723		15,586,967	(908,095)	(398,797)		(1,306,892)	14,280,075
47	1855	Services (Overhead & Underground)	68,663	325,611		394,274	(1,056)	(11,573)		(12,630)	381,645
47	1860	Meters	3,362,866	306,657		3,669,523	(506,748)	(181,009)		(687,757)	2,981,766
47	1860	Meters (Smart Meters)	-			-	-			-	-
N/A	1905	Land	1,571,819	-		1,571,819	-	-		-	1,571,819
47	1908	Buildings & Fixtures	2,746,169	58,175		2,804,343	(251,039)	(87,476)		(338,515)	2,465,829
13	1910	Leasehold Improvements	-	-		-	-	-		-	-
8	1915	Office Furniture & Equipment (10 years)	219,932	538		220,470	(130,618)	(25,444)		(156,062)	64,408
8	1915	Office Furniture & Equipment (5 years)	-			-	-			-	-
10	1920	Computer Equipment - Hardware	290,692	24,472		315,164	(152,633)	(60,101)		(212,734)	102,430
45	1920	Computer Equip.-Hardware(Post Mar. 22/04)	-			-	-			-	-
50	1920	Computer Equip.-Hardware(Post Mar. 19/07)	-			-	-			-	-
10	1930	Transportation Equipment	1,665,597	441,145		2,106,742	(443,376)	(193,033)		(636,409)	1,470,332
8	1935	Stores Equipment	-	-		-	-	-		-	-
8	1940	Tools, Shop & Garage Equipment	409,482	86,378		495,860	(139,978)	(50,447)		(190,425)	305,435
8	1945	Measurement & Testing Equipment	-	-		-	-	-		-	-
8	1950	Power Operated Equipment	-	-		-	-	-		-	-
8	1955	Communications Equipment	12,169	300		12,469	(7,426)	(894)		(8,320)	4,150
8	1955	Communication Equipment (Smart Meters)	-			-	-			-	-
8	1960	Miscellaneous Equipment	-	-		-	-	-		-	-
47	1970	Load Management Controls Customer Premises	-	-		-	-	-		-	-
47	1975	Load Management Controls Utility Premises	-	-		-	-	-		-	-
47	1980	System Supervisor Equipment	621,790	-		621,790	(136,386)	(46,192)		(182,579)	439,212
47	1985	Miscellaneous Fixed Assets	-	-		-	-	-		-	-
47	1990	Other Tangible Property	-	-		-	-	-		-	-
47	1995	Contributions & Grants	-	-		-	-	-		-	-
	2005	Property Under Finance Lease[7]	-	-		-	-	-		-	-
47	2440	Deferred Revenue[5]	(2,494,203)	(1,480,245)		(3,974,448)	249,423	275,609		525,032	(3,449,416)
			-			-	-			-	-
						-	-			-	-
		Sub-Total	**65,660,191**	**6,919,929**	**-**	**72,580,120**	**(6,288,236)**	**(2,143,973)**	**-**	**(8,432,209)**	**64,147,911**
		Less Socialized Renewable Energy Generation Investments (input as negative)				-				-	-
		Less Other Non Rate-Regulated Utility Assets (input as negative)				-				-	-
	2055	Work in Progress	4,621,152	2,695,765		7,316,917				-	7,316,917
		Total PP&E	**70,281,343**	**9,615,694**	**-**	**79,897,037**	**(6,288,236)**	**(2,143,973)**	**-**	**(8,432,209)**	**71,464,828**
		Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable[6]									
		Total						**(2,143,973)**			
							Less: *Fully Allocated Depreciation*				
10		Transportation					Transportation		(193,033)		
8		Stores Equipment					Stores Equipment				
47		Deferred Revenue					Deferred Revenue		275,609		
							Net Depreciation		(2,226,549)		

Notes:

1 Tables in the format outlined above covering all fixed asset accounts should be submitted for the Test Year, Bridge Year and all relevant historical years. At a minimum , the applicant must provide data for the earlier of: 1) all historical years back to its last rebasing; or 2) at least three years of historical actuals, in addition to Bridge Year and Test Year forecasts.

2 The "CCA Class" for fixed assets should generally agree with the CCA Class used for tax purposes in Tax Returns. Fixed Assets sub-components may be used where the underlying asset components are classified under multiple CCA Classes for tax purposes. If an applicant uses any different classes from those shown in the table, an explanation should be provided. (also see note 3).

3 The table may need to be customized for a utility's asset categories or for any new asset accounts announced or authorized by the OEB.

4 The additions in column (E) must not include construction work in progress (CWIP).

5 Effective on the date of IFRS adoption, customer contributions will no longer be recorded in Account 1995 Contributions & Grants, but will be recorded in Account 2440, Deferred Revenues. Amortization of deferred revenue will be removed from the depreciation expense shown on this fixed asset continuity schedule as it should be included as income in Appendix 2-H Other Revenues.

6 The applicant must ensure that all asset disposals have been clearly identified in the Chapter 2 Appendices for all historic, bridge and test years. Where a distributor for general financial reporting purposes under IFRS has accounted for the amount of gain or loss on the retirement of assets in a pool of like assets as a charge or credit to income, for reporting and rate application filings, the distributor shall reclassify such gains and losses as depreciation expense, and disclose the amount separately.

7 This account includes the amount recorded under finance leases for plant leased from others and used by the utility in its utility operations.

Accounting Standard MIFRS
Year 2018

			Cost				Accumulated Depreciation				
CCA Class [2]	**OEB Account [3]**	**Description [3]**	**Opening Balance**	**Additions [4]**	**Disposals [6]**	**Closing Balance**	**Opening Balance**	**Additions**	**Disposals [6]**	**Closing Balance**	**Net Book Value**
	1606	Organization Costs	-	-		-	-	-		-	-
	1609	Capital Contributions Paid	-	-		-	-	-		-	-
12	1611	Computer Software (Formally known as Account 1925)	1,084,805	43,496		1,128,301	(832,358)	(51,306)		(883,664)	244,636
CEC	1612	Land Rights (Formally known as Account 1906)	4,738	-		4,738	-	-		-	4,738
N/A	1805	Land	-	-		-	-	-		-	-
47	1808	Buildings	-	-		-	-	-		-	-
13	1810	Leasehold Improvements	-	-		-	-	-		-	-
47	1815	Transformer Station Equipment >50 kV	-	-		-	-	-		-	-
47	1820	Distribution Station Equipment <50 kV	2,175,838	17,859		2,193,698	(355,411)	(120,871)		(476,282)	1,717,416
47	1825	Storage Battery Equipment	-	-		-	-	-		-	-
47	1830	Poles, Towers & Fixtures	24,966,573	1,838,091		26,804,664	(1,882,030)	(582,052)		(2,464,082)	24,340,582
47	1835	Overhead Conductors & Devices	8,594,445	962,688		9,557,133	(859,142)	(279,170)		(1,138,312)	8,418,821
47	1840	Underground Conduit	1,281,292	6,985		1,288,278	(137,712)	(27,112)		(164,824)	1,123,454
47	1845	Underground Conductors & Devices	10,647,453	1,743,395		12,390,849	(1,158,266)	(390,521)		(1,548,787)	10,842,062
47	1850	Line Transformers	15,586,967	1,961,337		17,548,304	(1,306,892)	(410,908)		(1,717,801)	15,830,504
47	1855	Services (Overhead & Underground)	394,274	233,877		628,152	(12,630)	(26,367)		(38,996)	589,155
47	1860	Meters	3,669,523	325,705		3,995,228	(687,757)	(201,377)		(889,134)	3,106,094
47	1860	Meters (Smart Meters)	-			-	-			-	-
N/A	1905	Land	1,571,819	-		1,571,819	-	-		-	1,571,819
47	1908	Buildings & Fixtures	2,804,343	71,249		2,875,592	(338,515)	(89,017)		(427,532)	2,448,061
13	1910	Leasehold Improvements	-	-		-	-	-		-	-
8	1915	Office Furniture & Equipment (10 years)	220,470	2,677		223,147	(156,062)	(24,326)		(180,387)	42,760
8	1915	Office Furniture & Equipment (5 years)	-			-	-			-	-
10	1920	Computer Equipment - Hardware	315,164	57,853		373,017	(212,734)	(54,422)		(267,156)	105,861
45	1920	Computer Equip.-Hardware(Post Mar. 22/04)	-			-	-			-	-
50	1920	Computer Equip.-Hardware(Post Mar. 19/07)	-			-	-			-	-
10	1930	Transportation Equipment	2,106,742	175,169		2,281,911	(636,409)	(216,384)		(852,793)	1,429,118
8	1935	Stores Equipment	-	-		-	-	-		-	-
8	1940	Tools, Shop & Garage Equipment	495,860	80,577		576,437	(190,425)	(55,216)		(245,641)	330,796
8	1945	Measurement & Testing Equipment	-	-		-	-	-		-	-
8	1950	Power Operated Equipment	-	-		-	-	-		-	-
8	1955	Communications Equipment	12,469	7,256		19,725	(8,320)	(1,020)		(9,340)	10,386
8	1955	Communication Equipment (Smart Meters)	-			-	-			-	-
8	1960	Miscellaneous Equipment	-	-		-	-	-		-	-
47	1970	Load Management Controls Customer Premises	-	-		-	-	-		-	-
47	1975	Load Management Controls Utility Premises	-	-		-	-	-		-	-
47	1980	System Supervisor Equipment	621,790	-		621,790	(182,579)	(46,192)		(228,771)	393,020
47	1985	Miscellaneous Fixed Assets	-	-		-	-	-		-	-
47	1990	Other Tangible Property	-	-		-	-	-		-	-
47	1995	Contributions & Grants	-	-		-	-	-		-	-
	2005	Property Under Finance Lease[7]	-	-		-	-	-		-	-
47	2440	Deferred Revenue[5]	(3,974,448)	(979,445)		(4,953,893)	525,032	306,583		831,615	(4,122,278)
						-	-			-	-
						-	-			-	-
		Sub-Total	**72,580,120**	**6,548,771**	**-**	**79,128,892**	**(8,432,209)**	**(2,269,677)**	**-**	**(10,701,887)**	**68,427,005**
		Less Socialized Renewable Energy Generation Investments (input as negative)				-				-	-
		Less Other Non Rate-Regulated Utility Assets *(input as negative)*				-				-	-
	2055	Work in Progress	7,316,917	17,674,751		24,991,668				-	24,991,668
		Total PP&E	**79,897,037**	**24,223,522**	**-**	**104,120,559**	**(8,432,209)**	**(2,269,677)**	**-**	**(10,701,887)**	**93,418,673**
		Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable[6]									
		Total						**(2,269,677)**			

		Less: *Fully Allocated Depreciation*	
10	Transportation	Transportation	(216,384)
8	Stores Equipment	Stores Equipment	
47	Deferred Revenue	Deferred Revenue	306,583
		Net Depreciation	(2,359,877)

Notes:

1 Tables in the format outlined above covering all fixed asset accounts should be submitted for the Test Year, Bridge Year and all relevant historical years. At a minimum , the applicant must provide data for the earlier of: 1) all historical years back to its last rebasing; or 2) at least three years of historical actuals, in addition to Bridge Year and Test Year forecasts.

2 The "CCA Class" for fixed assets should generally agree with the CCA Class used for tax purposes in Tax Returns. Fixed Assets sub-components may be used where the underlying asset components are classified under multiple CCA Classes for tax purposes. If an applicant uses any different classes from those shown in the table, an explanation should be provided. (also see note 3).

3 The table may need to be customized for a utility's asset categories or for any new asset accounts announced or authorized by the OEB.

4 The additions in column (E) must not include construction work in progress (CWIP).

5 Effective on the date of IFRS adoption, customer contributions will no longer be recorded in Account 1995 Contributions & Grants, but will be recorded in Account 2440, Deferred Revenues. Amortization of deferred revenue will be removed from the depreciation expense shown on this fixed asset continuity schedule as it should be included as income in Appendix 2-H Other Revenues.

6 The applicant must ensure that all asset disposals have been clearly identified in the Chapter 2 Appendices for all historic, bridge and test years. Where a distributor for general financial reporting purposes under IFRS has accounted for the amount of gain or loss on the retirement of assets in a pool of like assets as a charge or credit to income, for reporting and rate application filings, the distributor shall reclassify such gains and losses as depreciation expense, and disclose the amount separately.

7 This account includes the amount recorded under finance leases for plant leased from others and used by the utility in its utility operations.

Accounting Standard MIFRS
Year 2019

			Cost				**Accumulated Depreciation**				
CCA Class [2]	**OEB Account** [3]	**Description** [3]	**Opening Balance**	**Additions** [4]	**Disposals** [6]	**Closing Balance**	**Opening Balance**	**Additions**	**Disposals** [6]	**Closing Balance**	**Net Book Value**
	1606	Organization Costs	-	-		-	-	-		-	-
	1609	Capital Contributions Paid	-	-		-	-	-		-	-
12	1611	Computer Software (Formally known as Account 1925)	1,128,301	179,320		1,307,621	(883,664)	(51,211)		(934,876)	372,746
CEC	1612	Land Rights (Formally known as Account 1906)	4,738	-		4,738	-	-		-	4,738
N/A	1805	Land	-	980,479		980,479	-	-		-	980,479
47	1808	Buildings	-	-		-	-	-		-	-
13	1810	Leasehold Improvements	-	-		-	-	-		-	-
47	1815	Transformer Station Equipment >50 kV	-	23,494,533		23,494,533	-	(324,926)		(324,926)	23,169,607
47	1820	Distribution Station Equipment <50 kV	2,193,698	598,201		2,791,898	(476,282)	(128,804)		(605,086)	2,186,813
47	1825	Storage Battery Equipment	-	-		-	-	-		-	-
47	1830	Poles, Towers & Fixtures	26,804,664	1,289,310		28,093,975	(2,464,082)	(614,182)		(3,078,265)	25,015,710
47	1835	Overhead Conductors & Devices	9,557,133	1,625,171		11,182,304	(1,138,312)	(309,599)		(1,447,910)	9,734,393
47	1840	Underground Conduit	1,288,278	186,912		1,475,189	(164,824)	(29,052)		(193,876)	1,281,313
47	1845	Underground Conductors & Devices	12,390,849	1,219,798		13,610,646	(1,548,787)	(428,559)		(1,977,345)	11,633,301
47	1850	Line Transformers	17,548,304	1,217,184		18,765,488	(1,717,801)	(454,069)		(2,171,870)	16,593,619
47	1855	Services (Overhead & Underground)	628,152	168,461		796,613	(38,996)	(30,390)		(69,387)	727,226
47	1860	Meters	3,995,228	638,313		4,633,541	(889,134)	(232,536)		(1,121,670)	3,511,871
47	1860	Meters (Smart Meters)	-			-	-			-	-
N/A	1905	Land	1,571,819	(980,479)		591,341	-	-		-	591,341
47	1908	Buildings & Fixtures	2,875,592	100,493		2,976,085	(427,532)	(91,062)		(518,593)	2,457,492
13	1910	Leasehold Improvements	-	-		-	-	-		-	-
8	1915	Office Furniture & Equipment (10 years)	223,147	472		223,619	(180,387)	(24,355)		(204,742)	18,877
8	1915	Office Furniture & Equipment (5 years)	-			-	-			-	-
10	1920	Computer Equipment - Hardware	373,017	79,105		452,122	(267,156)	(55,828)		(322,984)	129,137
45	1920	Computer Equip.-Hardware(Post Mar. 22/04)	-			-	-			-	-
50	1920	Computer Equip.-Hardware(Post Mar. 19/07)	-			-	-			-	-
10	1930	Transportation Equipment	2,281,911	92,120		2,374,031	(852,793)	(219,461)		(1,072,254)	1,301,777
8	1935	Stores Equipment	-	-		-	-	-		-	-
8	1940	Tools, Shop & Garage Equipment	576,437	36,069		612,506	(245,641)	(58,439)		(304,080)	308,426
8	1945	Measurement & Testing Equipment	-	-		-	-	-		-	-
8	1950	Power Operated Equipment	-	-		-	-	-		-	-
8	1955	Communications Equipment	19,725	26,724		46,449	(9,340)	(2,511)		(11,851)	34,598
8	1955	Communication Equipment (Smart Meters)	-			-	-			-	-
8	1960	Miscellaneous Equipment	-	-		-	-	-		-	-
47	1970	Load Management Controls Customer Premises	-	-		-	-	-		-	-
47	1975	Load Management Controls Utility Premises	-	-		-	-	-		-	-
47	1980	System Supervisor Equipment	621,790	-		621,790	(228,771)	(46,192)		(274,963)	346,828
47	1985	Miscellaneous Fixed Assets	-	-		-	-	-		-	-
47	1990	Other Tangible Property	-	-		-	-	-		-	-
47	1995	Contributions & Grants	-	-		-	-	-		-	-
	2005	Property Under Finance Lease[7]	-	-		-	-	-		-	-
47	2440	Deferred Revenue[5]	(4,953,893)	(833,461)		(5,787,353)	831,615	329,196		1,160,811	(4,626,542)
						-	-			-	-
						-				-	-
		Sub-Total	**79,128,892**	**30,118,725**	**-**	**109,247,616**	**(10,701,887)**	**(2,771,980)**	**-**	**(13,473,866)**	**95,773,750**
		Less Socialized Renewable Energy Generation Investments (input as negative)				-				-	-
		Less Other Non Rate-Regulated Utility Assets (input as negative)				-				-	-
	2055	Work in Progress	24,991,668	(20,123,089)		4,868,579				-	4,868,579
		Total PP&E	**104,120,559**	**9,995,636**	**-**	**114,116,195**	**(10,701,887)**	**(2,771,980)**	**-**	**(13,473,866)**	**100,642,329**
		Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable[6]									
		Total						**(2,771,980)**			

			Less: *Fully Allocated Depreciation*	
10		Transportation	Transportation	(219,461)
8		Trans Station Dep Expense recorded in Account 1508		(324,926)
47		Deferred Revenue	Deferred Revenue	329,196
			Net Depreciation	(2,556,788)

Notes:

1 Tables in the format outlined above covering all fixed asset accounts should be submitted for the Test Year, Bridge Year and all relevant historical years. At a minimum , the applicant must provide data for the earlier of: 1) all historical years back to its last rebasing; or 2) at least three years of historical actuals, in addition to Bridge Year and Test Year forecasts.

2 The "CCA Class" for fixed assets should generally agree with the CCA Class used for tax purposes in Tax Returns. Fixed Assets sub-components may be used where the underlying asset components are classified under multiple CCA Classes for tax purposes. If an applicant uses any different classes from those shown in the table, an explanation should be provided. (also see note 3).

3 The table may need to be customized for a utility's asset categories or for any new asset accounts announced or authorized by the OEB.

4 The additions in column (E) must not include construction work in progress (CWIP).

5 Effective on the date of IFRS adoption, customer contributions will no longer be recorded in Account 1995 Contributions & Grants, but will be recorded in Account 2440, Deferred Revenues. Amortization of deferred revenue will be removed from the depreciation expense shown on this fixed asset continuity schedule as it should be included as income in Appendix 2-H Other Revenues.

6 The applicant must ensure that all asset disposals have been clearly identified in the Chapter 2 Appendices for all historic, bridge and test years. Where a distributor for general financial reporting purposes under IFRS has accounted for the amount of gain or loss on the retirement of assets in a pool of like assets as a charge or credit to income, for reporting and rate application filings, the distributor shall reclassify such gains and losses as depreciation expense, and disclose the amount separately.

7 This account includes the amount recorded under finance leases for plant leased from others and used by the utility in its utility operations.

Accounting Standard MIFRS

Year 2020

			Cost				**Accumulated Depreciation**				
CCA Class [2]	**OEB Account [3]**	**Description [3]**	**Opening Balance**	**Additions [4]**	**Disposals [6]**	**Closing Balance**	**Opening Balance**	**Additions**	**Disposals [6]**	**Closing Balance**	**Net Book Value**
	1606	Organization Costs	-	-		-	-	-		-	-
	1609	Capital Contributions Paid	-	-		-	-	-		-	-
12	1611	Computer Software (Formally known as Account 1925)	1,307,621	126,895		1,434,516	(934,876)	(81,834)		(1,016,709)	417,807
CEC	1612	Land Rights (Formally known as Account 1906)	4,738	-		4,738	-	-		-	4,738
N/A	1805	Land	980,479	-		980,479	-	-		-	980,479
47	1808	Buildings	-	-		-	-	-		-	-
13	1810	Leasehold Improvements	-	-		-	-	-		-	-
47	1815	Transformer Station Equipment >50 kV	23,494,533	-		23,494,533	(324,926)	(649,848)		(974,774)	22,519,759
47	1820	Distribution Station Equipment <50 kV	2,791,898	209,259		3,001,157	(605,086)	(141,587)		(746,673)	2,254,484
47	1825	Storage Battery Equipment	-	-		-	-	-		-	-
47	1830	Poles, Towers & Fixtures	28,093,975	1,646,588		29,740,563	(3,078,265)	(644,414)		(3,722,679)	26,017,884
47	1835	Overhead Conductors & Devices	11,182,304	962,359		12,144,662	(1,447,910)	(339,150)		(1,787,060)	10,357,602
47	1840	Underground Conduit	1,475,189	514,441		1,989,630	(193,876)	(31,659)		(225,535)	1,764,095
47	1845	Underground Conductors & Devices	13,610,646	536,831		14,147,477	(1,977,345)	(451,238)		(2,428,584)	11,718,894
47	1850	Line Transformers	18,765,488	629,304		19,394,792	(2,171,870)	(480,078)		(2,651,948)	16,742,844
47	1855	Services (Overhead & Underground)	796,613	508,311		1,304,924	(69,387)	(37,159)		(106,546)	1,198,378
47	1860	Meters	4,633,541	531,196		5,164,737	(1,121,670)	(267,813)		(1,389,483)	3,775,254
47	1860	Meters (Smart Meters)	-			-	-			-	-
N/A	1905	Land	591,341	-		591,341	-	-		-	591,341
47	1908	Buildings & Fixtures	2,976,085	-		2,976,085	(518,593)	(92,484)		(611,077)	2,365,008
13	1910	Leasehold Improvements	-	-		-	-	-		-	-
8	1915	Office Furniture & Equipment (10 years)	223,619	-		223,619	(204,742)	(18,877)		(223,619)	(0)
8	1915	Office Furniture & Equipment (5 years)	-	-		-	-			-	-
10	1920	Computer Equipment - Hardware	452,122	204,395		656,517	(322,984)	(71,884)		(394,868)	261,649
45	1920	Computer Equip.-Hardware(Post Mar. 22/04)	-			-	-			-	-
50	1920	Computer Equip.-Hardware(Post Mar. 19/07)	-			-	-			-	-
10	1930	Transportation Equipment	2,374,031	360,498		2,734,529	(1,072,254)	(268,256)		(1,340,510)	1,394,019
8	1935	Stores Equipment	-	-		-	-	-		-	-
8	1940	Tools, Shop & Garage Equipment	612,506	40,000		652,506	(304,080)	(60,956)		(365,036)	287,470
8	1945	Measurement & Testing Equipment	-	-		-	-	-		-	-
8	1950	Power Operated Equipment	-	-		-	-	-		-	-
8	1955	Communications Equipment	46,449	-		46,449	(11,851)	(3,852)		(15,703)	30,746
8	1955	Communication Equipment (Smart Meters)	-	-		-	-			-	-
8	1960	Miscellaneous Equipment	-	-		-	-	-		-	-
47	1970	Load Management Controls Customer Premises	-	-		-	-	-		-	-
47	1975	Load Management Controls Utility Premises	-	-		-	-	-		-	-
47	1980	System Supervisor Equipment	621,790	-		621,790	(274,963)	(46,296)		(321,259)	300,532
47	1985	Miscellaneous Fixed Assets	-	-		-	-	-		-	-
47	1990	Other Tangible Property	-	-		-	-	-		-	-
47	1995	Contributions & Grants	-	-		-	-	-		-	-
	2005	Property Under Finance Lease[7]	-	-		-	-	-		-	-
47	2440	Deferred Revenue[5]	(5,787,353)	(1,049,738)		(6,837,091)	1,160,811	352,681		1,513,492	(5,323,599)
			-			-	-			-	-
						-				-	-
		Sub-Total	**109,247,616**	**5,220,338**	**-**	**114,467,954**	**(13,473,866)**	**(3,334,704)**	**-**	**(16,808,571)**	**97,659,383**
		Less Socialized Renewable Energy Generation Investments **(input as negative)**				-				-	-
		Less Other Non Rate-Regulated Utility Assets ***(input as negative)***				-				-	-
	2055	Work in Progress	4,868,579	-		4,868,579				-	4,868,579
		Total PP&E	**114,116,195**	**5,220,338**	**-**	**119,336,532**	**(13,473,866)**	**(3,334,704)**	**-**	**(16,808,571)**	**102,527,962**
		Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable[6]									
		Total						**(3,334,704)**			

			Less: *Fully Allocated Depreciation*	
10		Transportation	Transportation	(268,256)
8		Trans Station Dep Expense recorded in Account 1508		(649,848)
47		Deferred Revenue	Deferred Revenue	352,681
			Net Depreciation	(2,769,281)

Notes:

1 Tables in the format outlined above covering all fixed asset accounts should be submitted for the Test Year, Bridge Year and all relevant historical years. At a minimum , the applicant must provide data for the earlier of: 1) all historical years back to its last rebasing; or 2) at least three years of historical actuals, in addition to Bridge Year and Test Year forecasts.

2 The "CCA Class" for fixed assets should generally agree with the CCA Class used for tax purposes in Tax Returns. Fixed Assets sub-components may be used where the underlying asset components are classified under multiple CCA Classes for tax purposes. If an applicant uses any different classes from those shown in the table, an explanation should be provided. (also see note 3).

3 The table may need to be customized for a utility's asset categories or for any new asset accounts announced or authorized by the OEB.

4 The additions in column (E) must not include construction work in progress (CWIP).

5 Effective on the date of IFRS adoption, customer contributions will no longer be recorded in Account 1995 Contributions & Grants, but will be recorded in Account 2440, Deferred Revenues. Amortization of deferred revenue will be removed from the depreciation expense shown on this fixed asset continuity schedule as it should be included as income in Appendix 2-H Other Revenues.

6 The applicant must ensure that all asset disposals have been clearly identified in the Chapter 2 Appendices for all historic, bridge and test years. Where a distributor for general financial reporting purposes under IFRS has accounted for the amount of gain or loss on the retirement of assets in a pool of like assets as a charge or credit to income, for reporting and rate application filings, the distributor shall reclassify such gains and losses as depreciation expense, and disclose the amount separately.

7 This account includes the amount recorded under finance leases for plant leased from others and used by the utility in its utility operations.

Accounting Standard MIFRS
Year **2021**

			Cost				**Accumulated Depreciation**				
CCA Class [2]	**OEB Account [3]**	**Description [3]**	**Opening Balance**	**Additions [4]**	**Disposals [6]**	**Closing Balance**	**Opening Balance**	**Additions**	**Disposals [6]**	**Closing Balance**	**Net Book Value**
	1606	Organization Costs	-	-		-	-	-		-	-
	1609	Capital Contributions Paid	-	-		-	-	-		-	-
12	1611	Computer Software (Formally known as Account 1925)	1,434,516	32,000		1,466,516	(1,016,709)	(97,723)		(1,114,432)	352,084
CEC	1612	Land Rights (Formally known as Account 1906)	4,738	-		4,738	-	-		-	4,738
N/A	1805	Land	980,479	-		980,479	-	-		-	980,479
47	1808	Buildings	-	-		-	-	-		-	-
13	1810	Leasehold Improvements	-	-		-	-	-		-	-
47	1815	Transformer Station Equipment >50 kV	23,494,533	-		23,494,533	(974,774)	(649,848)		(1,624,622)	21,869,911
47	1820	Distribution Station Equipment <50 kV	3,001,157	643,026		3,644,183	(746,673)	(155,202)		(901,875)	2,742,307
47	1825	Storage Battery Equipment	-	-		-	-	-		-	-
47	1830	Poles, Towers & Fixtures	29,740,563	1,751,439		31,492,002	(3,722,679)	(678,394)		(4,401,073)	27,090,929
47	1835	Overhead Conductors & Devices	12,144,662	797,172		12,941,834	(1,787,060)	(358,793)		(2,145,854)	10,795,981
47	1840	Underground Conduit	1,989,630	417,830		2,407,460	(225,535)	(36,513)		(262,048)	2,145,412
47	1845	Underground Conductors & Devices	14,147,477	725,100		14,872,577	(2,428,584)	(467,013)		(2,895,596)	11,976,981
47	1850	Line Transformers	19,394,792	895,781		20,290,574	(2,651,948)	(503,150)		(3,155,098)	17,135,476
47	1855	Services (Overhead & Underground)	1,304,924	216,646		1,521,571	(106,546)	(44,409)		(150,955)	1,370,616
47	1860	Meters	5,164,737	326,946		5,491,683	(1,389,483)	(290,356)		(1,679,839)	3,811,844
47	1860	Meters (Smart Meters)	-			-	-			-	-
N/A	1905	Land	591,341	-		591,341	-	-		-	591,341
47	1908	Buildings & Fixtures	2,976,085	60,000		3,036,085	(611,077)	(93,198)		(704,276)	2,331,810
13	1910	Leasehold Improvements	-	-		-	-	-		-	-
8	1915	Office Furniture & Equipment (10 years)	223,619	10,000		233,619	(223,619)	(1,000)		(224,619)	9,000
8	1915	Office Furniture & Equipment (5 years)	-			-	-			-	-
10	1920	Computer Equipment - Hardware	656,517	151,000		807,517	(394,868)	(107,423)		(502,291)	305,226
45	1920	Computer Equip.-Hardware(Post Mar. 22/04)	-			-	-			-	-
50	1920	Computer Equip.-Hardware(Post Mar. 19/07)	-			-	-			-	-
10	1930	Transportation Equipment	2,734,529	495,000		3,229,529	(1,340,510)	(304,840)		(1,645,350)	1,584,179
8	1935	Stores Equipment	-	-		-	-	-		-	-
8	1940	Tools, Shop & Garage Equipment	652,506	30,000		682,506	(365,036)	(64,456)		(429,492)	253,014
8	1945	Measurement & Testing Equipment	-	-		-	-	-		-	-
8	1950	Power Operated Equipment	-	-		-	-	-		-	-
8	1955	Communications Equipment	46,449	50,058		96,507	(15,703)	(6,355)		(22,058)	74,449
8	1955	Communication Equipment (Smart Meters)	-			-	-			-	-
8	1960	Miscellaneous Equipment	-	-		-	-	-		-	-
47	1970	Load Management Controls Customer Premises	-	-		-	-	-		-	-
47	1975	Load Management Controls Utility Premises	-	-		-	-	-		-	-
47	1980	System Supervisor Equipment	621,790	-		621,790	(321,259)	(46,296)		(367,555)	254,236
47	1985	Miscellaneous Fixed Assets	-	-		-	-	-		-	-
47	1990	Other Tangible Property	-	-		-	-	-		-	-
47	1995	Contributions & Grants	-	-		-	-	-		-	-
	2005	Property Under Finance Lease[7]	-	-		-	-	-		-	-
47	2440	Deferred Revenue[5]	(6,837,091)	(1,165,529)		(8,002,621)	1,513,492	380,273		1,893,765	(6,108,855)
						-	-			-	-
						-				-	-
		Sub-Total	**114,467,954**	**5,436,468**	**-**	**119,904,422**	**(16,808,571)**	**(3,524,696)**	**-**	**(20,333,267)**	**99,571,155**
		Less Socialized Renewable Energy Generation Investments (input as negative)				-				-	-
		Less Other Non Rate-Regulated Utility Assets (input as negative)				-				-	-
	2055	Work in Progress	4,868,579			4,868,579				-	4,868,579
		Total PP&E	**119,336,532**	**5,436,468**	**-**	**124,773,001**	**(16,808,571)**	**(3,524,696)**	**-**	**(20,333,267)**	**104,439,734**
		Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable[6]									
		Total						**(3,524,696)**			
							Less: *Fully Allocated Depreciation*				
10		Transportation					Transportation		(304,840)		
8		Stores Equipment					Stores Equipment				
47		Deferred Revenue					Deferred Revenue		380,273		
							Net Depreciation		(3,600,129)		

Notes:

1 Tables in the format outlined above covering all fixed asset accounts should be submitted for the Test Year, Bridge Year and all relevant historical years. At a minimum , the applicant must provide data for the earlier of: 1) all historical years back to its last rebasing; or 2) at least three years of historical actuals, in addition to Bridge Year and Test Year forecasts.

2 The "CCA Class" for fixed assets should generally agree with the CCA Class used for tax purposes in Tax Returns. Fixed Assets sub-components may be used where the underlying asset components are classified under multiple CCA Classes for tax purposes. If an applicant uses any different classes from those shown in the table, an explanation should be provided. (also see note 3).

3 The table may need to be customized for a utility's asset categories or for any new asset accounts announced or authorized by the OEB.

4 The additions in column (E) must not include construction work in progress (CWIP).

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6 The applicant must ensure that all asset disposals have been clearly identified in the Chapter 2 Appendices for all historic, bridge and test years. Where a distributor for general financial reporting purposes under IFRS has accounted for the amount of gain or loss on the retirement of assets in a pool of like assets as a charge or credit to income, for reporting and rate application filings, the distributor shall reclassify such gains and losses as depreciation expense, and disclose the amount separately.

7 This account includes the amount recorded under finance leases for plant leased from others and used by the utility in its utility operations.

APPENDIX D
Bill Impacts

RATE CLASSES / CATEGORIES ***(eg: Residential TOU, Residential Retailer)***	**Units**	**Sub-Total**						**Total**	
		A		**B**		**C**		**Total Bill**	
		$	**%**	**$**	**%**	**$**	**%**	**$**	**%**
RESIDENTIAL SERVICE CLASSIFICATION - RPP	kwh	$ 7.96	25.2%	$ 7.65	19.3%	$ 7.44	14.9%	$ 6.00	5.0%
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION - RPP	kwh	$ 15.54	26.5%	$ 14.51	18.5%	$ 14.02	13.5%	$ 11.25	3.8%
GENERAL SERVICE 50 TO 999 KW SERVICE CLASSIFICATION - Non-RPP (Other)	kw	$ 633.80	26.2%	$ (829.90)	-28.2%	$ (826.95)	-15.0%	$ (1,801.96)	-3.5%
GENERAL SERVICE 1,000 TO 4,999 KW SERVICE CLASSIFICATION - Non-RPP (Other)	kw	$ 3,210.82	30.2%	$ (3,773.93)	-28.5%	$ (3,759.18)	-14.4%	$ (8,473.17)	-3.4%
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION - RPP	kwh	$ 11.21	90.3%	$ 10.98	66.2%	$ 10.88	49.1%	$ 8.80	13.5%
SENTINEL LIGHTING SERVICE CLASSIFICATION - RPP	kw	$ 6.27	11.5%	$ 5.23	8.7%	$ 5.24	8.2%	$ 4.21	3.5%
STREET LIGHTING SERVICE CLASSIFICATION - Non-RPP (Other)	kw	$ (211.62)	-1.8%	$ (592.74)	-4.9%	$ (591.59)	-4.5%	$ (916.82)	-3.3%
RESIDENTIAL SERVICE CLASSIFICATION - RPP	kwh	$ 7.78	24.6%	$ 7.66	21.8%	$ 7.57	19.2%	$ 6.13	9.4%
RESIDENTIAL SERVICE CLASSIFICATION - RPP	kwh	$ 8.06	25.5%	$ 7.64	18.2%	$ 7.37	13.2%	$ 5.92	3.9%
RESIDENTIAL SERVICE CLASSIFICATION - RPP	kwh	$ 9.66	30.5%	$ 7.58	9.4%	$ 6.22	4.1%	$ 4.73	0.7%
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION - RPP	kwh	$ 7.46	15.3%	$ 6.84	11.2%	$ 6.55	8.6%	$ 5.24	2.8%
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION - RPP	kwh	$ 45.84	48.0%	$ 43.26	30.1%	$ 42.03	20.3%	$ 33.81	4.8%
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION - RPP	kwh	$ 146.84	67.2%	$ 178.34	69.9%	$ 174.65	39.2%	$ 108.99	5.3%
GENERAL SERVICE 50 TO 999 KW SERVICE CLASSIFICATION - Non-RPP (Other)	kw	$ 94.49	24.7%	$ 29.54	6.6%	$ 29.90	4.0%	$ (13.68)	-0.5%
GENERAL SERVICE 50 TO 999 KW SERVICE CLASSIFICATION - Non-RPP (Other)	kw	$ 940.23	26.3%	$ (1,296.65)	-29.7%	$ (1,292.23)	-15.7%	$ (2,780.62)	-3.6%
GENERAL SERVICE 1,000 TO 4,999 KW SERVICE CLASSIFICATION - Non-RPP (Other)	kw	$ 2,579.97	30.2%	$ (1,411.83)	-13.3%	$ (1,400.03)	-6.7%	$ (4,222.84)	-2.6%
GENERAL SERVICE 1,000 TO 4,999 KW SERVICE CLASSIFICATION - Non-RPP (Other)	kw	$ 5,103.37	30.2%	$ (8,580.23)	-40.7%	$ (8,556.63)	-20.6%	$(17,591.42)	-3.9%
GENERAL SERVICE 50 TO 999 KW SERVICE CLASSIFICATION - RPP	kw	$ 217.06	25.7%	$ 347.86	34.4%	$ 348.81	19.0%	$ 184.01	1.4%

APPENDIX E
Revenue Requirement Work Form

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2021 Filers

Version 1.00

Utility Name	Halton Hills Hydro Inc.
Service Territory	
Assigned EB Number	EB-2020-0026
Name and Title	David J. Smelsky, Chief Financial Officer
Phone Number	519-853-3700 x208
Email Address	dsmelsky@haltonhillshydro.com
Test Year	2021
Bridge Year	2020
Last Rebasing Year	2016

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

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

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

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2021 Filers

Notes:

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

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2021 Filers

Data Input [1]

		Initial Application	[2]	Adjustments	Interrogatory Responses	[6]	Adjustments	Per Board Decision	
1	**Rate Base**								
	Gross Fixed Assets (average)	$117,939,104			$ 117,939,104		($752,916)	$117,186,188	
	Accumulated Depreciation (average)	($18,582,131)	[5]		($18,582,131)		$11,212	($18,570,919)	
	Allowance for Working Capital:								
	Controllable Expenses	$7,432,968			$ 7,432,968		($580,000)	$6,852,968	
	Cost of Power	$57,796,943		$977,842	$ 58,774,785		($1,345,365)	$57,429,420	
	Working Capital Rate (%)	7.50%	[9]	$0	7.50%	[9]	$0	7.50%	[9]
2	**Utility Income**								
	Operating Revenues:								
	Distribution Revenue at Current Rates	$10,330,095		$30,698	$10,360,793		$274,149	$10,634,942	
	Distribution Revenue at Proposed Rates	$15,752,482		($65,963)	$15,686,519		($820,465)	$14,866,055	
	Other Revenue:								
	Specific Service Charges	$266,651		$0	$266,651		$0	$266,651	
	Late Payment Charges	$145,000		$0	$145,000		$0	$145,000	
	Other Distribution Revenue	$715,865		$0	$715,865		$58,033	$773,898	
	Other Income and Deductions	$165,866		($70,000)	$95,866		$79,773	$175,639	
	Total Revenue Offsets	$1,293,382	[7]	($70,000)	$1,223,382		$137,807	$1,361,188	
	Operating Expenses:								
	OM+A Expenses	$7,580,262			$ 7,580,262		($580,000)	$7,000,262	
	Depreciation/Amortization	$3,611,342			$ 3,611,342		($11,212)	$3,600,129	
	Property taxes	$157,546			$ 157,546		$ -	$157,546	
	Other expenses								
3	**Taxes/PILs**								
	Taxable Income:								
	Adjustments required to arrive at taxable income	($6,080,230)	[3]	$0	($6,080,230)		$28,255	($6,051,974)	
	Utility Income Taxes and Rates:								
	Income taxes (not grossed up)	$ -		$0	$ -				
	Income taxes (grossed up)	$ -			$ -				
	Federal tax (%)	11.50%		$0	11.50%		$0	11.50%	
	Provincial tax (%)	15.00%		$0	15.00%		$0	15.00%	
	Income Tax Credits								
4	**Capitalization/Cost of Capital**								
	Capital Structure:								
	Long-term debt Capitalization Ratio (%)	56.0%		$0	56.0%		$0	56.0%	
	Short-term debt Capitalization Ratio (%)	4.0%	[8]	$0	4.0%	[8]	$0	4.0%	[8]
	Common Equity Capitalization Ratio (%)	40.0%		$0	40.0%		$0	40.0%	
	Prefered Shares Capitalization Ratio (%)								
		100.0%			100.0%			100.0%	
	Cost of Capital								
	Long-term debt Cost Rate (%)	3.48%		($0)	3.44%		($0)	3.36%	
	Short-term debt Cost Rate (%)	2.75%		($0)	1.75%		$0	1.75%	
	Common Equity Cost Rate (%)	8.52%		($0)	8.34%		$0	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 (%)

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

[3] Net of addbacks and deductions to arrive at taxable income.

[4] Average of Gross Fixed Assets at beginning and end of the Test Year

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

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

[7] Input total revenue offsets for deriving the base revenue requirement from the service revenue requirement

[8] 4.0% unless an Applicant has proposed or been approved for another amount.

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

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2021 Filers

Rate Base and Working Capital

Rate Base

Line No.	Particulars		Initial Application	Adjustments	Interrogatory Responses	Adjustments	Per Board Decision
1	Gross Fixed Assets (average)	(2)	$117,939,104	$ -	$117,939,104	($752,916)	$117,186,188
2	Accumulated Depreciation (average)	(2)	($18,582,131)	$ -	($18,582,131)	$11,212	($18,570,919)
3	Net Fixed Assets (average)	(2)	$99,356,973	$ -	$99,356,973	($741,704)	$98,615,268
4	Allowance for Working Capital	(1)	$4,892,243	$73,338	$4,965,581	($144,402)	$4,821,179
5	**Total Rate Base**		$104,249,216	$73,338	$104,322,554	($886,107)	$103,436,448

(1) Allowance for Working Capital - Derivation

6	Controllable Expenses		$7,432,968	$ -	$7,432,968	($580,000)	$6,852,968
7	Cost of Power		$57,796,943	$977,842	$58,774,785	($1,345,365)	$57,429,420
8	Working Capital Base		$65,229,911	$977,842	$66,207,753	($1,925,365)	$64,282,388
9	Working Capital Rate %	(1)	7.50%	0.00%	7.50%	0.00%	7.50%
10	Working Capital Allowance		$4,892,243	$73,338	$4,965,581	($144,402)	$4,821,179

Notes

(1) 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.

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

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2021 Filers

Utility Income

Line No.	Particulars		Initial Application	Adjustments	Interrogatory Responses	Adjustments	Per Board Decision
	Operating Revenues:						
1	Distribution Revenue (at Proposed Rates)		$15,752,482	($65,963)	$15,686,519	($820,465)	$14,866,055
2	Other Revenue	(1)	$1,293,382	($70,000)	$1,223,382	$137,807	$1,361,188
3	Total Operating Revenues		$17,045,864	($135,963)	$16,909,901	($682,658)	$16,227,243
	Operating Expenses:						
4	OM+A Expenses		$7,580,262	$ -	$7,580,262	($580,000)	$7,000,262
5	Depreciation/Amortization		$3,611,342	$ -	$3,611,342	($11,212)	$3,600,129
6	Property taxes		$157,546	$ -	$157,546	$ -	$157,546
7	Capital taxes		$ -	$ -	$ -	$ -	$ -
8	Other expense		$ -	$ -		$ -	
9	Subtotal (lines 4 to 8)		$11,349,150	$ -	$11,349,150	($591,212)	$10,757,938
10	Deemed Interest Expense		$2,143,902	($63,350)	$2,080,552	($61,886)	$2,018,666
11	Total Expenses (lines 9 to 10)		$13,493,052	($63,350)	$13,429,701	($653,098)	$12,776,603
12	**Utility income before income taxes**		$3,552,813	($72,613)	$3,480,200	($29,560)	$3,450,640
13	Income taxes (grossed-up)		$ -	$ -	$ -	$ -	$ -
14	**Utility net income**		$3,552,813	($72,613)	$3,480,200	($29,560)	$3,450,640

Notes

Other Revenues / Revenue Offsets

Notes						
(1)	Specific Service Charges	$266,651	$ -	$266,651	$0	$266,651
	Late Payment Charges	$145,000	$ -	$145,000	$ -	$145,000
	Other Distribution Revenue	$715,865	$ -	$715,865	$58,033	$773,898
	Other Income and Deductions	$165,866	($70,000)	$95,866	$79,773	$175,639
	Total Revenue Offsets	$1,293,382	($70,000)	$1,223,382	$137,807	$1,361,188

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2021 Filers

Taxes/PILs

Line No.	Particulars	Application	Interrogatory Responses	Per Board Decision
	Determination of Taxable Income			
1	Utility net income before taxes	$3,552,813	$3,480,200	$3,450,640
2	Adjustments required to arrive at taxable utility income	($6,080,230)	($6,080,230)	($6,051,974)
3	Taxable income	($2,527,416)	($2,600,029)	($2,601,334)
	Calculation of Utility income Taxes			
4	Income taxes	$ -	$ -	$ -
6	Total taxes	$ -	$ -	$ -
7	Gross-up of Income Taxes	$ -	$ -	$ -
8	Grossed-up Income Taxes	$ -	$ -	$ -
9	PILs / tax Allowance (Grossed-up Income taxes + Capital taxes)	$ -	$ -	$ -
10	Other tax Credits	$ -	$ -	$ -
	Tax Rates			
11	Federal tax (%)	11.50%	11.50%	11.50%
12	Provincial tax (%)	15.00%	15.00%	15.00%
13	Total tax rate (%)	26.50%	26.50%	26.50%

Notes

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2021 Filers

Capitalization/Cost of Capital

Line No.	Particulars	Capitalization Ratio		Cost Rate	Return
		Initial Application			
		(%)	($)	(%)	($)
	Debt				
1	Long-term Debt	56.00%	$58,379,561	3.48%	$2,029,228
2	Short-term Debt	4.00%	$4,169,969	2.75%	$114,674
3	**Total Debt**	60.00%	$62,549,530	3.43%	$2,143,902
	Equity				
4	Common Equity	40.00%	$41,699,686	8.52%	$3,552,813
5	Preferred Shares	0.00%	$ -	0.00%	$ -
6	**Total Equity**	40.00%	$41,699,686	8.52%	$3,552,813
7	**Total**	100.00%	$104,249,216	5.46%	$5,696,715
		Interrogatory Responses			
		(%)	($)	(%)	($)
	Debt				
1	Long-term Debt	56.00%	$58,420,630	3.44%	$2,007,526
2	Short-term Debt	4.00%	$4,172,902	1.75%	$73,026
3	**Total Debt**	60.00%	$62,593,532	3.32%	$2,080,552
	Equity				
4	Common Equity	40.00%	$41,729,022	8.34%	$3,480,200
5	Preferred Shares	0.00%	$ -	0.00%	$ -
6	**Total Equity**	40.00%	$41,729,022	8.34%	$3,480,200
7	**Total**	100.00%	$104,322,554	5.33%	$5,560,752
		Per Board Decision			
		(%)	($)	(%)	($)
	Debt				
8	Long-term Debt	56.00%	$57,924,411	3.36%	$1,946,260
9	Short-term Debt	4.00%	$4,137,458	1.75%	$72,406
10	**Total Debt**	60.00%	$62,061,869	3.25%	$2,018,666
	Equity				
11	Common Equity	40.00%	$41,374,579	8.34%	$3,450,640
12	Preferred Shares	0.00%	$ -	0.00%	$ -
13	**Total Equity**	40.00%	$41,374,579	8.34%	$3,450,640
14	**Total**	100.00%	$103,436,448	5.29%	$5,469,306

Notes

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2021 Filers

Revenue Deficiency/Sufficiency

Line No.	Particulars	Initial Application At Current Approved Rates	Initial Application At Proposed Rates	Interrogatory Responses At Current Approved Rates	Interrogatory Responses At Proposed Rates	Per Board Decision At Current Approved Rates	Per Board Decision At Proposed Rates
1	Revenue Deficiency from Below		$7,377,398		$7,245,887		$5,756,615
2	Distribution Revenue	$10,330,095	$8,375,084	$10,360,793	$8,440,633	$10,634,942	$9,109,439
3	Other Operating Revenue Offsets - net	$1,293,382	$1,293,382	$1,223,382	$1,223,382	$1,361,188	$1,361,188
4	**Total Revenue**	$11,623,477	$17,045,864	$11,584,175	$16,909,901	$11,996,131	$16,227,243
5	Operating Expenses	$11,349,150	$11,349,150	$11,349,150	$11,349,150	$10,757,938	$10,757,938
6	Deemed Interest Expense	$2,143,902	$2,143,902	$2,080,552	$2,080,552	$2,018,666	$2,018,666
8	**Total Cost and Expenses**	$13,493,052	$13,493,052	$13,429,701	$13,429,701	$12,776,603	$12,776,603
9	**Utility Income Before Income Taxes**	($1,869,574)	$3,552,813	($1,845,526)	$3,480,200	($780,472)	$3,450,640
10	Tax Adjustments to Accounting Income per 2013 PILs model	($6,080,230)	($6,080,230)	($6,080,230)	($6,080,230)	($6,051,974)	($6,051,974)
11	**Taxable Income**	($7,949,804)	($2,527,417)	($7,925,756)	($2,600,030)	($6,832,447)	($2,601,334)
12	Income Tax Rate	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%
13	**Income Tax on Taxable Income**	$ -	$ -	$ -	$ -	$ -	$ -
14	**Income Tax Credits**	$ -	$ -	$ -	$ -	$ -	$ -
15	**Utility Net Income**	($1,869,574)	$3,552,813	($1,845,526)	$3,480,200	($780,472)	$3,450,640
16	**Utility Rate Base**	$104,249,216	$104,249,216	$104,322,554	$104,322,554	$103,436,448	$103,436,448
17	Deemed Equity Portion of Rate Base	$41,699,686	$41,699,686	$41,729,022	$41,729,022	$41,374,579	$41,374,579
18	Income/(Equity Portion of Rate Base)	-4.48%	8.52%	-4.42%	8.34%	-1.89%	8.34%
19	Target Return - Equity on Rate Base	8.52%	8.52%	8.34%	8.34%	8.34%	8.34%
20	Deficiency/Sufficiency in Return on Equity	-13.00%	0.00%	-12.76%	0.00%	-10.23%	0.00%
21	Indicated Rate of Return	0.26%	5.46%	0.23%	5.33%	1.20%	5.29%
22	Requested Rate of Return on Rate Base	5.46%	5.46%	5.33%	5.33%	5.29%	5.29%
23	Deficiency/Sufficiency in Rate of Return	-5.20%	0.00%	-5.11%	0.00%	-4.09%	0.00%
24	Target Return on Equity	$3,552,813	$3,552,813	$3,480,200	$3,480,200	$3,450,640	$3,450,640
25	Revenue Deficiency/(Sufficiency)	$5,422,388	($1)	$5,325,727	($1)	$4,231,112	$ -
26	**Gross Revenue Deficiency/(Sufficiency)**	$7,377,398 (1)		$7,245,887 (1)		$5,756,615 (1)	

Notes:

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

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2021 Filers

Revenue Requirement

Line No.	Particulars	Application	Interrogatory Responses	Per Board Decision
1	OM&A Expenses	$7,580,262	$7,580,262	$7,000,262
2	Amortization/Depreciation	$3,611,342	$3,611,342	$3,600,129
3	Property Taxes	$157,546	$157,546	$157,546
5	Income Taxes (Grossed up)	$ -	$ -	$ -
6	Other Expenses	$ -		
7	Return			
	Deemed Interest Expense	$2,143,902	$2,080,552	$2,018,666
	Return on Deemed Equity	$3,552,813	$3,480,200	$3,450,640
8	**Service Revenue Requirement (before Revenues)**	$17,045,865	$16,909,902	$16,227,243
9	Revenue Offsets	$1,293,382	$1,223,382	$1,361,188
10	**Base Revenue Requirement (excluding Tranformer Owership Allowance credit adjustment)**	$15,752,483	$15,686,520	$14,866,055
11	Distribution revenue	$15,752,482	$15,686,519	$14,866,055
12	Other revenue	$1,293,382	$1,223,382	$1,361,188
13	**Total revenue**	$17,045,864	$16,909,901	$16,227,243
14	**Difference (Total Revenue Less Distribution Revenue Requirement before Revenues)**	($1) (1)	($1) (1)	$ - (1)

Summary Table of Revenue Requirement and Revenue Deficiency/Sufficiency

	Application	Interrogatory Responses	Δ% (2)	Per Board Decision	Δ% (2)
Service Revenue Requirement	$17,045,865	$16,909,902	($0)	$16,227,243	($1)
Grossed-Up Revenue Deficiency/(Sufficiency)	$7,377,398	$7,245,887	($0)	$5,756,615	($1)
Base Revenue Requirement (to be recovered from Distribution Rates)	$15,752,483	$15,686,520	($0)	$14,866,055	($1)
Revenue Deficiency/(Sufficiency) Associated with Base Revenue Requirement	$5,422,387	$5,325,726	($0)	$4,231,112	($1)

Notes

(1) Line 11 - Line 8

(2) Percentage Change Relative to Initial Application

Ontario Energy Board

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.

Stage in Process: Per Board Decision

	Customer Class	**Initial Application**			**Interrogatory Responses**			**Per Board Decision**		
	Input the name of each customer class.	**Customer / Connections** Test Year average or mid-year	**kWh** Annual	**kW/kVA** (1) Annual	**Customer / Connections** Test Year average or mid-year	**kWh** Annual	**kW/kVA** (1) Annual	**Customer / Connections** Test Year average or mid-	**kWh** Annual	**kW/kVA** (1) Annual
1	Residential	20,758	207,178,634		20,758	207,178,634		20,758	198,793,434	
2	GS < 50 kW	1,863	46,722,885		1,863	46,722,885		1,863	50,332,121	
3	GS >50 to 999 kW	219	132,955,988	371,084	219	132,955,988	371,084	219	147,533,138	411,666
4	GS >1000 to 4999 kW	9	70,322,012	168,373	9	70,322,012	168,373	9	80,039,090	193,029
5	Sentinels	175	251,879	680	175	251,879	680	175	251,879	680
6	Street Lighting	4,833	979,604	3,105	4,833	979,604	3,105	4,833	979,604	3,105
7	Unmetered and Scattered	183	962,029		183	962,029		183	962,029	
8										
9										
10										
11										
12										
13										
14										
15										
16										
17										
18										
19										
20										
	Total		**459,373,031**	**543,241**		**459,373,031**	**543,241**		**478,891,295**	**608,479**

Notes:

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

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2021 Filers

Cost Allocation and Rate Design

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

Stage in Application Process: ***Per Board Decision***

A) Allocated Costs

	Name of Customer Class [3] From Sheet 10. Load Forecast	Costs Allocated from Previous Study [1]	%	Allocated Class Revenue Requirement [1] (7A)	%
1	Residential	$ 7,154,916	65.56%	$ 9,719,903	59.90%
2	GS < 50 kW	$ 1,161,172	10.64%	$ 1,658,087	10.22%
3	GS >50 to 999 kW	$ 1,646,916	15.09%	$ 3,390,250	20.89%
4	GS >1000 to 4999 kW	$ 750,536	6.88%	$ 1,179,972	7.27%
5	Sentinels	$ 47,084	0.43%	$ 51,694	0.32%
6	Street Lighting	$ 131,959	1.21%	$ 156,116	0.96%
7	Unmetered and Scattered	$ 20,552	0.19%	$ 71,220	0.44%
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
	Total	$ 10,913,135	100.00%	**$ 16,227,243**	100.00%
			Service Revenue Requirement (from Sheet 9)	**$ 16,227,243.18**	

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

(2) Host Distributors - Provide information on any embedded distributor(s) as a separate class, if applicable. If embedded distributors are billed in a General Service class, include the allocated costs and revenues of the embedded distributor(s) in the applicable class, and also complete Appendix 2-Q.

(3) Customer Classes - If these differ from those in place in the previous cost allocation study, modify the customer classes to match the proposal in the current application as closely as possible.

B) Calculated Class Revenues

	Name of Customer Class	Load Forecast (LF) X current approved rates (7B)	LF X current approved rates X (1+d) (7C)	LF X Proposed Rates (7D)	Miscellaneous Revenues (7E)
1	Residential	$ 6,810,124	$ 9,519,531	$ 9,519,531	$ 884,268
2	GS < 50 kW	$ 1,190,428	$ 1,664,040	$ 1,664,040	$ 130,282
3	GS >50 to 999 kW	$ 1,816,059	$ 2,538,578	$ 2,552,785	$ 208,058
4	GS >1000 to 4999 kW	$ 605,959	$ 847,040	$ 880,629	$ 80,279
5	Sentinels	$ 45,848	$ 64,088	$ 57,069	$ 4,964
6	Street Lighting	$ 143,020	$ 199,921	$ 140,696	$ 46,643
7	Unmetered and Scattered	$ 23,504	$ 32,856	$ 51,304	$ 6,694
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
	Total	$ 10,634,942	$ 14,866,054	$ 14,866,055	$ 1,361,189

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

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

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

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

C) *Rebalancing Revenue-to-Cost Ratios*

	Name of Customer Class	Previously Approved Ratios Most Recent Year: 2016 %	Status Quo Ratios (7C + 7E) / (7A) %	Proposed Ratios (7D + 7E) / (7A) %	Policy Range %
1	Residential	95.09%	107.04%	107.04%	85 - 115
2	GS < 50 kW	120.00%	108.22%	108.22%	80 - 120
3	GS >50 to 999 kW	96.60%	81.02%	81.43%	80 - 120
4	GS >1000 to 4999 kW	120.00%	78.59%	81.43%	80 - 120
5	Sentinels	95.09%	133.58%	120.00%	80 - 120
6	Street Lighting	120.00%	157.94%	120.00%	80 - 120
7	Unmetered and Scattered	95.09%	55.53%	81.43%	80 - 120
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					

(8) Previously Approved Revenue-to-Cost (R/C) Ratios - For most applicants, the most recent year would be the third year (at the latest) of the Price Cap IR period. For example, if the applicant, rebased in 2012 with further adjustments to move within the range over two years, the Most Recent Year would be 2015. However, the ratios in 2015 would be equal to those after the adjustment in 2014.

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

(10) Ratios shown in red are outside of the allowed range. Applies to both Tables C and D.

(D) *Proposed Revenue-to-Cost Ratios* [11]

	Name of Customer Class	Proposed Revenue-to-Cost Ratio			Policy Range
		Test Year	Price Cap IR Period		
		2021	2022	2023	
1	Residential	107.04%	107.04%	107.04%	85 - 115
2	GS < 50 kW	108.22%	108.22%	108.22%	80 - 120
3	GS >50 to 999 kW	81.43%	81.43%	81.43%	80 - 120
4	GS >1000 to 4999 kW	81.43%	81.43%	81.43%	80 - 120
5	Sentinels	120.00%	120.00%	120.00%	80 - 120
6	Street Lighting	120.00%	120.00%	120.00%	80 - 120
7	Unmetered and Scattered	81.43%	81.43%	81.43%	80 - 120
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					

(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'.

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2021 Filers

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: *Per Board Decision*

Customer and Load Forecast: From sheet 10. Load Forecast

Class Allocated Revenues: From Sheet 11. Cost Allocation and Sheet 12. Residential Rate Design

Fixed / Variable Splits [2]: Percentage to be entered as a fraction between 0 and 1

	Customer and Load Forecast					Class Allocated Revenues			Fixed / Variable Splits [2]			Distribution Rates					Revenue Reconciliation		
	Customer Class	Volumetric Charge Determinant	Customers / Connections	kWh	kW or kVA	Total Class Revenue Requirement	Monthly Service Charge	Volumetric	Fixed	Variable	Transformer Ownership Allowance [1] ($)	Monthly Service Charge Rate	Monthly Service Charge No. of decimals	Volumetric Rate Rate		Volumetric Rate No. of decimals	MSC Revenues	Volumetric revenues	Revenues less Transformer Ownership Allowance
1	Residential	kWh	20,758	198,793,434	-	$ 9,519,531	$ 9,519,531	$ -	100.00%	0.00%		$38.22	2	$0.0000	/kWh	4	$ 9,520,224.10	$ -	$ 9,520,224.10
2	GS < 50 kW	kWh	1,863	50,332,121	-	$ 1,664,040	$ 656,908	$ 1,007,132	39.48%	60.52%		$29.38		$0.0200	/kWh		$ 656,907.98	$ 1,006,642.4151	$ 1,663,550.39
3	GS >50 to 999 kW	kW	219	147,533,138	411,666	$ 2,552,785	$ 328,816	$ 2,223,969	12.88%	87.12%	$ 64,448	$125.12		$5.5589	/kW		$ 328,815.36	$ 2,288,409.7600	$ 2,552,777.32
4	GS >1000 to 4999 kW	kW	9	80,039,090	193,029	$ 880,629	$ 30,151	$ 850,478	3.42%	96.58%	$ 108,360	$279.18		$4.9673	/kW		$ 30,151.44	$ 958,832.5600	$ 880,624.00
5	Sentinels	kW	175	251,879	680	$ 57,069	$ 25,617	$ 31,452	44.89%	55.11%		$12.20		$46.2706	/kW		$ 25,620.00	$ 31,451.9776	$ 57,071.98
6	Street Lighting	kW	4,833	979,604	3,105	$ 140,696	$ 135,787	$ 4,909	96.51%	3.49%		$2.34		$1.5810	/kW		$ 135,710.64	$ 4,908.5781	$ 140,619.22
7	Unmetered and Scattered	kWh	183	962,029	-	$ 51,304	$ 39,544	$ 11,759	77.08%	22.92%		$18.01		$0.0122	/kWh		$ 39,549.96	$ 11,736.7588	$ 51,286.72
8			-	-	-												$ -	$ -	$ -
9			-	-	-												$ -	$ -	$ -
10			-	-	-												$ -	$ -	$ -
11			-	-	-												$ -	$ -	$ -
12			-	-	-												$ -	$ -	$ -
13			-	-	-												$ -	$ -	$ -
14			-	-	-												$ -	$ -	$ -
15			-	-	-												$ -	$ -	$ -
16			-	-	-												$ -	$ -	$ -
17			-	-	-												$ -	$ -	$ -
18			-	-	-												$ -	$ -	$ -
19			-	-	-												$ -	$ -	$ -
20			-	-	-												$ -	$ -	$ -

Total Transformer Ownership Allowance $ 172,808

Rates recover revenue requirement

Total Distribution Revenues	$14,866,153.73
Base Revenue Requirement	$14,866,054.69
Difference	$ 99.04
% Difference	0.001%

Notes:

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

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

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2021 Filers

Tracking Form

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

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

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

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

Summary of Proposed Changes

			Cost of Capital		Rate Base and Capital Expenditures			Operating Expenses			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	Base Revenue Requirement	Grossed up Revenue Deficiency / Sufficiency
		Original Application	$ 5,696,715	5.46%	$ 104,249,216	$ 65,229,911	$ 4,892,243	$ 3,611,342	$ -	$ 7,580,262	$ 17,045,865	$ 1,293,382	$ 15,752,483	$ 7,377,398
1	1- Staff 1	updated Cost of Capital	$ 5,579,956		$ 104,249,216	$ 65,229,911	$ 4,892,243	$ 3,611,342		$ 7,580,262	$ 16,929,106	$ 1,293,382	$ 15,635,724	$ 7,260,639
		Change	-$ 116,759		$ -	$ -	$ -	$ -		$ -	-$ 116,759	$ -	-$ 116,759	-$ 116,759
2	2-Staff 10	Update Cost of Power	$ 5,583,881		$ 104,322,554	$ 66,207,753	$ 4,965,581	$ 3,611,342		$ 7,580,262	$ 16,933,031	$ 1,293,382	$ 15,639,649	$ 7,264,564
		Change	$ 3,925		$ 73,338	$ 977,842	$ 73,338	$ -		$ -	$ 3,925	$ -	$ 3,925	$ 3,925
3	VECC 21	Update Other Operating Revenue	$ 5,583,881		$ 104,322,554	$ 66,207,753	$ 4,965,581	$ 3,611,342		$ 7,580,262	$ 16,933,031	$ 1,223,382	$ 15,709,649	$ 7,334,564
		Change	$ -		$ -	$ -	$ -	$ -		$ -	$ -	-$ 70,000	$ 70,000	$ 70,000
4	Staff - 70	Update Transformer Allowance	$ 5,560,752		$ 104,322,554	$ 66,207,753	$ 4,965,581	$ 3,611,342		$ 7,580,262	$ 16,909,902	$ 1,223,382		$ 7,280,737
		Change	-$ 23,129		$ -	$ -	$ -	$ -		$ -	-$ 23,129	$ -		-$ 53,827
5		Settlement												
		Change												

APPENDIX F
Updated Load Forecast Model

Changes made to Load Forecast Model outlined below:

- Changed methodology as per 1-VECC IRR-16 and 51;
- Removed COVID-19 load reduction variable
- Reduced Combined Heat and Power customer load reduction

APPENDIX G
Updated Cost Allocation Model

Changes made to Cost Allocation Model outlined below:

- Adjusted OM&A to proposed “envelope” of expenses
- Adjusted Transformer Allowance
- Removed ICM true-up costs
- Rate Base:
  - (i) Removed USofA 1606 from opening rate base
  - (ii) Decreased Net Capital Expenditures for 2020 to $5,220,337
- Working Capital Allowance:
  - (i) Removed Wholesale Market Participant from charges for Cost of Power

- Other Revenue:
  - (i) Added Standard Supply Service Administration and microFIT revenues
  - (ii) Revised pole attachment revenues

APPENDIX H
Draft Accounting Order

DRAFT ACCOUNTING ORDER

Account 1508: Other Regulatory Assets, Sub-Account: Pole Replacement PILs Deferral Account

Halton Hills Hydro Inc. (“**HHHI**”) shall establish a new deferral account sub-account to record amounts related to the PILs consequences of an active audit by the Ministry of Finance (the “**Audit**”).

The new sub-account is being created pursuant to the Settlement Proposal in EB-2020-0026 (dated February 18, 2021, section 4.3). This sub-account will be effective May 1, 2021. As set out in the Settlement Proposal, the Audit being carried out relates to tax deductions taken by HHHI related to the expensing of pole replacement costs, and deductions of related burdens. Should the Audit result in any reassessment being issued by the Ministry of Finance relating to these deductions, HHHI will record in the sub-account, the difference in revenue requirement for the 2021 to 2025 rate-setting term between i) including these deductions in PILS as currently reflected in rates and ii) excluding these deductions from the PILs calculated, and any appropriate offsetting adjustments. This account will also capture any re-assessment interest and penalties associated with the Audit as they related to the 2021 to 2025 rate period.

As noted in the Settlement Proposal, the creation of this new sub-account should not be construed as the Parties agreeing to the appropriateness of the calculation or disposition of any balance which HHHI may bring forward for disposition in the future, what if any offsetting entries may be required, or even if recovery itself is appropriate. All that has been agreed to is the extent to which HHHI shall be permitted to record amounts in this account so that the issue of any potential recovery may be determined in a future proceeding if a reassessment(s) occurs.

The following outlines the proposed accounting entries:

USofA #	Account Description
Dr: 1508	Other Regulatory Assets – Sub-Account “Pole Replacement PILs Deferral Account”
Cr: 6110	Income Taxes

To record the revenue requirement impact of any reassessment issued by the Ministry of Finance related to the Audit.

Dr: 1508	Other Regulatory Assets – Sub-Account “Pole Replacement PILs Deferral Account”
Cr: 6215	Penalties

To record interest and penalties from the reassessment issue by the Ministry of Finance related to the Audit.

Dr: 1508	Other Regulatory Assets – Sub-Account “Pole Replacement PILs Deferral Account”
Cr: 4405	Interest and Dividend Income

To record simple interest, computed monthly, on the opening balance in “Pole Replacement PILs Deferral Account”.