

Hydro One Networks Inc.

7th Floor, South Tower
483 Bay Street
Toronto, Ontario M5G 2P5
www.HydroOne.com

Tel: (416) 345-5680
Cell: (416) 568-5534
frank.dandrea@HydroOne.com



Frank D'Andrea

Vice President, Reliability Standards and Chief Regulatory Officer

BY EMAIL AND RESS

May 10, 2021

Ms. Christine E. Long
Registrar
Ontario Energy Board
Suite 2700, 2300 Yonge Street
P.O. Box 2319
Toronto, ON M4P 1E4

Dear Ms. Long,

EB-2020-0194 - Hydro One Networks Inc. 2017-2022 Transmission Revenue Requirement and Charge Determinants and 2018-2022 Distribution Revenue Requirement and Rates, Remittal of Future Tax Savings Issue – Draft Rate Order – Reply to OEB Staff and SEC's Comments

Pursuant to the Ontario Energy Board's (OEB) Decision and Order in EB-2020-0194 on April 8, 2021, please find enclosed Hydro One Networks Inc.'s reply in regards to the submissions of OEB Staff and Schools Energy Coalition dated April 30, 2021.

This filing has been submitted electronically using the OEB's Regulatory Electronic Submission System.

Sincerely,

A handwritten signature in black ink that reads "Frank D'Andrea". The signature is written in a cursive, flowing style.

Frank D'Andrea

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

AND IN THE MATTER OF 2017-2022 Transmission
Revenue Requirement and Charge Determinants and 2018-
2022 Distribution Revenue Requirement and Rates,
Remittal of Future Tax Savings Issue.

HYDRO ONE NETWORKS INC.

DRAFT RATE ORDER

OEB File No. EB-2020-0194

May 10, 2021

1 **1 INTRODUCTION**

2
3 On April 8, 2021, the Ontario Energy Board (“OEB”) issued its Decision into Proceeding
4 EB-2020-0194 regarding the remittal of Future Tax Savings which were erroneously
5 misallocated in Hydro One Networks Inc.’s (“Hydro One”) 2017-2022 Transmission
6 Revenue Requirements and Charge Determinants, and in its 2018-2022 Distribution
7 Revenue Requirement and Rates.

8
9 On April 22, 2021, Hydro One filed with the OEB, and forwarded to all intervenors, a
10 draft rate order and proposed Tariff of Rates and Charges (“DRO”) in accordance with
11 EB-2020-0194 Decision issued on April 8, 2021.

12
13 OEB Staff and intervenors were provided the opportunity to comment on Hydro One’s
14 draft rate order by May 3, 2021. Comments were provided from OEB Staff and Schools
15 Energy Coalition (“SEC”) on April 30, 2021.

16
17 This submission provides Hydro One’s reply to OEB Staff and SEC’s comments.

2 **REPLY TO OEB STAFF COMMENTS**

Four issues were raised by OEB Staff in their April 30, 2021 submission. These may be summarized as follows:

- Revisions to the three sub-account names used and the title of each of the accounting orders;
- Clarifications required regarding journal entries to record differences between the approved misallocated Future Tax Savings and the actual amount recovered;
- Whether Hydro One's Distribution rates should remain interim until the conclusion of the seasonal rates proceeding; and
- Clarifications regarding why Network, Line Connection and Transformation amounts found in the OEB's approved 2021 Uniform Transmission Rates Decision for Five Nations Energy Inc., Canadian Niagara Power Inc., and Hydro One Networks Sault Ste. Marie LP were adjusted for purposes of Hydro One's DRO.

A. Sub-Account Naming

Hydro One accepts OEB Staff's recommendations to rename the titles of each of the accounting orders as well as renaming the accounts to provide greater clarity of the sub-accounts being established.

The Hydro One Distribution proposed Account to track the misallocated future tax savings has been renamed "**Account 1595 – Disposition and Recovery/Refund of Regulatory Balances, Sub-account Principal Balances of Misallocated Future Tax Savings**".

The Hydro One Distribution proposed Account to track carrying costs has been renamed "**Account 1595 – Disposition and Recovery/Refund of Regulatory Balances, Sub-account Misallocated Future Tax Savings Carrying Charges**".

The Hydro One Transmission proposed Account to track carrying costs has been renamed “**Account 1508 – Other Regulatory Assets, Sub-account Misallocated Future Tax Savings Carrying Charges**”.

The updated draft accounting orders for these accounts are provided as updated Exhibits 1.1 to 1.3 of the Supporting Material to this submission.

B. Journal Entry Clarifications

Hydro One clarifies that the original journal entries submitted for **Account 1595 – Disposition and Recovery/Refund of Regulatory Balances, Sub-account Principal Balances of Misallocated Future Tax Savings** reflect one portion of the journal entries recorded for a typical distribution rate rider billing situation.

Hydro One confirms that the initial entries to record into the Rider would be as follows, consistent with the Accounting Order provided in Exhibit 1.1:

<u>USofA #</u>	<u>Account Description</u>
DR. 1595	Account 1595 – Disposition and Recovery/Refund of Regulatory Balances, Sub-account Principal Balances of Misallocated Future Tax Savings
CR. 6110	Income Taxes (Tax Expense)

The following outlines the proposed accounting entries for this Rider account, as the Misallocated Future Tax Saving are billed, consistent with the Accounting Order provided in Exhibit 1.1:

<u>USofA #</u>	<u>Account Description</u>
DR. 1100	Customer Accounts Receivable
CR. 4080	Distribution Revenues
DR. 6110	Income Taxes (Tax Expense)
CR. 1595	Account 1595 – Disposition and Recovery/Refund of Regulatory Balances, Sub-account Principal Balances of Misallocated Future Tax Savings (Drawdown)
DR. 4405	Interest and Dividend Income
CR. 1595	Account 1595 – Disposition and Recovery/Refund of Regulatory Balances, Sub-account Principal Balances of Misallocated Future Tax Savings (Drawdown)

Hydro One recognizes that these journal entries are different from the journal entries for the generic Account 1595 - Disposition and Recovery/Refund of Regulatory Balances, Sub-account Principal Balances.

The initial entry is going towards tax expense and not distribution revenues. This is due to the revenue recognition criteria under US GAAP whereby the revenue arising from the Misallocated Future Tax Savings cannot be recognized until the amounts are billed.

For regulatory efficiency, Hydro One requests that the OEB approve the updated draft accounting orders so that the USofA reporting is aligned with the US GAAP reporting.

Hydro One also comments that similar revenue recognition journal entries would apply to Hydro One Transmission as well.

1 ***C. Interim Nature of Hydro One's Distribution Rates***

2 Hydro One agrees that distribution rates should remain interim until the conclusion of the
3 seasonal rates proceeding. The header "Approved on an Interim Basis" has been added
4 to the proposed distribution tariff schedule, which is provided as an updated Exhibit 4 of
5 the Support Material to this submission.

6
7 ***D. UTR Calculations***

8 In this DRO, Hydro One uses the same methodology as the OEB-approved process for
9 setting UTRs¹ since they were first established in 2002. The approved UTR process is to
10 allocate the OEB-approved total rates revenue requirements of Five Nations Energy Inc.
11 (FNEI), Canadian Niagara Power Inc. (CNPI) and Hydro One Networks Sault Ste. Marie
12 LP (H1N SSM) to the three transmission rate pools – Network, Line Connection and
13 Transformation Connection - on the same basis as is used for Hydro One at the time
14 UTRs are reset.

15
16 In this DRO, the addition of the misallocated Future Tax Savings amounts to Hydro
17 One's rates revenue requirement has changed its split to the Network, Line Connection
18 and Transformation Connection pools. Since FNEI, CNPI and H1N SSM follow Hydro
19 One's pool allocation, their splits of rates revenue requirement are no longer the same as
20 those approved in the OEB's 2021 UTR Decision. As Hydro One noted in its DRO
21 submission, the information provided with respect to resetting UTRs is intended only to
22 assist the OEB in its future proceeding to reset the UTR effective July 1, 2021. The
23 splitting of approved revenue requirement for other transmitters between rate pools is a
24 matter that will be determined as part of the UTR proceeding. Hydro One has provided
25 its understanding of how this should be done consistent with its understanding of the
26 methodology previously approved by the OEB.

¹ EB-2020-0251 - 2021 Uniform Transmission Rates; and other previous UTR proceedings.

3 REPLY TO SEC COMMENTS

SEC's brief comment concerns the presentation of bill impacts found in Hydro One's DRO submission. While SEC acknowledges that Hydro One's presentation of bill impacts is technically correct, a preference for a more comprehensive reporting of bill impacts is cited.

In reply, Hydro One submits that the rate impacts included in its DRO submission do not constitute a change or departure from the manner in which bill impacts have been presented in the draft rate orders for other Distribution rates or Transmission revenue requirement applications. Indeed, in its original submission in this proceeding, Hydro One presented separate transmission and distribution bill impacts consistent with the separate impacts presented in the DRO filing.² No party raised questions or concerns regarding the presentation of bill impacts during the proceeding. Hydro One sees no reason to depart from the manner in which bill impacts have been presented historically. The 2022 impacts resulting from the OEB's EB-2020-0194 Decision will be shown at the time that the 2022 annual Transmission and Distribution Rates Applications are prepared as is normally required in such applications. The Board's hearing process into those applications may be used to address any need for additional details regarding the bill impact calculations.

² Distribution bill impacts are presented in Section 4.2 of the DRO and transmission bill impacts are presented in Section 5.4 of the DRO.

1 **4 SUPPORTING MATERIAL**

2
3 Hydro One is providing the updated Supporting Material to those previously submitted in
4 the DRO including Exhibits 1.1-1.3 and Exhibit 4 as part of this submission.

5
6 Exhibit 1 – Draft Accounting Orders

7 Exhibit 1.1 – Hydro One Distribution Accounting Order Disposition and
8 Recovery of Future Tax Savings Account (**Updated**)

9 Exhibit 1.2 – Hydro One Distribution Accounting Order Carrying Cost
10 Differential Account (**Updated**)

11 Exhibit 1.3 – Hydro One Transmission Accounting Order Carrying Cost
12 Differential Account (**Updated**)

13 Exhibit 2 – Calculation of Distribution Base Rate Adjustment Riders

14 Exhibit 3 – Distribution Bill Impact Calculations

15 Exhibit 4 – Updated 2021 Distribution Tariff (**Updated**)

16 Exhibit 5 – Calculation of Updated 2021 UTR and Revenue Allocation Factors

17 Exhibit 6 – Updated 2021 UTR Tariff

DRAFT
ACCOUNTING ORDERS

Exhibit 1.1

Hydro One Distribution Accounting Order Disposition and Recovery of Future Tax Savings Account

(Updated)

1 **HYDRO ONE DISTRIBUTION ACCOUNTING ORDER**
2 **ACCOUNT 1595 - DISPOSITION AND RECOVERY/REFUND OF**
3 **REGULATORY BALANCES, SUB-ACCOUNT PRINCIPAL BALANCES OF**
4 **MISALLOCATED FUTURE TAX SAVINGS**

5
6 Hydro One Distribution proposes the establishment of a new **Account 1595 –**
7 **Disposition and Recovery/Refund of Regulatory Balances, Sub-account Principal**
8 **Balances of Misallocated Future Tax Savings** to track the difference between the
9 amount of Misallocated Future Tax Savings approved in EB-2020-0194 and the amount
10 recovered during the period of July 1, 2021 - June 30, 2023. The account will be
11 established effective July 1, 2021.

12
13 Hydro One Distribution will record interest on the outstanding balance of the
14 Misallocated Future Tax Savings over the recovery period and up until any residual
15 balance remains in **Account 1595 – Disposition and Recovery/Refund of Regulatory**
16 **Balances, Sub-account Principal Balances of Misallocated Future Tax Savings**, using
17 the prescribed CWIP interest rate set by the Board in the Carrying Cost Differential
18 Account.¹

¹ This is an account with a separate Accounting Order – please refer to Exhibit 1.2.

The following outlines the initial entries into the Rider Account:

<u>USofA #</u>	<u>Account Description</u>
DR. 1595	Account 1595 – Disposition and Recovery/Refund of Regulatory Balances, Sub-account Principal Balances of Misallocated Future Tax Savings
CR. 6110	Income Taxes (Tax Expense)

The following outlines the proposed accounting entries for this Rider account, as the
Misallocated Future Tax Saving are billed:

<u>USofA #</u>	<u>Account Description</u>
DR. 1100	Customer Accounts Receivable
CR. 4080	Distribution Revenues
DR. 6110	Income Taxes (Tax Expense)
CR. 1595	Account 1595 – Disposition and Recovery/Refund of Regulatory Balances, Sub-account Principal Balances of Misallocated Future Tax Savings (Drawdown)
DR. 4405	Interest and Dividend Income
CR. 1595	Account 1595 – Disposition and Recovery/Refund of Regulatory Balances, Sub-account Principal Balances of Misallocated Future Tax Savings (Drawdown)

Monthly entry to record the Misallocated Future Tax Savings billed to ratepayers.

Exhibit 1.2

Hydro One Distribution Accounting Order Carrying Cost Differential Account (**Updated**)

HYDRO ONE DISTRIBUTION ACCOUNTING ORDER
ACCOUNT 1595 - DISPOSITION AND RECOVERY/REFUND OF
REGULATORY BALANCES, SUB-ACCOUNT MISALLOCATED FUTURE TAX
SAVINGS CARRYING CHARGES

Hydro One Distribution proposes the establishment of a new **Account 1595 – Disposition and Recovery/Refund of Regulatory Balances, Sub-account Misallocated Future Tax Savings Carrying Charges** to record the carrying charge on the outstanding principal balance of the Misallocated Future Tax Savings over the recovery period. The account will be established effective July 1, 2021.

Hydro One Distribution will record interest on the outstanding balance of the Misallocated Future Tax Savings over the recovery period and up until any residual balance remains in **Account 1595 – Disposition and Recovery/Refund of Regulatory Balances, Sub-account Principal Balances of Misallocated Future Tax Savings**, using the prescribed CWIP interest rate set by the Board. Simple interest will be calculated on the opening monthly outstanding balance of the Misallocated Future Tax Savings until the outstanding balance is fully disposed.

The following outlines the proposed accounting entries for this account.

<u>USofA #</u>	<u>Account Description</u>
DR. 1595	Account 1595 – Disposition and Recovery/Refund of Regulatory Balances, Sub-account Misallocated Future Tax Savings Carrying Charges
CR. 4405	Interest and Dividend Income

To record interest improvement on the outstanding balance of the Misallocated Future Tax Savings.

Exhibit 1.3

Hydro One Transmission Accounting Order Carrying Cost Differential Account (**Updated**)

HYDRO ONE TRANSMISSION ACCOUNTING ORDER
ACCOUNT 1508 – OTHER REGULATORY ASSETS, SUB-ACCOUNT
MISALLOCATED FUTURE TAX SAVINGS CARRYING CHARGES

Hydro One Transmission proposes the establishment of a new **Account 1508 – Other Regulatory Assets, Sub-account Misallocated Future Tax Savings Carrying Charges** to record the carrying charge on the outstanding principal balance of the Misallocated Future Tax Savings over the recovery period. The account will be established effective July 1, 2021.

Hydro One Transmission will record interest on the outstanding balance of the Misallocated Future Tax Savings over the recovery period using the prescribed CWIP interest rate set by the Board. Simple interest will be calculated on the opening monthly outstanding balance of the Misallocated Future Tax Savings until the outstanding balance is fully disposed.

The following outlines the proposed accounting entries for this account.

<u>USofA #</u>	<u>Account Description</u>
DR. 1508	Account 1508 – Other Regulatory Assets, Sub-account Misallocated Future Tax Savings Carrying Charges
CR. 4405	Interest and Dividend Income

To record interest improvement on the outstanding balance of the Misallocated Future Tax Savings.

Exhibit 4

Updated 2021 Distribution Tariff (Updated)

Hydro One Networks Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date July 1, 2021
Approved on an Interim Basis
This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2020-0194

RESIDENTIAL SERVICE CLASSIFICATIONS

A year-round residential customer classification applies to a customer's main place of abode and may include additional buildings served through the same meter, provided they are not rental income units. All of the following criteria must be met:

1. Occupant represents and warrants to Hydro One Networks Inc. that for so long as he/she has year-round residential rate status for the identified dwelling, he/she will not designate another property that he/she owns as a year-round residence for purposes of Hydro One rate classification.
2. Occupier must live in this residence for at least four (4) days of the week for eight (8) months of the year and the Occupier must not reside anywhere else for more than three (3) days a week during eight (8) months of the year.
3. The address of this residence must appear on documents such as the occupant's electric bill, driver's licence, credit card invoice, property tax bill, etc.
4. Occupants who are eligible to vote in Provincial or Federal elections must be enumerated for this purpose at the address of this residence.

Seasonal Residential customer classification is defined as any residential service that does not meet residential year-round criteria. It includes dwellings such as cottages, chalets and camps.

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

Hydro One Networks' residential service area is sub-divided into three density zones according to the following:

- Urban Density Zone is defined as areas containing 3,000 or more customers with a line density of at least 60 customers per circuit kilometer.
- Medium Density Zone is defined as areas containing 100 or more customers with a line density of at least 15 customers per circuit kilometer.
- Low Density Zone is defined as areas other than Urban or Medium Density Zone.

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.

Hydro One Networks Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date July 1, 2021
Approved on an Interim Basis
This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2020-0194

YEAR-ROUND URBAN DENSITY - UR
MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	35.92
Base Rate Adjustment to Recover Past Tax Amounts - effective until June 30, 2023	\$	0.83
Smart Metering Entity Charge - effective until December 31, 2022	\$	0.57
Rate Rider for Disposition of Deferral/Variance Accounts (2021) – effective until December 31, 2021	\$	(0.14)
Rate Rider for Disposition of 2019 Earnings Sharing - effective until December 31, 2021	\$	(0.50)
Rate Rider for Disposition of Deferral/Variance Accounts (2021) – effective until December 31, 2021	\$/kWh	(0.0007)
Rate Rider for Disposition of Global Adjustment Account (2021) – effective until December 31, 2021 (see Note 13)	\$/kWh	(0.0039)
Retail Transmission Rate - Network Service Rate (see Note 4)	\$/kWh	0.0089
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Note 5)	\$/kWh	0.0077

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

YEAR-ROUND MEDIUM DENSITY - R1**
MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	49.04
Base Rate Adjustment to Recover Past Tax Amounts - effective until June 30, 2023	\$	1.56
Smart Metering Entity Charge - effective until December 31, 2022	\$	0.57
Rate Rider for Disposition of Deferral/Variance Accounts (2021) – effective until December 31, 2021	\$	(0.14)
Rate Rider for Disposition of 2019 Earnings Sharing - effective until December 31, 2021	\$	(0.85)
Distribution Volumetric Rate	\$/kWh	0.0141
Rate Rider for Disposition of Deferral/Variance Accounts (2021) – effective until December 31, 2021	\$/kWh	(0.0008)
Rate Rider for Disposition of Global Adjustment Account (2021) – effective until December 31, 2021 (see Note 13)	\$/kWh	(0.0039)
Retail Transmission Rate - Network Service Rate (see Note 4)	\$/kWh	0.0082
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Note 5)	\$/kWh	0.0073

**The rates set out above do not reflect the impact of the Distribution Rate Protection program on R1 customers (per EB-2018-0192, Decision and Order, June 21, 2018)

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Hydro One Networks Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date July 1, 2021
Approved on an Interim Basis
This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2020-0194

YEAR-ROUND LOW DENSITY - R2**

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge*	\$	113.64
Base Rate Adjustment to Recover Past Tax Amounts - effective until June 30, 2023	\$	4.42
Smart Metering Entity Charge - effective until December 31, 2022	\$	0.57
Rate Rider for Disposition of Deferral/Variance Accounts (2021) – effective until December 31, 2021	\$	(0.14)
Rate Rider for Disposition of 2019 Earnings Sharing - effective until December 31, 2021	\$	(1.92)
Distribution Volumetric Rate	\$/kWh	0.0227
Rate Rider for Disposition of Deferral/Variance Accounts (2021) – effective until December 31, 2021	\$/kWh	(0.0011)
Rate Rider for Disposition of Global Adjustment Account (2021) – effective until December 31, 2021 (see Note 13)	\$/kWh	(0.0039)
Retail Transmission Rate - Network Service Rate (see Note 4)	\$/kWh	0.0077
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Note 5)	\$/kWh	0.0068

*Under the Ontario Energy Board Act, 1998 and associated Regulations, every qualifying year-round customer with a principal residence is eligible to receive Rural or Remote Rate Protection (RRRP). The service charge shown for eligible R2 customers will be reduced by the applicable RRRP credit, currently at \$60.50.

**The rates set out above do not reflect the impact of the Distribution Rate Protection program on R2 customers (per EB-2018-0192, Decision and Order, June 21, 2018)

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

SEASONAL

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	50.72
Base Rate Adjustment to Recover Past Tax Amounts - effective until June 30, 2023	\$	1.79
Smart Metering Entity Charge - effective until December 31, 2022	\$	0.57
Rate Rider for Disposition of Deferral/Variance Accounts (2021) – effective until December 31, 2021	\$	(0.14)
Rate Rider for Disposition of 2019 Earnings Sharing - effective until December 31, 2021	\$	(0.90)
Distribution Volumetric Rate	\$/kWh	0.0441
Rate Rider for Disposition of Deferral/Variance Accounts (2021) – effective until December 31, 2021	\$/kWh	(0.0023)
Rate Rider for Disposition of Global Adjustment Account (2021) – effective until December 31, 2021 (see Note 13)	\$/kWh	(0.0039)
Retail Transmission Rate - Network Service Rate (see Note 4)	\$/kWh	0.0064
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Note 5)	\$/kWh	0.0061

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Hydro One Networks Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date July 1, 2021
Approved on an Interim Basis
This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2020-0194

GENERAL SERVICE CLASSIFICATIONS

General Service classification applies to any service that does not fit the description of residential classes. It includes combination type services where a variety of uses are made of the service by the owner of one property, and all multiple services except residential. 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

Hydro One Networks' General Service area is sub-divided into two density zones according to the following:

- Urban Density Zone is defined as areas containing 3,000 or more customers with a line density of at least 60 customers per circuit kilometer.
- Non-Urban Density Zone is defined as areas other than Urban Density Zone.

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.

Hydro One Networks Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date July 1, 2021
Approved on an Interim Basis
This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2020-0194

URBAN GENERAL SERVICE ENERGY BILLED - UGe

This classification applies to a non-residential account located in an Urban Density Zone whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	25.59
Base Rate Adjustment to Recover Past Tax Amounts - effective until June 30, 2023	\$	0.81
Smart Metering Entity Charge - effective until December 31, 2022	\$	0.57
Rate Rider for Disposition of Deferral/Variance Accounts (2021) – effective until December 31, 2021	\$	(0.14)
Rate Rider for Disposition of 2019 Earnings Sharing - effective until December 31, 2021	\$	(0.36)
Distribution Volumetric Rate	\$/kWh	0.0306
Base Rate Adjustment to Recover Past Tax Amounts - effective until June 30, 2023	\$/kWh	0.0010
Rate Rider for Disposition of Deferral/Variance Accounts (2021) – effective until December 31, 2021	\$/kWh	(0.0003)
Rate Rider for Disposition of Global Adjustment Account (2021) – effective until December 31, 2021 (see Note 13)	\$/kWh	(0.0039)
Rate Rider for Disposition of 2019 Earnings Sharing - effective until December 31, 2021	\$/kWh	(0.0004)
Retail Transmission Rate - Network Service Rate (see Note 4)	\$/kWh	0.0070
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Note 5)	\$/kWh	0.0057

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

GENERAL SERVICE ENERGY BILLED - GSe

This classification applies to a non-residential account not located in an Urban Density Zone whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	32.48
Base Rate Adjustment to Recover Past Tax Amounts - effective until June 30, 2023	\$	1.11
Smart Metering Entity Charge - effective until December 31, 2022	\$	0.57
Rate Rider for Disposition of Deferral/Variance Accounts (2021) – effective until December 31, 2021	\$	(0.14)
Rate Rider for Disposition of 2019 Earnings Sharing - effective until December 31, 2021	\$	(0.45)
Distribution Volumetric Rate	\$/kWh	0.0642
Base Rate Adjustment to Recover Past Tax Amounts - effective until June 30, 2023	\$/kWh	0.0022
Rate Rider for Disposition of Deferral/Variance Accounts (2021) – effective until December 31, 2021	\$/kWh	(0.0007)
Rate Rider for Disposition of Global Adjustment Account (2021) – effective until December 31, 2021 (see Note 13)	\$/kWh	(0.0039)
Rate Rider for Disposition of 2019 Earnings Sharing - effective until December 31, 2021	\$/kWh	(0.0009)
Retail Transmission Rate - Network Service Rate (see Note 4)	\$/kWh	0.0065
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Note 5)	\$/kWh	0.0056

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Hydro One Networks Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date July 1, 2021
Approved on an Interim Basis
This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2020-0194

URBAN GENERAL SERVICE DEMAND BILLED - UGd

This classification applies to a non-residential account located in an Urban Density Zone whose average monthly maximum demand is equal to or greater than, or is forecast to be equal to or greater than, 50 kW. Hydro One establishes billing determinants for demand customers' Distribution charges at the greater of 100 per cent of kW and 90 per cent of kVA where kVA metering is installed. When a customer's power factor is known to be less than 90 per cent, a kVA meter of equivalent electronic meter shall be used for measuring and billing.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	100.19
Base Rate Adjustment to Recover Past Tax Amounts - effective until June 30, 2023	\$	3.92
Rate Rider for Disposition of 2019 Earnings Sharing - effective until December 31, 2021	\$	(1.40)
Distribution Volumetric Rate	\$/kW	10.5601
Base Rate Adjustment to Recover Past Tax Amounts - effective until June 30, 2023	\$/kW	0.4134
Rate Rider for Disposition of Deferral/Variance Accounts (2021) – effective until December 31, 2021	\$/kW	0.1062
Rate Rider for Disposition of Global Adjustment Account (2021) – effective until December 31, 2021 (see Note 13)	\$/kWh	(0.0039)
Rate Rider for Disposition of 2019 Earnings Sharing - effective until December 31, 2021	\$/kW	(0.0004)
Retail Transmission Rate - Network Service Rate (see Note 4)	\$/kW	2.4926
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Note 5)	\$/kW	2.0579

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

GENERAL SERVICE DEMAND BILLED - GSd

This classification applies to a non-residential account not located in an Urban Density Zone whose average monthly maximum demand is equal to or greater than, or is forecast to be equal to or greater than, 50 kW. Hydro One establishes billing determinants for demand customers' Distribution charges at the greater of 100 per cent of kW and 90 per cent of kVA where kVA metering is installed. When a customer's power factor is known to be less than 90 per cent, a kVA meter or other equivalent electronic meter shall be used for measuring and billing.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	108.28
Base Rate Adjustment to Recover Past Tax Amounts - effective until June 30, 2023	\$	4.34
Rate Rider for Disposition of 2019 Earnings Sharing - effective until December 31, 2021	\$	(1.52)
Distribution Volumetric Rate	\$/kW	18.3296
Base Rate Adjustment to Recover Past Tax Amounts - effective until June 30, 2023	\$/kW	0.7338
Rate Rider for Disposition of Deferral/Variance Accounts (2021) – effective until December 31, 2021	\$/kW	0.0117
Rate Rider for Disposition of Global Adjustment Account (2021) – effective until December 31, 2021 (see Note 13)	\$/kWh	(0.0039)
Rate Rider for Disposition of 2019 Earnings Sharing - effective until December 31, 2021	\$/kW	(0.2555)
Retail Transmission Rate - Network Service Rate (see Note 4)	\$/kW	1.9247
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Note 5)	\$/kW	1.6028

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Hydro One Networks Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date July 1, 2021
Approved on an Interim Basis
This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2020-0194

DISTRIBUTED GENERATION - DGen

This classification applies to an embedded retail generation facility connected to the distribution system that is not classified as MicroFIT generation. Hydro One establishes billing determinants for demand customers' Distribution charges at the greater of 100 per cent of kW and 90 per cent of kVA where kVA metering is installed. When a customer's power factor is known to be less than 90 per cent, a kVA meter or other equivalent electronic meter shall be used for measuring and billing. Class A and Class B consumers are defined in accordance with O. Reg. 429/04.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	195.54
Base Rate Adjustment to Recover Past Tax Amounts - effective until June 30, 2023	\$	1.74
Rate Rider for Disposition of 2019 Earnings Sharing - effective until December 31, 2021	\$	(2.74)
Distribution Volumetric Rate	\$/kW	9.8163
Base Rate Adjustment to Recover Past Tax Amounts - effective until June 30, 2023	\$/kW	0.0883
Rate Rider for Disposition of Deferral/Variance Accounts (2021) – effective until December 31, 2021	\$/kW	(0.1359)
Rate Rider for Disposition of Global Adjustment Account (2021) – effective until December 31, 2021 (see Note 13)	\$/kWh	(0.0039)
Rate Rider for Disposition of 2019 Earnings Sharing - effective until December 31, 2021	\$/kW	(0.1365)
Retail Transmission Rate - Network Service Rate (see Note 4)	\$/kW	0.9356
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Note 5)	\$/kW	0.7808

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Hydro One Networks Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date July 1, 2021
Approved on an Interim Basis
This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2020-0194

SUB TRANSMISSION - ST

This classification applies to either:

- Embedded supply to Local Distribution Companies (LDCs). "Embedded" meaning receiving supply via Hydro One Distribution assets, and where Hydro One is the host distributor to the embedded LDC. Situations where the LDC is supplied via Specific Facilities are included. OR
- Load which:
 - is three-phase; and
 - is directly connected to and supplied from Hydro One Distribution assets between 44 kV and 13.8 kV inclusive; the meaning of "directly" includes Hydro One not owning the local transformation; and
 - is greater than 500 kW (monthly measured maximum demand averaged over the most recent calendar year or whose forecasted monthly average demand over twelve consecutive months is greater than 500 kW).

Hydro One establishes billing determinants for demand customers' Distribution charges at the greater of 100 per cent of kW and 90 per cent of kVA where kVA metering is installed. When a customer's power factor is known to be less than 90 per cent, a kVA meter or other equivalent electronic meter shall be used for measuring and billing.

Class A and Class B consumers are defined in accordance with O. Reg. 429/04.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	582.74
Base Rate Adjustment to Recover Past Tax Amounts - effective until June 30, 2023	\$	36.18
Meter Charge (for Hydro One ownership) (see Note 11)	\$	729.56
Rate Rider for Disposition of 2019 Earnings Sharing - effective until December 31, 2021	\$	(15.70)
Facility Charge for connection to Common ST Lines (44 kV to 13.8 kV) (see Notes 1, 8 and 14)	\$/kW	1.5335
Base Rate Adjustment to Recover Past Tax Amounts - effective until June 30, 2023	\$/kW	0.0540
Facility Charge for connection to Specific ST Lines (44 kV to 13.8 kV) (see Note 2)	\$/km	626.0882
Facility Charge for connection to high-voltage (> 13.8 kV secondary) delivery High Voltage Distribution Station (see Notes 1 and 14)	\$/kW	2.1154
Facility Charge for connection to low-voltage (< 13.8 kV secondary) delivery High Voltage Distribution Station (see Notes 1 and 14)	\$/kW	3.7825
Facility Charge for connection to low-voltage (< 13.8 kV secondary) Low Voltage Distribution Station (see Notes 3 and 14)	\$/kW	1.6671
Rate Rider for Disposition of Deferral/Variance Accounts (2021) – effective until December 31, 2021	\$/kW	0.9444
Rate Rider for Disposition of Deferral/Variance Accounts (Non WMP) (2021) – effective until December 31, 2021	\$/kW	(1.1389)
Rate Rider for Disposition of Global Adjustment Account (2021) – effective until December 31, 2021 (see Note 13)	\$/kWh	(0.0039)
Rate Rider for Disposition of 2019 Earnings Sharing - effective until December 31, 2021	\$/kW	(0.0219)
Retail Transmission Service Rates (see Notes 6 and 7)		
Retail Transmission Rate - Network Service Rate (see Note 4)	\$/kW	3.4778
Retail Transmission Rate - Line Connection Service Rate (see Note 5)	\$/kW	0.8128
Retail Transmission Rate - Transformation Connection Service Rate (see Note 5)	\$/kW	2.0458

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Hydro One Networks Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date July 1, 2021
Approved on an Interim Basis
This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2020-0194

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. The amount of electricity consumed by unmetered connections will be based on detailed information/documentation provided by the device's manufacturer and will be agreed to by Hydro One and the customer and may be subject to periodic monitoring of actual consumption. Eligible unmetered loads include cable TV amplifiers, bus shelters, telephone booths, traffic signals, railway crossings and other small fixed loads. 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	\$	37.58
Base Rate Adjustment to Recover Past Tax Amounts - effective until June 30, 2023	\$	0.89
Rate Rider for Disposition of 2019 Earnings Sharing - effective until December 31, 2021	\$	(0.53)
Distribution Volumetric Rate	\$/kWh	0.0251
Base Rate Adjustment to Recover Past Tax Amounts - effective until June 30, 2023	\$/kWh	0.0006
Rate Rider for Disposition of Deferral/Variance Accounts (2021) – effective until December 31, 2021	\$/kWh	0.0001
Rate Rider for Disposition of Global Adjustment Account (2021) – effective until December 31, 2021 (see Note 13)	\$/kWh	(0.0039)
Rate Rider for Disposition of 2019 Earnings Sharing - effective until December 31, 2021	\$/kWh	(0.0004)
Retail Transmission Rate - Network Service Rate (see Note 4)	\$/kWh	0.0054
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Note 5)	\$/kWh	0.0046

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Hydro One Networks Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date July 1, 2021
Approved on an Interim Basis
This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2020-0194

SENTINEL LIGHTING SERVICE CLASSIFICATION

This classification is applicable to all Hydro One Networks' customers who have separate service to a sentinel light. The energy consumption for sentinel lights is estimated based on Networks' profile for sentinel lighting load, which provides the amount of time each month that the sentinel lights are operating. Class B consumers are defined in accordance to 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, it should be noted that 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	\$	2.86
Base Rate Adjustment to Recover Past Tax Amounts - effective until June 30, 2023	\$	0.14
Rate Rider for Disposition of 2019 Earnings Sharing - effective until December 31, 2021	\$	(0.04)
Distribution Volumetric Rate	\$/kWh	0.1556
Base Rate Adjustment to Recover Past Tax Amounts - effective until June 30, 2023	\$/kWh	0.0078
Rate Rider for Disposition of Deferral/Variance Accounts (2021) – effective until December 31, 2021	\$/kWh	(0.0021)
Rate Rider for Disposition of Global Adjustment Account (2021) – effective until December 31, 2021 (see Note 13)	\$/kWh	(0.0039)
Rate Rider for Disposition of 2019 Earnings Sharing - effective until December 31, 2021	\$/kWh	(0.0022)
Retail Transmission Rate - Network Service Rate (see Note 4)	\$/kWh	0.0054
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Note 5)	\$/kWh	0.0037

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Hydro One Networks Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date July 1, 2021
Approved on an Interim Basis
This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2020-0194

STREET LIGHTING SERVICE CLASSIFICATION

This classification is applicable to all Hydro One Networks' customers who have streetlights, which are devices owned by or operated for a road authority and/or municipal corporation. The energy consumption for street lights is estimated based on Networks' profile for street lighting load, which provides the amount of time each month that the street lights are operating. 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, it should be noted that 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	\$	3.50
Base Rate Adjustment to Recover Past Tax Amounts - effective until June 30, 2023	\$	0.11
Rate Rider for Disposition of 2019 Earnings Sharing - effective until December 31, 2021	\$	(0.05)
Distribution Volumetric Rate	\$/kWh	0.1071
Base Rate Adjustment to Recover Past Tax Amounts - effective until June 30, 2023	\$/kWh	0.0034
Rate Rider for Disposition of Deferral/Variance Accounts (2021) – effective until December 31, 2021	\$/kWh	(0.0009)
Rate Rider for Disposition of Global Adjustment Account (2021) – effective until December 31, 2021 (see Note 13)	\$/kWh	(0.0039)
Rate Rider for Disposition of 2019 Earnings Sharing - effective until December 31, 2021	\$/kWh	(0.0015)
Retail Transmission Rate - Network Service Rate (see Note 4)	\$/kWh	0.0054
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Note 5)	\$/kWh	0.0036

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Hydro One Networks Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date July 1, 2021
Approved on an Interim Basis
This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2020-0194

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

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.

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	\$	4.55
----------------	----	------

Hydro One Networks Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date July 1, 2021
Approved on an Interim Basis
This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2020-0194

ALLOWANCES

CUSTOMER-SUPPLIED TRANSFORMATION ALLOWANCE

Applicable to customers providing their own transformers and the primary voltage is under 50 kV

Demand Billed - per kW of billing demand/month	\$/kW	(0.60)
Energy Billed - per kWh of billing energy/month	\$/kWh	(0.0014)

TRANSFORMER LOSS ALLOWANCE

Applicable to non-ST customers requiring a billing adjustment for transformer losses as the result of being metered on the primary side of a transformer. The following uniform values shall be applied to measured demand and energy to calculate transformer losses for voltages up to and including 50 kV (as metered on the primary side).

For installations up to and including bank capacity of 400 kVA	%	(1.50)
For bank capacities over 400 kVA	%	(1.00)

Applicable to ST customers requiring a billing adjustment for transformer losses as the result of being metered on the secondary side of a transformer. The uniform value of 1% shall be added to measured demand and energy (as measured on the secondary side) to adjust for transformer losses.

Alternately, transformer losses may be determined from transformer test data, and measured demand and energy adjusted accordingly.

For services which are not demand metered, an assumed demand of 50% of the transformer capacity will be used to calculate the loss allowance. Where several transformers are involved, the bank capacity is assumed to be the arithmetic sum of all transformer capacities.

LOSS FACTORS

Residential - UR	1.057
Residential - R1	1.076
Residential - R2	1.105
Residential - Seasonal	1.104
General Service - UGe	1.067
General Service - GSe	1.096
General Service - UGd	1.050
General Service - GSd	1.061
Distributed Generation - Dgen	1.061
Unmetered Scattered Load	1.092
Sentinel Lights	1.092
Street Lights	1.092
Sub Transmission - ST	
Distribution Loss Factors	
Embedded Delivery Points (metering at station)	1.000
Embedded Delivery Points (metering away from station)	1.028
Total Loss Factors	
Embedded Delivery Points (metering at station)	1.006
Embedded Delivery Points (metering away from station)	1.034

Hydro One Networks Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date July 1, 2021
Approved on an Interim Basis
This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2020-0194

SPECIFIC SERVICE CHARGES

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 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.

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.

Customer Administration

Easement letter - letter request	\$	91.12
Easement letter - web request	\$	25.00
Returned cheque charge	\$	7.00
Account set up charge/change of occupancy charge (plus credit agency costs, if applicable)	\$	38.00
Special meter reads (retailer requested off-cycle read)	\$	90.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00

Non-Payment of Account (see Note 15)

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

Other

Service call - customer owned equipment - during regular hours	\$	210.00*
Service call - customer owned equipment - after regular hours	\$	775.00*
Temporary service install & remove - overhead - no transformer	\$	Actual Costs
Temporary service install & remove - underground - no transformer	\$	Actual Costs
Temporary service install & remove - overhead - with transformer	\$	Actual Costs
Specific charge for access to power poles - telecom	\$	44.50
Reconnect completed after regular hours (customer/contract driven) - at meter	\$	245.00
Reconnect completed after regular hours (customer/contract driven) - at pole	\$	475.00
Additional service layout fee - basic/complex (more than one hour)	\$	586.72
Pipeline crossings	\$	2,465.43
Water crossings	\$	3,668.82

\$4,899.24 plus
Railway
Feedthrough
Costs

Railway crossings	\$	
Overhead line staking per meter	\$	4.36
Underground line staking per meter	\$	3.14
Subcable line staking per meter	\$	2.74
Central metering - new service <45 kw	\$	100.00
Conversion to central metering <45 kw	\$	1,593.19
Conversion to central metering >=45 kw	\$	1,493.19
Connection impact assessments - net metering	\$	3,285.66
Connection impact assessments - embedded LDC generators	\$	2,960.07
Connection impact assessments - small projects <= 500 kw	\$	3,361.46
Connection impact assessments - small projects <= 500 kw, simplified	\$	2,028.44
Connection impact assessments - greater than capacity allocation exempt projects - capacity allocation required projects	\$	8,890.57

Hydro One Networks Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date July 1, 2021
Approved on an Interim Basis
This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2020-0194

Connection impact assessments - greater than capacity allocation exempt projects - TS review for LDC capacity allocation required projects	\$	5,895.15
Specific charge for access to power poles - LDC	\$	see below
Specific charge for access to power poles - generators	\$	see below
Specific charge for access to power poles - municipal streetlights	\$	2.04
Sentinel light rental charge	\$	10.00
Sentinel light pole rental charge	\$	7.00

*Base Charge only. Additional work on equipment will be based on actual costs.

Specific Charge for LDCs Access to the Power Poles (\$/pole/year)

LDC rate for 10' of power space	\$	89.24
LDC rate for 15' of power space	\$	107.09
LDC rate for 20' of power space	\$	118.99
LDC rate for 25' of power space	\$	127.49
LDC rate for 30' of power space	\$	133.86
LDC rate for 35' of power space	\$	138.82
LDC rate for 40' of power space	\$	142.79
LDC rate for 45' of power space	\$	146.03
LDC rate for 50' of power space	\$	148.74
LDC rate for 55' of power space	\$	151.03
LDC rate for 60' of power space	\$	152.99

Specific Charge for Generator Access to the Power Poles (\$/pole/year)

Generator rate for 10' of power space	\$	89.24
Generator rate for 15' of power space	\$	107.09
Generator rate for 20' of power space	\$	118.99
Generator rate for 25' of power space	\$	127.49
Generator rate for 30' of power space	\$	133.86
Generator rate for 35' of power space	\$	138.82
Generator rate for 40' of power space	\$	142.79
Generator rate for 45' of power space	\$	146.03
Generator rate for 50' of power space	\$	148.74
Generator rate for 55' of power space	\$	151.03
Generator rate for 60' of power space	\$	152.99

Hydro One Networks Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date July 1, 2021
Approved on an Interim Basis
This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2020-0194

RETAIL SERVICE CHARGES (if applicable)

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.

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.

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	\$	1.04
Distributor-consolidated billing monthly charge, per customer, per retailer	\$	0.62
Retailer-consolidated billing monthly credit, per customer, per retailer	\$	(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

Hydro One Networks Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date July 1, 2021
Approved on an Interim Basis
This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2020-0194

NOTES

1. The basis of the charge is the customer's monthly maximum demand. For an ST customer with multiple delivery points served from the same Transformer Station or High Voltage Distribution Station, the aggregated demand will be the applicable billing determinant. Demand is not aggregated between stations.
2. The basis of the charge is the customer's monthly maximum demand. For an ST customer with multiple delivery points served from the same Transformer Station or High Voltage Distribution Station, the aggregated demand will be the applicable billing determinant. Demand is not aggregated between stations.
3. The basis of the charge is the "non-coincident demand" at each delivery point of the customer supplied by the station. This is measured as the kW demand at the delivery point at the time in the month of maximum load on the delivery point. For a customer connected through two or more distribution stations, the total charge for the connection to the shared distribution stations is the sum of the relevant charges for each of the distribution stations.
4. The monthly billing determinant for the RTSR Network Service rate is:
 - a. For energy-only metered customers: the customer's metered energy consumption adjusted by the total loss factor as approved by the Ontario Energy Board.
 - b. For interval-metered customers: the peak demand from 7 AM to 7 PM (local time) on IESO business days in the billing period. The rates shown are to be adjusted by the total loss factor as approved by the Ontario Energy Board.
 - c. For non-interval-metered demand billed customers: the non-coincident peak demand in the billing period. The rates shown are to be adjusted by the total loss factor as approved by the Ontario Energy Board.
5. The monthly billing determinant for the RTSR Line and Transformation Connection Service rates:
 - a. For energy-only metered customers: the customer's metered energy consumption adjusted by the total loss factor as approved by the Ontario Energy Board.
 - b. For all demand billed customers: the non-coincident peak demand in the billing period. The rates shown are to be adjusted by the total loss factor as approved by the Ontario Energy Board.
 - c. For customers with load displacement generation above 1 MW, or 2 MW for renewable generation, installed after October 1998, RTSR connection is billed at the gross demand level.
6. Delivery point with respect to RTSR is defined as the low side of the Transformer Station that steps down voltage from above 50 kV to below 50 kV. For customer with multiple interval-metered delivery points served from the same Transformer Station, the aggregated demand at the said delivery points on the low side of the Transformer Station will be the applicable billing determinant.
7. The loss factors, and which connection service rates are applied, are determined based on the point at which the distribution utility or customer is metered for its connection to Hydro One Distribution's system. Hydro One Distribution's connection agreements with these distribution utilities and customers will establish the appropriate loss factors and connection rates to apply from Hydro One Distribution's tariff schedules.
8. The Common ST Lines rate also applies to Distributors which use lines in the 12.5 kV to 4.16 kV range from HVDSs or LVDSs.
9. Rate Rider for Disposition of Deferral/Variance Accounts (General) is charged based on appropriate billing kW.
10. Rate Rider for Disposition of Deferral/Variance Account (non-WMP customers) applies to non-WMP Class A or Class B customers.
11. The Meter charge is applied per metering facility at delivery points for which Hydro One owns the metering.
12. The Wholesale Market Service Rate and the Rural or Remote Electricity Rate Protection Charge are applied solely to non-Wholesale Market Participants. For Class A customers, distributors shall bill the actual CBDR costs to Class A customers in proportion to their contribution to peak. These rates pertain to the IESO's defined point of sale; consequently, appropriate loss factors as approved by the Ontario Energy Board must be applied to the customers metered energy.
13. The Global Adjustment rate rider applies to metered energy consumption adjusted by the total loss factor, as approved by the Ontario Energy Board, for non-LDC, non-RPP and Class B customers that are charged Wholesale Market Service Charges by Hydro One Distribution.
14. For customers with load displacement generation at 1MW or above, or 2MW or above for renewable generation, installed after October 1998, the ST volumetric charges are billed at the gross demand level.