



InnPower Corporation

ED-2002-0520

2022 Incentive Regulation Mechanism
Electricity Distribution Rate Application

Board File EB-2021-0036

For Rates Effective January 1, 2022

InnPower Corporation

ED-2002-0520

2022 Incentive Regulation Mechanism Electricity

Distribution Rate Application

For

January 1, 2022 Rates

EB-2021-0036

InnPower Corporation Manager's Summary

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Ontario Energy Board

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

AND IN THE MATTER OF an Application by InnPower Corporation for an
Order or Orders pursuant to Section 78 of the *Ontario Energy Board
Act, 1998*, approving or fixing just and reasonable rates and other
service charges for the distribution of electricity

1.0 Application

1. The applicant is InnPower Corporation (“IPC”), an electricity distribution company that is 100% owned by the Town of Innisfil. IPC serves approximately 19,500 mostly residential and commercial electricity customers in the Towns of Alcona, Belle Ewart, Cookstown, Lefroy, Stroud, and south Barrie. IPC, an Ontario corporation with its head office in Innisfil, Ontario, carries on the business of owning and operating electricity distribution facilities under Electricity Distribution License ED-2002-0520.
2. IPC hereby applies to the Ontario Energy Board (the “Board” or the “OEB”), pursuant to Section 78 of the Ontario Energy Board Act, 1998 as amended (the “OEB Act”) for an

1 Order or Orders approving its proposed electricity distribution rates and other charges,
2 effective January 1, 2022.

- 3
- 4 3. IPC last appeared before the OEB with a cost of service rebasing application for 2017
5 rates in the EB-2016-0085 proceeding. A Decision and Order was issued on March 3,
6 2018 for EB-2016-0085 with an implementation date of May 1, 2018 for rates effective
7 July 1, 2018. To this end, IPC provided notice to the OEB to forgo the 2018 IRM EB-2017-
8 0053. IPC filed a 2019 IRM EB-2018-0045 for rates effective January 1, 2019, a 2020 IRM
9 EB-2019-0047 for rates effective January 1, 2020 and a 2021 IRM EB-2020-0033 for rates
10 effective January 1, 2021.
- 11
- 12 4. IPC is seeking approval for electricity distribution rates effective January 1, 2022. The
13 proposed rates were calculated utilizing the OEB's 2022 IRM Rate Generator Model. IPC
14 confirms that it has worked with OEB staff to make any necessary adjustments to
15 prepopulated values, and that the billing determinants in the models as filed are
16 accurate.
- 17
- 18 5. IPC requests that, pursuant to Section 34.01 of the OEB's *Rules of Practice and*
19 *Procedure*, this proceeding be conducted by way of written hearing.
- 20
- 21 6. IPC confirms that the application and related documents will be published on its website
22 (www.innpower.ca).
- 23
- 24 7. The persons affected by this Application are the ratepayers of InnPower Corporation's
25 service territory.
- 26
- 27 8. In addition to the written evidence provided herein, the following Excel
28 Models/Appendices have been filed in conjunction with the EB-2021-0036 application:
29
- 30 1) InnPower_2022-IRM-Rate-Generator-Model_20210719
 - 31 2) InnPower_2022_GA_Analysis_Workform_1.0_20210722
 - 32 3) InnPower_2022_1595_Analysis_Workform_1.0_20210722
 - 33 4) InnPower_2022_IRM_Checklist
 - 34 5) InnPower_2022_EB-2021-0036_Principal_Adjustments
 - 35 6) Appendix A: OEB Inspection Report – Group 1 Deferral and Variance Account
 - 36 7) Appendix B: OEB Inspection – Summary of Inspection Adjustments
 - 37 8) Appendix C: OEB Letter Dated January 9, 2018, Re: InnPower Application for
38 Rates Ontario Energy Board (OEB) File Number: EB-2016-0085

- 1 9) Appendix D: OEB Decision and Order, EB-2016-0085 Section 3.13 Rate Riders
- 2 10) Appendix E: InnPower Current Tariff Sheet
- 3 11) Appendix F: InnPower Certification

1.1 Managers Summary

IPC has selected the Price Cap Incentive Rate-setting ("Price Cap IR) option to file its 2022 Distribution Rate Application. In preparing this application, IPC has complied with Chapter 3, Incentive Rate-Setting Applications, of the Board's Filing Requirements for Electricity Distribution Applications – Addendum to Chapters 1, 2, 3, and 5, – 2022 Rate Applications dated June 24, 2021.

All rates referenced in this application and included in the accompanying InnPower Corporation Proposed Tariff of Rates and Charges, are based on the output of the OEB's 2022 IRM Rate Generator Model posted July 19, 2021.

IPC has not included in this EB-2021-0036 Application any claims, changes, requests or proposals in relation to any of the following items:

- LRAMVA
- Tax Changes
- Z-Factor claim
- Advanced Capital Module
- Incremental Capital Module
- Eligible Investments

Rate Generator Model

Continuity Schedule Variances

1. The variance for 1580 RSVA – Wholesale Market Service Charge in the amount of \$13,067, is the result of balances for sub-account 1580 CBR Class B accounted for in the 1580 control account in the 2.1.7 RRR submission form.
2. The variance for 1588 Power and 1589 Global Adjustment in the amount of \$143,948 and (\$353,310) respectively, is the result of the following items not reflected in the 2.1.7 RRR submission form:
 - True-up of GA charges based on actual GA rate – current year
 - True-up of actual kWh sales volumes for RPP settlements – current year
 - True-up of GA charges based on actual Non-RPP volumes – current year

- Unbilled to actual revenue differences – current year
- True-up of unaccounted for energy losses
- Impact of GA deferral

Please refer to the following files for detailed calculations of the variance:

- 1) InnPower_2022_GA_Analysis_Workform_1.0_20210722
- 2) InnPower_2022_EB-2021-0036_Principal_Adjustments

3. The variance for 1595 – Disposition and Recovery/Refund of Regulatory Balances (2016 and 2017) in the amount of (\$124,287) and \$124,287 respectively, is a result of separating out the balance of over refunded capital gains that require disposal (see section 2.5).

As requested by the OEB in EB-2018-0045 and EB-2019-0047, IPC began a Group 1 DVA balance audit by the OEB's Audit and Investigation Unit. The audit began in February 2020 and was finalized in September 2020. IPC resubmitted the Continuity Schedule with the adjustments identified in the Group 1 DVA audit as part of EB-2020-0033. The principal and interest adjustments were recorded in the General Ledger as of January 1, 2020, as outlined in Appendix A OEB Inspection Report – Group 1 Deferral and Variance Account and Appendix B OEB Inspection – Summary of Inspection Adjustments. Please note, these amounts have not been included in the principal adjustments column in the rate generator model, as they have been accounted for in the disposition amounts recorded during 2021.

IPC's current rates, were approved by the Board in its Decision and Order, (dated December 10, 2020), for IPC's IRM Application EB-2020-0033 for rates effective January 1, 2021.

IPC requests an Order or Orders approving:

1. Monthly Service Charge adjusted by the Board's price cap formula effective January 1, 2022.
2. A Rate Rider for Disposition of all Group 1 Accounts for rates effective January 1, 2022.
3. Updated Retail Transmission Service Rates effective January 1, 2022.

- 1 4. An order declaring IPC's current (i.e. 2020) rates as interim rates effective January 1,
2 2021, if and only if the preceding approvals cannot be issued in time to implement final
3 approved rates, effective January 1, 2022.

1 1.2 Contact Information
2

3 The primary contact for this EB-2021-0036 Application is:

4
5 Laura Hampton

6 Finance & Regulatory Specialist

7 InnPower Corporation

8 7251 Yonge Street, Innisfil, Ontario, L9S 0J3

9 Telephone: 705-431-6870 Ext. 226

10 E-mail: laurah@innpower.ca
11

12 The secondary contact for this application is:

13
14 Glen McAllister

15 CFO

16 InnPower Corporation

17 7251 Yonge Street, Innisfil, Ontario, L9S 0J3

18 Telephone: 705-431-6870 Ext. 236

19 E-mail: glenm@innpower.ca
20
21
22
23
24
25
26

2.0 Elements of the Price Cap IR

2.1 Annual Adjustment Mechanism

The rates and tariffs entered in the Rate Generator Model are taken from the Board approved 2021 Tariff of Rates and Charges, as per the Board Rate Order (EB-2020-0033).

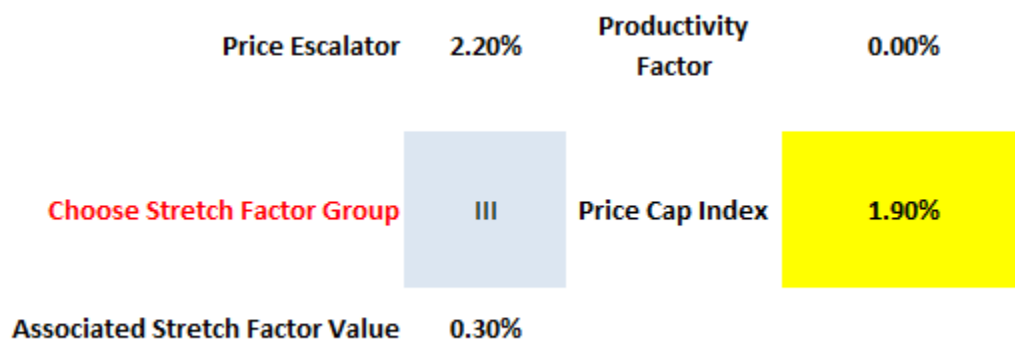
IPC has the following rate classes:

- Residential
- General Service Less Than 50 kW
- General Service 50 to 4,999 kW
- Unmetered Scattered Load
- Street Lighting
- Sentinel Lighting

The price Cap Index of 1.90% is calculated in the Board's Rate Generator model based on 2020 values and IPC's Cohort of Group III for 2020.

IPC acknowledges that Board staff will update the Rate Generator model with the 2022 price cap parameters once they are available.

2021 Price Cap Parameters



2.2 Revenue to Cost Ratio Adjustments

IPC has no Cost Ratio adjustments resulting from the Boards Decision EB-2016-0085, which will affect the outcome of Tab 16. Rev2Cost_GDPIPI, in the Rate Generator model.

Revenue to Cost Ratio Adjustments

Rate Class	Current MFC	MFC Adjustment from R/C Model	Current Volumetric Charge	DVR Adjustment from R/C Model	Price Cap Index to be Applied to MFC and DVR	Proposed MFC	Proposed Volumetric Charge
RESIDENTIAL SERVICE CLASSIFICATION	45.19				1.90%	46.05	0.0000
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	43.42		0.0105		1.90%	44.24	0.0107
GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION	222.08		4.5004		1.90%	226.30	4.5859
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	13.44		0.0226		1.90%	13.70	0.0230
SENTINEL LIGHTING SERVICE CLASSIFICATION	14.16		64.5407		1.90%	14.43	65.7670
STREET LIGHTING SERVICE CLASSIFICATION	4.33		29.925		1.90%	4.41	30.4936
microFIT SERVICE CLASSIFICATION	4.55					4.55	

2.3 Rate Design for Residential Electricity Customers

The OEB released Board Policy, EB-2014-0210, A New Rate Design for Residential Electricity Customers. The report required that electricity distributor's transition to a fully fixed monthly distribution service charge for residential customers over a four-year period commencing in 2016.

IPC commenced the transition to a fully fixed month distribution charge effective January 1, 2016 with EB-2015-0081. IPC's 2016 rates were made interim in 2017 until a Decision was issued on IPC's COS application EB-2016-0085 and no IRM was submitted for 2018. IPC entered its 4th and final year of transition for the Rate Design for Residential Electricity Customers with IRM EB-2019-0047 rates effective January 1, 2020.

2.4 Retail Transmission Service Rates

IPC has calculated the adjustment to the current retail transmission service rates (RTSR) within the Rate Generator model. 2021 RTR rates have been utilized to calculate 2022 RTSR rates. IPC acknowledges that once any January 1, 2022 UTR adjustments have been determined that Board staff will adjust the Rate Generator to incorporate the change.

The proposed RTSR Network and Connection and/or Line and Transformation Connection rates have increased by 6.98% to 11.76% from the current OEB approved rates. IPC's cost of power in 2020 increased due to a higher volume of consumption than the prior year, as well as double peak billing from Hydro One.

Proposed 2021 RTSR

The purpose of this table is to update the re-aligned RTS Network Rates to recover future wholesale network costs.

Rate Class	Rate Description	Unit	Adjusted RTSR- Network	Loss Adjusted Billed kWh	Billed kW	Billed Amount	Billed Amount %	Forecast Wholesale Billing	Proposed RTSR- Network
Residential Service Classification	Retail Transmission Rate - Network Service Rate	\$/kWh	0.0063	185,525,039	0	1,175,052	55.7%	1,175,052	0.0063
General Service Less Than 50 kW Service Classification	Retail Transmission Rate - Network Service Rate	\$/kWh	0.0057	42,281,899	0	239,610	11.3%	239,610	0.0057
General Service 50 To 4,999 kW Service Classification	Retail Transmission Rate - Network Service Rate	\$/kW	2.2451		153,609	344,870	16.3%	344,870	2.2451
General Service 50 To 4,999 kW Service Classification	Retail Transmission Rate - Network Service Rate - Interval Metered	\$/kW	2.2451		153,609	344,870	16.3%	344,870	2.2451
Unmetered Scattered Load Service Classification	Retail Transmission Rate - Network Service Rate	\$/kWh	0.0057	466,542	0	2,644	0.1%	2,644	0.0057
Sentinel Lighting Service Classification	Retail Transmission Rate - Network Service Rate	\$/kW	1.7570		280	492	0.0%	492	1.7570
Street Lighting Service Classification	Retail Transmission Rate - Network Service Rate	\$/kW	1.7482		2,074	3,626	0.2%	3,626	1.7482

The purpose of this table is to update the re-aligned RTS Connection Rates to recover future wholesale connection costs.

Rate Class	Rate Description	Unit	Adjusted RTSR- Connection	Loss Adjusted Billed kWh	Billed kW	Billed Amount	Billed Amount %	Forecast Wholesale Billing	Proposed RTSR- Connection
Residential Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0046	185,525,039	0	861,231	49.0%	861,231	0.0046
General Service Less Than 50 kW Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0042	42,281,899	0	178,020	10.1%	178,020	0.0042
General Service 50 To 4,999 kW Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.3975		153,609	368,277	21.0%	368,277	2.3975
General Service 50 To 4,999 kW Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered	\$/kW	2.2465		153,609	345,077	19.6%	345,077	2.2465
Unmetered Scattered Load Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0042	466,542	0	1,964	0.1%	1,964	0.0042
Sentinel Lighting Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.8737		280	525	0.0%	525	1.8737
Street Lighting Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.2638		2,074	2,621	0.1%	2,621	1.2638

2.5 Group 1 Deferral and Variance Account Balances

IPC has completed the DVA worksheets included in the 2022 Rate Generator model. The receivable balance for Group 1 accounts is \$2,642,854, excluding Global Adjustment.

The following Table provides a breakdown of the Group 1 accounts:

			Principal Balance up to December 31,				Last Year
Group 1	Account No.	2020	Interest Balance	Total Claim			Disposed*
LV Variance Account	1550	\$ 833,551	\$ 10,525	\$ 844,076			2019
Smart Metering Entity Charge Variance Account	1551	\$ (4,832)	\$ (113)	\$ (4,945)			2019
RSVA- Wholesale Market Charge	1580	\$ (122,003)	\$ (1,991)	\$ (123,994)			2019
Variance WMS - Sub Account CBR Class A	1580	\$ -	\$ -	\$ -			2019
Variance WMS - Sub Account CBR Class B	1580	\$ (7,797)	\$ (144)	\$ (7,941)			2019
RSVA - Retail Transmission Network Charge	1584	\$ 341,505	\$ 5,646	\$ 347,151			2019
RSVA - Retail Transmission Connection Charge	1586	\$ 319,070	\$ 5,267	\$ 324,337			2019
RSVA - Power	1588	\$ 1,134,662	\$ 5,222	\$ 1,139,884		-	
RSVA - Global Adjustment	1589	\$ 160,596	\$ 7,239	\$ 167,834		-	
Disposition and Recovery/Refund of Regulatory Balances (2015 and pre-2015)	1595	\$ -	\$ -	\$ -		-	
Disposition and Recovery/Refund of Regulatory Balances (2016)	1595	\$ 124,287	\$ -	\$ 124,287		-	
Disposition and Recovery/Refund of Regulatory Balances (2017)	1595	\$ -	\$ -	\$ -		-	
Disposition and Recovery/Refund of Regulatory Balances (2018)	1595	\$ -	\$ -	\$ -		-	
Disposition and Recovery/Refund of Regulatory Balances (2019)	1595	\$ -	\$ -	\$ -		-	
Disposition and Recovery/Refund of Regulatory Balances (2020)	1595	\$ -	\$ -	\$ -		-	
Disposition and Recovery/Refund of Regulatory Balances (2021)	1595	\$ -	\$ -	\$ -		-	
Total of Group 1 Balances		\$ 2,779,038	\$ 31,650	\$ 2,810,688			
RSVA - Global Adjustment				\$ 167,834			
Total of Group 1 Balances w/o Global Adjustment				\$ 2,642,854			
*EB-2020-0033 IRM for rates effective January 1, 2021							

The threshold test resulting from the Group 1 balance is \$0.0102. As this meets the threshold limit, IPC is requesting a 1-year disposition (or 12 months) on the Group 1 deferral/variance accounts.

The resulting Deferral/Variance Account Rate Riders by rate class for the 2022 DVA is as follows, based on a 12- month disposal:

Default Rate Rider Recovery Period (in months)	12	
DVA Proposed Rate Rider Recovery Period (in months)	12	Rate Rider Recovery to be used below
LRAM Proposed Rate Rider Recovery Period (in months)	12	Rate Rider Recovery to be used below

Rate Class	Unit	Total Metered kWh	Metered kW or kVA	Total Metered kWh less WMP consumption	Total Metered kW less WMP consumption	Allocation of Group 1 Account Balances to All Classes ¹	Allocation of Group 1 Account Balances to Non-WMP Classes Only (If Applicable) ²	Deferral/Variance Account Rate Rider for			Revenue Reconciliation ¹
								Deferral/Variance Account Rate Rider ³	Non-WMP (If applicable) ²	Account 1568 Rate Rider	
RESIDENTIAL SERVICE CLASSIFICATION	kWh	174,957,600	0	174,957,600	0	1,696,878	0.0097	0.0000			
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	kWh	39,873,537	0	39,873,537	0	373,387	0.0094	0.0000			
GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION	kWh	59,834,547	153,609	59,834,547	153,609	557,432	3.6289	0.0000			
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	kWh	439,968	0	439,968	0	4,302	0.0098	0.0000			
SENTINEL LIGHTING SERVICE CLASSIFICATION	kW	100,969	280	100,969	280	1,655	5.9094	0.0000			
STREET LIGHTING SERVICE CLASSIFICATION	kW	686,202	2,074	686,202	2,074	8,602	4.1476	0.0000			
										2,643,900.11	

Adjustments of Deferral and Variance Accounts

The principal adjustments included in the EB-2020-0033 submission were limited to those provided in the OEB inspection report. The balance approved for disposition did not include an amount for CT 148 True-up of GA charges based on actual non-RPP volumes for December 2019, which was recorded in January 2020. As such, an amount of \$200,286.96 has been included in the GA analysis workform to account for the adjustment.

Please refer to the following file for detailed calculations of the variance:

1) InnPower_2022_EB-2021-0036_Principal_Adjustments (Tab #2)

2.5.1 1595 Analysis

As directed, IPC has completed the 1595 Analysis Workform, which is included with the EB-2021-0036 submission.

1595 (2017) Over-Refund of Capital Gains

In the Decision and Rate Order EB-2016-0085, the OEB found that IPC incorrectly continued to charge its rate riders after the approved expiry dates. In a letter dated January 9, 2018, the OEB indicated that it expected InnPower to end its rate riders effective December 31, 2017, which included the Rate Rider for Disposition of Capital Gains (see Appendix C). To address the issue, the OEB directed IPC to transfer the over-refunded balances with respect to capital gains to a sub account in Account 1595 for future disposition in a subsequent IRM application (see Appendix D: Section 3.13 of EB-2016-0085).

Instead, IPC's assumption was to record the over-refunded balance to a Group 2 DVA account, to be disposed in a future Cost of Service application. IPC has since transferred the balance into a 1595 account and is requesting disposition in the amount of \$124,287. Please note, IPC is not requesting disposition of any interest amounts on the over-refunded principal balance.

Additionally, please note the over-refunded balance was recorded to a separate 1595 (2017) account than the 2017 balance approved for disposition. As the rate riders for the 2017 DVA account balances have only expired in May 2020, IPC will not be requesting disposition of the account at the current time. As such, the \$124,287 has been included on a separate line in the rate generator continuity schedule (i.e. 1595 (2016)) to distinguish the amount being requested for disposal.

2.5.2 Wholesale Market Participants

At the time of submission, IPC has no wholesale market participants.

2.5.3 Global Adjustment

Class A – Class B Customers

IPC did not have any customers transition between Class A and Class B during the period the account 1589 GA or 1580 sub-account CBR B balance accumulated (i.e. from 2019 when the account balance was disposed to the end of 2020).

Global Adjustment

IPC has implemented robust processes and internal controls for the preparation, review, verification and oversight of account balances being proposed for disposition, that are in line with the OEB's February 21, 2019 guidance.

As directed, IPC has undertaken and completed the GA Analysis Work form with this application for the year 2020, which include the above-mentioned principal adjustments. The resulting variance of Unresolved Difference as percentage of Expected GA payments to IESO for 2020 is 0.40%

Please note that the principal adjustments included in the prior year IRM application for accounts 1588 and 1589 were limited to the adjustments provided in the OEB DVA audit Inspection Report.

Additionally, please note the 1588 balance as a percentage of Account 4705 (Cost of Power) is 4.9%, which is higher than the 1% reasonability threshold. The transactions amount of \$1,572,092 reflects the continuity schedule amount of \$3,547,294 less the \$1,975,202 in OEB DVA audit adjustments, correcting prior year balances. IPC is currently undergoing an investigation to determine the large variance that occurred in 2020, which relates to unaccounted for energy losses.

The completed GA Workform model has been filed through portal.

2.5.4 CBR Class B

As indicated in the 2022 rate generator model, the 1580 sub-account CBR Class B amount produced a rate rider that rounds to zero at the fourth decimal place in one or more rate class. As such, the model transferred the entire CBR Class B amount into Account 1580 WMS control account to be disposed through general purpose Group 1 DVA rate riders. The tariff of rates and charges effective January 1, 2022 does not include a separate rate rider for the disposition of the Capacity Based Recovery Account for Class B Customers.

2.6 LRAM Variance Account (LRAMVA)

IPC has no LRAMVA claims in this application.

2.7 Tax Changes

IPC has completed Tab 8.STS – Tax Change that has identified a Shared Tax amount of \$0. The resulting amount did not produce a Rate Rider in all of IPC's rate classes.

Rate Class		Total kWh (most recent RRR filing)	Total kW (most recent RRR filing)	Allocation of Tax Savings by Rate Class	Distribution Rate Rider
RESIDENTIAL SERVICE CLASSIFICATION	kWh	174,957,600		0	0.00 \$/customer
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	kWh	39,873,537		0	0.0000 kWh
GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION	kW	59,834,547	153,609	0	0.0000 kW
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	kWh	439,968		0	0.0000 kWh
SENTINEL LIGHTING SERVICE CLASSIFICATION	kW	100,969	280	0	0.0000 kW
STREET LIGHTING SERVICE CLASSIFICATION	kW	686,202	2,074	0	0.0000 kW
Total		275,892,823	155,963	\$0	

2.8 Z Factor Changes

IPC has no Z-Factor claims in this application.

3.0 Rate Change Summary and Bill Impacts

The following table present a summary of the proposed rates and the associated bill impacts by Rate Class.

RATE CLASSES / CATEGORIES (eg: Residential TDU, Residential Retailer)	Units	Sub-Total						Total	
		A		B		C		Total Bill	
		\$	%	\$	%	\$	%	\$	%
RESIDENTIAL SERVICE CLASSIFICATION - RPP	kWh	\$ -	0.0%	\$ 2.33	4.5%	\$ 3.04	5.1%	\$ 2.86	2.2%
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION - RPP	kWh	\$ 1.22	1.9%	\$ 6.62	6.4%	\$ 8.53	7.0%	\$ 8.03	2.5%
GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION - RPP	kW	\$ 12.77	1.9%	\$ 116.36	10.1%	\$ 156.49	9.9%	\$ 176.83	3.5%
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION - RPP	kWh	\$ 0.29	1.9%	\$ 0.50	3.1%	\$ 0.56	3.3%	\$ 0.53	2.3%
SENTINEL LIGHTING SERVICE CLASSIFICATION - RPP	kW	\$ 1.50	1.9%	\$ 5.00	7.0%	\$ 5.31	7.1%	\$ 5.00	5.9%
STREET LIGHTING SERVICE CLASSIFICATION - RPP	kW	\$ 362.58	1.9%	\$ 621.24	3.1%	\$ 656.89	3.2%	\$ 742.28	2.5%
RESIDENTIAL SERVICE CLASSIFICATION - Non-RPP (Retailer)	kWh	\$ -	0.0%	\$ 8.85	16.1%	\$ 9.57	15.2%	\$ 10.81	3.6%

The calculated total bill impacts for this EB-2021-0036 IRM application reflect no rate class greater than 10% of the overall bill. The total bill impacts show adjustments between 2.2% and 5.9%.

The following bill impacts by rate class are presented.

1 Residential Rate Class

2

Customer Class:	RESIDENTIAL SERVICE CLASSIFICATION	
RPP / Non-RPP:	RPP	
Consumption	750	kWh
Demand	-	kW
Current Loss Factor	1.0604	
Proposed/Approved Loss Factor	1.0604	

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 45.19	1	\$ 45.19	\$ 46.05	1	\$ 46.05	\$ 0.86	1.90%
Distribution Volumetric Rate	\$ -	750	\$ -	\$ -	750	\$ -	\$ -	-
DRP Adjustment	\$ -	750	\$ (8.33)	\$ -	750	\$ (9.19)	\$ (0.86)	10.32%
Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-
Volumetric Rate Riders	\$ -	750	\$ -	\$ -	750	\$ -	\$ -	-
Sub-Total A (excluding pass through)			\$ 36.86			\$ 36.86	\$ -	0.00%
Line Losses on Cost of Power	\$ 0.1034	45	\$ 4.68	\$ 0.1034	45	\$ 4.68	\$ -	0.00%
Total Deferral/Variance Account Rate Riders	\$ 0.0103	750	\$ 7.73	\$ 0.0135	750	\$ 10.13	\$ 2.40	31.07%
CBR Class B Rate Riders	\$ 0.0001	750	\$ 0.08	\$ -	750	\$ -	\$ (0.08)	-100.00%
GA Rate Riders	\$ -	750	\$ -	\$ -	750	\$ -	\$ -	-
Low Voltage Service Charge	\$ 0.0025	750	\$ 1.88	\$ 0.0025	750	\$ 1.88	\$ -	0.00%
Smart Meter Entity Charge (if applicable)	\$ 0.57	1	\$ 0.57	\$ 0.57	1	\$ 0.57	\$ -	0.00%
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-
Additional Volumetric Rate Riders	\$ -	750	\$ -	\$ -	750	\$ -	\$ -	-
Sub-Total B - Distribution (includes Sub-Total A)			\$ 51.79			\$ 54.11	\$ 2.33	4.49%
RTSR - Network	\$ 0.0057	795	\$ 4.53	\$ 0.0063	795	\$ 5.01	\$ 0.48	10.53%
RTSR - Connection and/or Line and Transformation Connection	\$ 0.0043	795	\$ 3.42	\$ 0.0046	795	\$ 3.66	\$ 0.24	6.98%
Sub-Total C - Delivery (including Sub-Total B)			\$ 59.74			\$ 62.78	\$ 3.04	5.09%
Wholesale Market Service Charge (vMSC)	\$ 0.0034	795	\$ 2.70	\$ 0.0034	795	\$ 2.70	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	\$ 0.0005	795	\$ 0.40	\$ 0.0005	795	\$ 0.40	\$ -	0.00%
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
TOU - Off Peak	\$ 0.0820	480	\$ 39.36	\$ 0.0820	480	\$ 39.36	\$ -	0.00%
TOU - Mid Peak	\$ 0.1130	135	\$ 15.26	\$ 0.1130	135	\$ 15.26	\$ -	0.00%
TOU - On Peak	\$ 0.1700	135	\$ 22.95	\$ 0.1700	135	\$ 22.95	\$ -	0.00%
Total Bill on TOU (before Taxes)			\$ 140.66			\$ 143.70	\$ 3.04	2.16%
HST	13%		\$ 18.29	13%		\$ 18.68	\$ 0.40	2.16%
Ontario Electricity Rebate	18.3%		\$ (26.58)	18.3%		\$ (27.16)	\$ (0.57)	-
Total Bill on TOU			\$ 132.36			\$ 135.22	\$ 2.86	2.16%

3

General Service Less than 50KW

Customer Class:	GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION		
RPP / Non-RPP:	RPP		
Consumption	2,000	kWh	
Demand	-	kW	
Current Loss Factor	1.0604		
Proposed/Approved Loss Factor	1.0604		

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 43.42	1	\$ 43.42	\$ 44.24	1	\$ 44.24	\$ 0.82	1.89%
Distribution Volumetric Rate	\$ 0.0105	2000	\$ 21.00	\$ 0.0107	2000	\$ 21.40	\$ 0.40	1.90%
Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Volumetric Rate Riders	\$ -	2000	\$ -	\$ -	2000	\$ -	\$ -	
Sub-Total A (excluding pass through)			\$ 64.42			\$ 65.64	\$ 1.22	1.89%
Line Losses on Cost of Power	\$ 0.1034	121	\$ 12.49	\$ 0.1034	121	\$ 12.49	\$ -	0.00%
Total Deferral/Variance Account Rate Riders	\$ 0.0103	2,000	\$ 20.60	\$ 0.0131	2,000	\$ 26.20	\$ 5.60	27.18%
CBR Class B Rate Riders	\$ 0.0001	2,000	\$ 0.20	\$ -	2,000	\$ -	\$ (0.20)	-100.00%
GA Rate Riders	\$ -	2,000	\$ -	\$ -	2,000	\$ -	\$ -	
Low Voltage Service Charge	\$ 0.0024	2,000	\$ 4.80	\$ 0.0024	2,000	\$ 4.80	\$ -	0.00%
Smart Meter Entity Charge (if applicable)	\$ 0.57	1	\$ 0.57	\$ 0.57	1	\$ 0.57	\$ -	0.00%
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Additional Volumetric Rate Riders	\$ -	2,000	\$ -	\$ -	2,000	\$ -	\$ -	
Sub-Total B - Distribution (includes Sub-Total A)			\$ 103.08			\$ 109.70	\$ 6.62	6.42%
RTSR - Network	\$ 0.0051	2,121	\$ 10.82	\$ 0.0057	2,121	\$ 12.09	\$ 1.27	11.76%
RTSR - Connection and/or Line and Transformation Connection	\$ 0.0039	2,121	\$ 8.27	\$ 0.0042	2,121	\$ 8.91	\$ 0.64	7.69%
Sub-Total C - Delivery (including Sub-Total B)			\$ 122.17			\$ 130.70	\$ 8.53	6.98%
Wholesale Market Service Charge (WMSC)	\$ 0.0034	2,121	\$ 7.21	\$ 0.0034	2,121	\$ 7.21	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	\$ 0.0005	2,121	\$ 1.06	\$ 0.0005	2,121	\$ 1.06	\$ -	0.00%
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
TOU - Off Peak	\$ 0.0820	1,280	\$ 104.96	\$ 0.0820	1,280	\$ 104.96	\$ -	0.00%
TOU - Mid Peak	\$ 0.1130	360	\$ 40.68	\$ 0.1130	360	\$ 40.68	\$ -	0.00%
TOU - On Peak	\$ 0.1700	360	\$ 61.20	\$ 0.1700	360	\$ 61.20	\$ -	0.00%
Total Bill on TOU (before Taxes)			\$ 337.53			\$ 346.06	\$ 8.53	2.53%
HST	13%		\$ 43.88	13%		\$ 44.99	\$ 1.11	2.53%
Ontario Electricity Rebate	18.9%		\$ (63.79)	18.9%		\$ (65.41)	\$ (1.61)	
Total Bill on TOU			\$ 317.62			\$ 325.64	\$ 8.03	2.53%

1 General Service 50 to 4,999 KW

2

Customer Class: GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION			
RPP / Non-RPP:	RPP		
Consumption	25,000 kWh		
Demand	100 kW		
Current Loss Factor	1.0604		
Proposed/Approved Loss Factor	1.0604		

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 222.08	1	\$ 222.08	\$ 226.30	1	\$ 226.30	\$ 4.22	1.90%
Distribution Volumetric Rate	\$ 4.5004	100	\$ 450.04	\$ 4.5859	100	\$ 458.59	\$ 8.55	1.90%
Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Volumetric Rate Riders	\$ -	100	\$ -	\$ -	100	\$ -	\$ -	
Sub-Total A (excluding pass through)			\$ 672.12			\$ 684.89	\$ 12.77	1.90%
Line Losses on Cost of Power	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	
Total Deferral/Variance Account Rate Riders	\$ 3.4491	100	\$ 344.91	\$ 4.5158	100	\$ 451.58	\$ 106.67	30.93%
CBR Class B Rate Riders	\$ 0.0308	100	\$ 3.08	\$ -	100	\$ -	\$ (3.08)	-100.00%
GA Rate Riders	\$ -	25,000	\$ -	\$ -	25,000	\$ -	\$ -	
Low Voltage Service Charge	\$ 1.3285	100	\$ 132.85	\$ 1.3285	100	\$ 132.85	\$ -	0.00%
Smart Meter Entity Charge (if applicable)	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Additional Volumetric Rate Riders	\$ -	100	\$ -	\$ -	100	\$ -	\$ -	
Sub-Total B - Distribution (includes Sub-Total A)			\$ 1,152.96			\$ 1,269.32	\$ 116.36	10.09%
RTSR - Network	\$ 2.0205	100	\$ 202.05	\$ 2.2451	100	\$ 224.51	\$ 22.46	11.12%
RTSR - Connection and/or Line and Transformation Connection	\$ 2.2208	100	\$ 222.08	\$ 2.3975	100	\$ 239.75	\$ 17.67	7.96%
Sub-Total C - Delivery (including Sub-Total B)			\$ 1,577.09			\$ 1,733.58	\$ 156.49	9.92%
Wholesale Market Service Charge (WMSA)	\$ 0.0034	26,510	\$ 90.13	\$ 0.0034	26,510	\$ 90.13	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	\$ 0.0005	26,510	\$ 13.26	\$ 0.0005	26,510	\$ 13.26	\$ -	0.00%
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
TOU - Off Peak	\$ 0.0820	16,966	\$ 1,391.24	\$ 0.0820	16,966	\$ 1,391.24	\$ -	0.00%
TOU - Mid Peak	\$ 0.1130	4,772	\$ 539.21	\$ 0.1130	4,772	\$ 539.21	\$ -	0.00%
TOU - On Peak	\$ 0.1700	4,772	\$ 811.21	\$ 0.1700	4,772	\$ 811.21	\$ -	0.00%
Total Bill on TOU (before Taxes)			\$ 4,422.39			\$ 4,578.88	\$ 156.49	3.54%
HST	13%		\$ 574.91	13%		\$ 595.25	\$ 20.34	3.54%
Ontario Electricity Rebate	18.9%		\$ -	18.9%		\$ -	\$ -	
Total Bill on TOU			\$ 4,997.30			\$ 5,174.14	\$ 176.83	3.54%

3

1 **Unmetered Scattered Load**

2

Customer Class:		UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	
RPP / Non-RPP:		RPP	
Consumption	68	kWh	
Demand	-	kW	
Current Loss Factor	1.0604		
Proposed/Approved Loss Factor	1.0604		

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 13.44	1	\$ 13.44	\$ 13.70	1	\$ 13.70	\$ 0.26	1.93%
Distribution Volumetric Rate	\$ 0.0226	68	\$ 1.54	\$ 0.0230	68	\$ 1.56	\$ 0.03	1.77%
Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Volumetric Rate Riders	\$ -	68	\$ -	\$ -	68	\$ -	\$ -	
Sub-Total A (excluding pass through)			\$ 14.98			\$ 15.26	\$ 0.29	1.92%
Line Losses on Cost of Power	\$ 0.1034	4	\$ 0.42	\$ 0.1034	4	\$ 0.42	\$ -	0.00%
Total Deferral/Variance Account Rate Riders	\$ 0.0105	68	\$ 0.71	\$ 0.0137	68	\$ 0.93	\$ 0.22	30.48%
CBR Class B Rate Riders	\$ 0.0001	68	\$ 0.01	\$ -	68	\$ -	\$ (0.01)	-100.00%
GA Rate Riders	\$ -	68	\$ -	\$ -	68	\$ -	\$ -	
Low Voltage Service Charge	\$ 0.0024	68	\$ 0.16	\$ 0.0024	68	\$ 0.16	\$ -	0.00%
Smart Meter Entity Charge (if applicable)	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Additional Volumetric Rate Riders	\$ -	68	\$ -	\$ -	68	\$ -	\$ -	
Sub-Total B - Distribution (includes Sub-Total A)			\$ 16.29			\$ 16.78	\$ 0.50	3.06%
RTSR - Network	\$ 0.0051	72	\$ 0.37	\$ 0.0057	72	\$ 0.41	\$ 0.04	11.76%
RTSR - Connection and/or Line and Transformation Connection	\$ 0.0039	72	\$ 0.28	\$ 0.0042	72	\$ 0.30	\$ 0.02	7.69%
Sub-Total C - Delivery (including Sub-Total B)			\$ 16.93			\$ 17.50	\$ 0.56	3.32%
Wholesale Market Service Charge (vMSC)	\$ 0.0034	72	\$ 0.25	\$ 0.0034	72	\$ 0.25	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	\$ 0.0005	72	\$ 0.04	\$ 0.0005	72	\$ 0.04	\$ -	0.00%
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
TOU - Off Peak	\$ 0.0820	44	\$ 3.57	\$ 0.0820	44	\$ 3.57	\$ -	0.00%
TOU - Mid Peak	\$ 0.1130	12	\$ 1.38	\$ 0.1130	12	\$ 1.38	\$ -	0.00%
TOU - On Peak	\$ 0.1700	12	\$ 2.08	\$ 0.1700	12	\$ 2.08	\$ -	0.00%
Total Bill on TOU (before Taxes)			\$ 24.50			\$ 25.06	\$ 0.56	2.30%
HST	13%		\$ 3.18	13%		\$ 3.26	\$ 0.07	2.30%
Ontario Electricity Rebate	18.9%		\$ (4.63)	18.9%		\$ (4.74)	\$ (0.11)	
Total Bill on TOU			\$ 23.05			\$ 23.58	\$ 0.53	2.30%

3

1 Sentinel Lighting

2

Customer Class: SENTINEL LIGHTING SERVICE CLASSIFICATION			
RPP / Non-RPP: RPP			
Consumption	150 kWh		
Demand	1 kW		
Current Loss Factor	1.0604		
Proposed/Approved Loss Factor	1.0604		

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 14.16	1	\$ 14.16	\$ 14.43	1	\$ 14.43	\$ 0.27	1.91%
Distribution Volumetric Rate	\$ 64.5407	1	\$ 64.54	\$ 65.7670	1	\$ 65.77	\$ 1.23	1.90%
Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Volumetric Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Sub-Total A (excluding pass through)			\$ 78.70			\$ 80.20	\$ 1.50	1.90%
Line Losses on Cost of Power	\$ 0.1034	9	\$ 0.94	\$ 0.1034	9	\$ 0.94	\$ -	0.00%
Total Deferral/Variance Account Rate Riders	\$ 9.6570	1	\$ (9.66)	\$ 6.1252	1	\$ (6.13)	\$ 3.53	-36.57%
CBR Class B Rate Riders	\$ 0.0278	1	\$ 0.03	\$ -	1	\$ -	\$ (0.03)	-100.00%
GA Rate Riders	\$ -	150	\$ -	\$ -	150	\$ -	\$ -	
Low Voltage Service Charge	\$ 1.0383	1	\$ 1.04	\$ 1.0383	1	\$ 1.04	\$ -	0.00%
Smart Meter Entity Charge (if applicable)	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Additional Volumetric Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Sub-Total B - Distribution (includes Sub-Total A)			\$ 71.05			\$ 76.05	\$ 5.00	7.04%
RTSR - Network	\$ 1.5812	1	\$ 1.58	\$ 1.7570	1	\$ 1.76	\$ 0.18	11.12%
RTSR - Connection and/or Line and Transformation Connection	\$ 1.7356	1	\$ 1.74	\$ 1.8737	1	\$ 1.87	\$ 0.14	7.96%
Sub-Total C - Delivery (including Sub-Total B)			\$ 74.36			\$ 79.68	\$ 5.31	7.15%
Wholesale Market Service Charge (vMSC)	\$ 0.0034	159	\$ 0.54	\$ 0.0034	159	\$ 0.54	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	\$ 0.0005	159	\$ 0.08	\$ 0.0005	159	\$ 0.08	\$ -	0.00%
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
TOU - Off Peak	\$ 0.0820	96	\$ 7.87	\$ 0.0820	96	\$ 7.87	\$ -	0.00%
TOU - Mid Peak	\$ 0.1130	27	\$ 3.05	\$ 0.1130	27	\$ 3.05	\$ -	0.00%
TOU - On Peak	\$ 0.1700	27	\$ 4.59	\$ 0.1700	27	\$ 4.59	\$ -	0.00%
Total Bill on TOU (before Taxes)			\$ 90.75			\$ 96.06	\$ 5.31	5.86%
HST	13%		\$ 11.80	13%		\$ 12.49	\$ 0.69	5.86%
Ontario Electricity Rebate	18.9%		\$ (17.15)	18.9%		\$ (18.16)	\$ (1.00)	
Total Bill on TOU			\$ 85.39			\$ 90.39	\$ 5.00	5.86%

3

1 Street Lighting

2

Customer Class: STREET LIGHTING SERVICE CLASSIFICATION			
RPP / Non-RPP: RPP			
Consumption	46,770	kWh	
Demand	133	kW	
Current Loss Factor	1.0604		
Proposed/Approved Loss Factor	1.0604		

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 4.33	3587	\$ 15,531.71	\$ 4.41	3587	\$ 15,818.67	\$ 286.96	1.85%
Distribution Volumetric Rate	\$ 29.9250	133	\$ 3,980.03	\$ 30.4936	133	\$ 4,055.65	\$ 75.62	1.90%
Fixed Rate Riders	\$ -	3587	\$ -	\$ -	3587	\$ -	\$ -	
Volumetric Rate Riders	\$ -	133	\$ -	\$ -	133	\$ -	\$ -	
Sub-Total A (excluding pass through)			\$ 19,511.74			\$ 19,874.32	\$ 362.58	1.86%
Line Losses on Cost of Power	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	
Total Deferral/Variance Account Rate Riders	\$ 3.2747	133	\$ 435.54	\$ 5.2462	133	\$ 697.74	\$ 262.21	60.20%
CBR Class B Rate Riders	\$ 0.0267	133	\$ 3.55	\$ -	133	\$ -	\$ (3.55)	-100.00%
GA Rate Riders	\$ -	46,770	\$ -	\$ -	46,770	\$ -	\$ -	
Low Voltage Service Charge	\$ 0.7003	133	\$ 93.14	\$ 0.7003	133	\$ 93.14	\$ -	0.00%
Smart Meter Entity Charge (if applicable)	\$ -	3587	\$ -	\$ -	3587	\$ -	\$ -	
Additional Fixed Rate Riders	\$ -	3587	\$ -	\$ -	3587	\$ -	\$ -	
Additional Volumetric Rate Riders	\$ -	133	\$ -	\$ -	133	\$ -	\$ -	
Sub-Total B - Distribution (includes Sub-Total A)			\$ 20,043.96			\$ 20,665.20	\$ 621.24	3.10%
RTSR - Network	\$ 1.5733	133	\$ 209.25	\$ 1.7482	133	\$ 232.51	\$ 23.26	11.12%
RTSR - Connection and/or Line and Transformation Connection	\$ 1.1707	133	\$ 155.70	\$ 1.2638	133	\$ 168.09	\$ 12.38	7.95%
Sub-Total C - Delivery (including Sub-Total B)			\$ 20,408.91			\$ 21,065.80	\$ 656.89	3.22%
Wholesale Market Service Charge (VMSC)	\$ 0.0034	49,595	\$ 168.62	\$ 0.0034	49,595	\$ 168.62	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	\$ 0.0005	49,595	\$ 24.80	\$ 0.0005	49,595	\$ 24.80	\$ -	0.00%
Standard Supply Service Charge	\$ 0.25	3587	\$ 896.75	\$ 0.25	3587	\$ 896.75	\$ -	0.00%
TOU - Off Peak	\$ 0.0820	31,741	\$ 2,602.74	\$ 0.0820	31,741	\$ 2,602.74	\$ -	0.00%
TOU - Mid Peak	\$ 0.1130	8,927	\$ 1,008.76	\$ 0.1130	8,927	\$ 1,008.76	\$ -	0.00%
TOU - On Peak	\$ 0.1700	8,927	\$ 1,517.60	\$ 0.1700	8,927	\$ 1,517.60	\$ -	0.00%
Total Bill on TOU (before Taxes)			\$ 26,628.19			\$ 27,285.07	\$ 656.89	2.47%
HST	13%		\$ 3,461.66	13%		\$ 3,547.06	\$ 85.40	2.47%
Ontario Electricity Rebate	18.9%		\$ -	18.9%		\$ -	\$ -	
Total Bill on TOU			\$ 30,089.85			\$ 30,832.13	\$ 742.28	2.47%

3

Residential Rate Class – Non-RPP

Customer Class: RESIDENTIAL SERVICE CLASSIFICATION	
RPP / Non-RPP: Non-RPP (Retailer)	
Consumption: 750 kWh	
Demand: - kW	
Current Loss Factor: 1.0604	
Proposed/Approved Loss Factor: 1.0604	

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 45.19	1	\$ 45.19	\$ 46.05	1	\$ 46.05	\$ 0.86	1.90%
Distribution Volumetric Rate	\$ -	750	\$ -	\$ -	750	\$ -	\$ -	-
DRP Adjustment	\$ -	750	\$ (8.33)	\$ -	750	\$ (9.19)	\$ (0.86)	10.32%
Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-
Volumetric Rate Riders	\$ -	750	\$ -	\$ -	750	\$ -	\$ -	-
Sub-Total A (excluding pass through)			\$ 36.86			\$ 36.86	\$ -	0.00%
Line Losses on Cost of Power	\$ 0.2689	45	\$ 12.18	\$ 0.2689	45	\$ 12.18	\$ -	0.00%
Total Deferral/Variance Account Rate	\$ 0.0103	750	\$ 7.73	\$ 0.0135	750	\$ 10.13	\$ 2.40	31.07%
Riders	\$ 0.0001	750	\$ 0.08	\$ -	750	\$ -	\$ (0.08)	-100.00%
CBR Class B Rate Riders	\$ 0.0058	750	\$ (4.35)	\$ 0.0029	750	\$ 2.18	\$ 6.53	-150.00%
GA Rate Riders	\$ 0.0025	750	\$ 1.88	\$ 0.0025	750	\$ 1.88	\$ -	0.00%
Low Voltage Service Charge	\$ 0.57	1	\$ 0.57	\$ 0.57	1	\$ 0.57	\$ -	0.00%
Smart Meter Entity Charge (if applicable)	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-
Additional Volumetric Rate Riders	\$ -	750	\$ -	\$ -	750	\$ -	\$ -	-
Sub-Total B - Distribution (includes Sub-Total A)			\$ 54.94			\$ 63.79	\$ 8.85	16.11%
RTSR - Network	\$ 0.0057	795	\$ 4.53	\$ 0.0063	795	\$ 5.01	\$ 0.48	10.53%
RTSR - Connection and/or Line and Transformation Connection	\$ 0.0043	795	\$ 3.42	\$ 0.0046	795	\$ 3.66	\$ 0.24	6.98%
Sub-Total C - Delivery (including Sub-Total B)			\$ 62.89			\$ 72.45	\$ 9.57	15.21%
Wholesale Market Service Charge (WMS)	\$ 0.0034	795	\$ 2.70	\$ 0.0034	795	\$ 2.70	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	\$ 0.0005	795	\$ 0.40	\$ 0.0005	795	\$ 0.40	\$ -	0.00%
Standard Supply Service Charge	\$ 0.2689	750	\$ 201.68	\$ 0.2689	750	\$ 201.68	\$ -	0.00%
Non-RPP Retailer Avg. Price								
Total Bill on Non-RPP Avg. Price			\$ 267.67			\$ 277.23	\$ 9.57	3.57%
HST	13%		\$ 34.80	13%		\$ 36.04	\$ 1.24	3.57%
Ontario Electricity Rebate	18.9%		\$ (50.59)	18.9%		\$ (52.40)	\$ (1.81)	-3.57%
Total Bill on Non-RPP Avg. Price			\$ 302.46			\$ 313.27	\$ 10.81	3.57%

~Respectfully Submitted~

1 [Appendices](#)

2

3

1 A: OEB Inspection Report – Group 1 Deferral and Variance Account

BY EMAIL : glenm@innpower.ca

September 14, 2020

Mr. Glen McAllister
Chief Financial Officer
InnPower Corporation
7251 Yonge Street
Innisfil, ON, L9S 0J3

Dear Mr. McAllister:

Re: Inspection Report – Group 1 Deferral and Variance Accounts

The Ontario Energy Board's (OEB) Inspection & Enforcement Department has completed its inspection of InnPower Corporation's (InnPower) Group 1 deferral and variance accounts (DVA). The inspection assessed InnPower's compliance with applicable enforceable provisions under the *Electricity Act, 1998*, the *Ontario Energy Board Act, 1998*, and related regulations. The inspection also assessed whether InnPower conformed with the OEB's Accounting Procedures Handbook and related guidelines for the period of January 1, 2015 to December 31, 2019.

The results of the inspection are included in the attached inspection report. To the extent that the inspection required examination of documents, records or information that are not already in the OEB's possession, OEB staff acted under Part VII of the *Ontario Energy Board Act, 1998*.

OEB staff expects InnPower to complete the required actions as detailed in the inspection report. OEB staff also notes that InnPower completing the required actions does not prejudice any future compliance actions related to findings arising from the inspection.



We thank you for your cooperation and assistance. Please do not hesitate to contact the undersigned directly should you have any questions.

Yours truly,

A handwritten signature in blue ink, appearing to be 'TS' or 'Stanco', written in a cursive style.

Tony Stanco
Manager, Inspection & Enforcement
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ONTARIO ENERGY BOARD



Inspection Report

InnPower Corporation

Inspection of Group 1 Deferral and Variance Accounts

September 2020

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1. SUMMARY

The Ontario Energy Board's (OEB) Inspection and Enforcement department (staff) conducted an inspection of InnPower Corporation's (InnPower) Group 1 deferral and variance accounts (DVA)¹. The inspection assessed InnPower's compliance with applicable enforceable provisions under the *Electricity Act, 1998*, the *Ontario Energy Board Act, 1998*, and related regulations. The inspection also assessed whether InnPower conformed with the OEB's Accounting Procedures Handbook (APH), and related guidelines for the period of January 1, 2015 to December 31, 2019.

Staff found that due to a number of errors, InnPower did not conform with the OEB's accounting guidelines and materially misstated the balances as of December 31, 2019 reported for the following accounts:

- Account 1588 (RSVA – Power)
- Account 1589 (RSVA – GA)
- Account 1580 (RSVA – WMS)
- Account 1580 sub-account CBR Class B

In addition, staff found that InnPower made errors in the disposition of DVA balances which resulted in InnPower overcharging its customers by a total of \$519,594 from 2017 to 2020. Of the \$519,594, staff found that customers were overcharged \$405,769 as a result of InnPower not complying with an OEB rate order, which may result in further enforcement action.

Staff expects InnPower to make the necessary adjustments in the GL in 2020. In addition, staff expects InnPower to include and provide explanation for all the corrective adjustments in the balances brought forward for disposition in InnPower's next rate application.

Staff made the following findings and observation as detailed in this report:

1. InnPower recorded incorrect adjusting entries in 2018 and 2019 to true up global adjustment costs. As a result, Account 1588 was understated by \$1,899,696 as of December 31, 2018 and \$8,862 as of December 31, 2019, and Account 1589 was overstated by the same amounts.
2. InnPower made a number of manual adjustments to Accounts 1588 and 1589 in 2017 and 2018 that could not be substantiated. As a result, Account 1588 was overstated by \$57,781 and Account 1589 was understated by the same amount as of December 31, 2017. Account 1588 was understated by \$191,423 and Account 1589 was overstated by \$190,689 as of December 31, 2018.
3. InnPower does not record monthly accruals for unbilled revenues for non-RPP GA in Account 1589. Rather, InnPower records the accrual for all unbilled revenues in Account 1588. As a result, the balance in Account 1588 was overstated by a credit of (\$493,768) as of December 31, 2019, and the balance in Account 1589 was understated by a debit of the same amount.

¹ Group 1 DVAs include Accounts 1550, 1551, 1580, 1584, 1586, 1588, 1589, and 1595.

4. During its 2017 Cost of Service proceeding, InnPower brought forward for disposition an incorrect residual balance in Account 1595. The incorrect residual balance reflected a balance that InnPower was still collecting from customers through a rate rider. The OEB approved the residual Account 1595 balance as requested for disposition on a final basis, resulting in customers being charged twice for the amount of \$113,825 from 2018 to 2020.
5. InnPower charged rate riders to customers over a 24-month period instead of the 12-month period approved by the OEB in InnPower's 2016 IRM proceeding². As a result, InnPower was not in compliance with an OEB rate order and its customers were overcharged a total of \$405,769 in 2017.
6. InnPower incorrectly included Account 1595 (2014) balances for disposition in the 2016 IRM and 2017 Cost of Service proceedings. As a result, InnPower incorrectly refunded its customers \$28,862 from 2018 to 2020.
7. InnPower incorrectly included Capacity Based Recovery (CBR) Class B charges in the balances of Account 1589 instead of Account 1580, sub-account CBR Class B for the period from 2015 to June 2017. As a result, Account 1589 was overstated by debits of \$66,059 in 2015 and \$93,239 in 2016. At the same time, InnPower did not record the CBR Class A and CBR Class B variances in their respective sub-accounts of Account 1580 until 2019. Prior to 2019, InnPower incorrectly recorded these variances in the main Account 1580. As a result, Account 1580 sub-account CBR Class B was understated by a credit of (\$66,059) in 2015, and the main Account 1580 was understated by a credit of (\$93,239) in 2016.
8. InnPower did not exclude the Account 1580 interest amount approved for disposition in the 2017 Cost of Service proceeding from the interest balance as of December 31, 2019. As a result, the Account 1580 interest balance as of December 31, 2019 was overstated by a credit of (\$14,729).
9. Staff noted a number of control weaknesses in the reporting of DVA balances.

A summary of the inspection adjustments to the account balances as of December 31, 2019 is detailed in **Appendix 1**. A complete description of the findings and observation is detailed in **Appendix 2**.

2. REASON AND AUTHORITY FOR INSPECTION

The inspection was initiated as a result of concerns with InnPower's regulatory accounting controls in place to ensure accurate balances in Group 1 DVAs as identified by the OEB during InnPower's 2019 IRM rate proceeding³.

The inspection was conducted under the authority of Part VII of the *Ontario Energy Board Act, 1998* (Act) by staff appointed as inspectors by the OEB's management committee under section 106 of the Act.

² EB-2015-0081.

³ EB-2018-0045.

3. OBJECTIVE AND SCOPE

The objective of the inspection was to determine whether InnPower has adequate regulatory accounting procedures, controls, and oversight in place to ensure accurate Group 1 DVA balances. Staff reviewed entries in Group 1 DVAs for the following periods:

- Accounts 1588 and 1589 – January 1, 2015 to December 31, 2019
- All other Group 1 DVAs – January 1, 2016 to December 31, 2019

Staff assessed InnPower's compliance with enforceable provisions related to electricity pricing and commodity settlements with the IESO, under the *Electricity Act, 1998*:

- O.Reg. 429/04 (calculation of Global Adjustment)
- O.Reg. 430/04 (settlement of RPP variances with the IESO)

In conducting the compliance assessment, staff also considered InnPower's conformity with the OEB's Accounting Procedures Handbook and related guidelines.

4. METHODOLOGY

Staff reviewed InnPower's procedures, systems, and controls with respect to the tracking, recording, calculating, and reporting of the balances in Group 1 DVAs.

Staff interviewed key InnPower staff and reviewed supporting documents such as IESO invoices, customer billing data, settlement calculations and procedures, and accounting records.

APPENDIX 1
SUMMARY OF INSPECTION ADJUSTMENTS TO BALANCES AS OF
DECEMBER 31, 2019

		Account 1588	Account 1589	Account 1580	Account 1580 sub-account CBR B
Principal	Principal balance as of Dec 31, 2019 per GL	\$ (1,001,147)	\$ 2,038,364	\$ (649,652)	\$ (48,372)
	1 Error in recording true-up of GA expenses:				
	a) 2015	\$ 52,591	\$ (52,591)		
	b) 2016	\$ 828,492	\$ (828,492)		
	c) 2017	\$ 1,018,613	\$ (1,018,613)		
	2 Error in calculation of GA true-up for May and July 2019	\$ 8,862	\$ (8,862)		
	3 Incorrect manual adjustment entry made in 2017	\$ 57,781	\$ (57,781)		
	4 Adjustment for recalculated variances based on actual revenues less expenses in 2018	\$ (191,423)	\$ 190,689		
	5 Unbilled revenue accrual for non-RPP GA for Dec 2019 erroneously recorded in 1588	\$ 493,768	\$ (493,768)		
	6 WMS CBR B charges erroneously recorded in Account 4707 instead of 4708:				
	a) 2015		\$ (66,059)		\$ 66,059
	b) 2016		\$ (93,239)	\$ 93,239	
	Sum of adjustments	\$ 2,268,684	\$ (2,428,716)	\$ 93,239	\$ 66,059
	Revised principal balance as of Dec 31, 2019	\$ 1,267,537	\$ (390,351)	\$ (556,413)	\$ 17,687
Interest	Interest balance as of Dec 31, 2019 per GL	\$ (44,715)	\$ 69,516	\$ (49,421)	\$ (1,201)
	1 Adjustments in 2019 for error in recording true-up of GA expenses	\$ 42,678	\$ (42,678)		
	2 Adjustments in 2018 and 2019 for incorrect manual adjustment entry made in 2017	\$ 2,375	\$ (2,375)		
	3 Adjustments in 2018 for incorrect manual adjustment entries made in 2018	\$ (3,414)	\$ 2,927		
	4 Adjustments in 2019 for recalculated variances in 2018	\$ (4,300)	\$ 4,284		
	5 WMS CBR B charges erroneously recorded in Account 4707 instead of 4708		\$ (9,188)	\$ 4,953	\$ 4,236
	6 Omission of interest amount approved for disposition in 2017 CoS			\$ 14,729	
	Sum of adjustments	\$ 37,339	\$ (47,031)	\$ 19,682	\$ 4,236
	Revised interest balance as of Dec 31, 2019	\$ (7,376)	\$ 22,485	\$ (29,739)	\$ 3,034

APPENDIX 2

DETAILED FINDINGS AND OBSERVATION

1. FINDING 1

InnPower recorded incorrect adjusting entries in 2018 and 2019 to true up global adjustment costs. As a result, Account 1588 was understated by \$1,899,696 as of December 31, 2018 and \$8,862 as of December 31, 2019, and Account 1589 was overstated by the same amounts.

1.1 Basis of Finding

On a monthly basis, InnPower allocates GA costs between RPP and non-RPP customers using estimated RPP and non-RPP consumption, as well as the IESO's 2nd estimate GA rates. In 2018, InnPower realized that it had not trued up the allocated GA costs to actual consumption and actual GA rates from 2015 to 2018. As a result, the variances in Accounts 1588 and 1589 did not reflect accurate, actual GA costs.

InnPower subsequently calculated the adjusting entries required to Accounts 1588 and 1589 for the years 2015 to 2017 as follows:

	Account 1588	Account 1589
True-up of GA costs for 2015	\$26,296	(\$26,296)
True-up of GA costs for 2016	\$414,246	(\$414,246)
True-up of GA costs for 2017	\$509,306	(\$509,306)
Total adjustment required to true up GA costs for 2015 – 2017	\$949,848	(\$949,848)

Staff reviewed the calculations and did not note any issues. However, staff found that when InnPower recorded these adjusting entries in December 2018, InnPower mistakenly recorded them in the opposite direction – i.e. Account 1588 was credited by (\$949,848) and Account 1589 was debited by the same amount. Staff did not find evidence of any management review of the journal entries, which may have caught the error prior to recording them in the GL.

As a result, InnPower understated Account 1588 by \$1,899,696 and overstated Account 1589 by the same amount as of December 31, 2018.

InnPower also calculated the adjusting entry to true up the allocated GA costs for the period of January to September 2019 as a debit to Account 1588 of \$1,207,444 and a credit to Account 1589 of the same amount. However, staff found an input error on the spreadsheet used to calculate this amount. The adjusting entry to true up the GA costs for January to September 2019 should have been a debit to Account 1588 of \$1,216,306 and a credit to Account 1589 of the same amount. As a result, InnPower understated Account 1588 by \$8,862 and overstated Account 1589 by the same amount as of December 31, 2019.

	Account 1588	Account 1589
True-up of GA costs for Jan-Sept 2019 booked in GL	\$1,207,444	(\$1,207,444)
Actual true-up of GA costs for Jan-Sept 2019	\$1,216,306	(\$1,216,306)
Difference	\$8,862	(\$8,862)

1.2 Required Action

InnPower is expected to make the necessary adjusting entries to Accounts 1588 and 1589 to ensure accurate GL balances. InnPower is also expected to reflect the correct balances in Accounts 1588 and 1589 upon request for disposition of these accounts as of December 31, 2019.

Going forward, InnPower should update its management review processes of journal entries to ensure accurate reporting of balances in Accounts 1588 and 1589.

2. FINDING 2

InnPower made a number of manual adjustments to Accounts 1588 and 1589 in 2017 and 2018 that could not be substantiated. As a result, Account 1588 was overstated by \$57,781 and Account 1589 was understated by the same amount as of December 31, 2017. Account 1588 was understated by \$191,423 and Account 1589 was overstated by \$190,689 as of December 31, 2018.

2.1 Basis of Finding

As per Article 490 of the Accounting Procedures Handbook, Accounts 1588 and 1589 should reflect the variance between energy amounts charged to customers (revenues) and energy charges from the IESO, host distributor or embedded generator (expenses). Staff calculated the expected variances in Accounts 1588 and 1589 by taking InnPower's actual revenues less actual expenses. Staff found differences between the expected variances and what was actually recorded in Accounts 1588 and 1589 in 2017 and 2018.

		Account 1588	Account 1589
2017	Expected variance (revenues less expenses for the year)	(\$396,964)	\$320,862
	Variance actually recorded for the year	(\$454,745)	\$378,643
	Difference	\$57,781	(\$57,781)
2018	Expected variance (revenues less expenses for the year)	(\$1,015,075)	\$962,408
	Variance actually recorded for the year	(\$823,652)	\$771,719
	Difference	(\$191,423)	\$190,689

In response to staff questions, InnPower found that a number of manual adjusting entries had been erroneously recorded between September and December 2017, resulting in the \$57,781 difference in

2017. The manual adjusting entries were based on InnPower's external audit adjustments to correct for Class A global adjustment revenues that had been incorrectly booked in Account 1588. InnPower did not record the adjusting entries correctly, resulting in offsetting differences of \$57,781 in Accounts 1588 and 1589 in 2017.

Similarly in 2018, InnPower made a number of erroneous manual adjusting entries related to Class A global adjustment in Accounts 1588 and 1589. However, while these manual entries contributed to the differences in Accounts 1588 and 1589, InnPower could not explain most of the (\$191,423) difference in Account 1588 or the \$190,689 difference in Account 1589.

As a result, InnPower recalculated the variances for Accounts 1588 and 1589 based on actual revenues and expenses for 2017 and 2018. Account 1588 had been overstated by a credit of (\$57,781) while Account 1589 was understated by a debit of the same amount as of December 31, 2017. Account 1588 was understated by a credit of (\$191,423) and Account 1589 overstated by a debit of \$190,689 as of December 31, 2018.

2.2 Required Action

InnPower is expected to make the necessary adjusting entries to Accounts 1588 and 1589 to ensure accurate GL balances. InnPower is also expected to reflect the correct balances in Accounts 1588 and 1589 upon request for disposition of these accounts as of December 31, 2019.

Going forward, InnPower should implement additional internal controls, such as reasonability analyses, to ensure accurate reporting of balances in Accounts 1588 and 1589. InnPower should also update its management review processes of manual adjusting journal entries.

3. FINDING 3

InnPower does not record monthly accruals for unbilled revenues for non-RPP GA in Account 1589. Rather, InnPower records the accrual for all unbilled revenues in Account 1588. As a result, the balance in Account 1588 was overstated by a credit of (\$493,768) as of December 31, 2019, and the balance in Account 1589 was understated by a debit of the same amount.

3.1 Basis of Finding

As per Article 490 of the Accounting Procedures Handbook, the variances recorded in Accounts 1588 and 1589 are to include monthly accrued amounts for costs and revenues. Unbilled revenues for GA charged to non-RPP customers are to be recorded in Account 1589.

On a monthly basis, InnPower calculates and accrues the unbilled revenues for all customers in Account 1588. Staff found that InnPower did not accrue unbilled revenues for GA charged to non-RPP customers separately from other unbilled revenues. As a result, InnPower did not record accurate year-end balances for Accounts 1588 and 1589 from 2015 to 2019.

Unbilled revenues for GA charged to non-RPP customers as of December 31, 2019 were \$493,768. Therefore, as of December 31, 2019, the principal balance in Account 1588 was overstated by a credit of (\$493,768), while the principal balance in Account 1589 was understated by a debit of the same amount.

3.2 Required Action

InnPower is expected to make the necessary adjusting entries to Accounts 1588 and 1589 to ensure accurate GL balances. InnPower is also expected to reflect the correct balances in Accounts 1588 and 1589 upon request for disposition of these accounts as of December 31, 2019.

Going forward, InnPower should calculate and record unbilled revenues separately in Accounts 1588 and 1589 to ensure accurate reporting of year-end balances.

4. FINDING 4

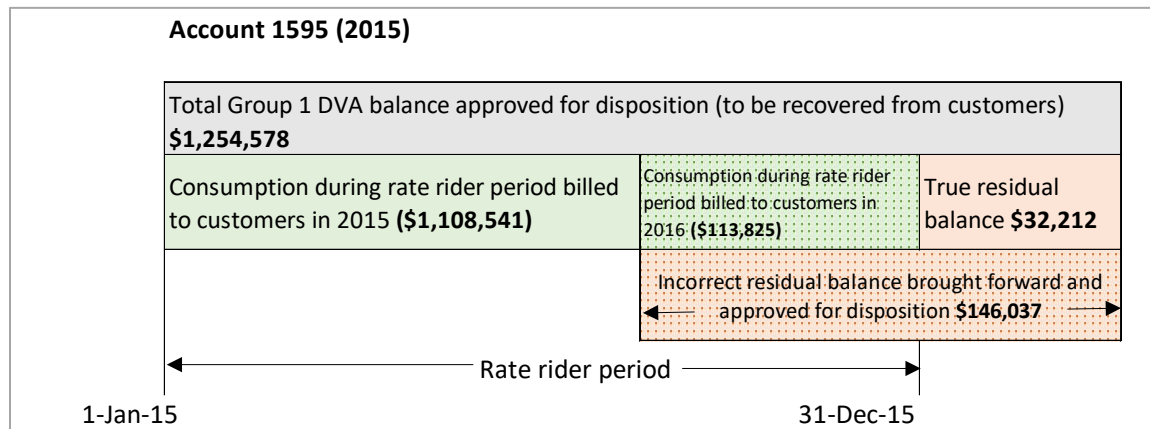
During its 2017 Cost of Service proceeding, InnPower brought forward for disposition an incorrect residual balance in Account 1595. The incorrect residual balance reflected a balance that InnPower was still collecting from customers through a rate rider. The OEB approved the residual Account 1595 balance as requested for disposition on a final basis, resulting in customers being charged twice for the amount of \$113,825 from 2018 to 2020.

4.1 Basis of Finding

During its 2017 Cost of Service proceeding⁴, InnPower brought forward for disposition a residual principal balance of \$146,037 in Account 1595 (2015). Amounts in Account 1595 sub-accounts brought forward for disposition should represent residual balances after the associated rate rider period has ended.

However, the amount of \$146,037 that InnPower brought forward for disposition represented a balance in Account 1595 (2015) that was still being recovered from customers. The timing of InnPower's regular billing process resulted in some of the 2015 year-end consumption to be billed and recorded in the GL in 2016. Therefore, the balance of \$146,037 in Account 1595 (2015) as of December 31, 2015 did not reflect the full amount of recoveries related to the rate rider effective until December 31, 2015. InnPower collected an additional \$113,825 from customers in 2016 relating to the rate rider effective until December 31, 2015. As a result, the true residual principal balance in Account 1595 (2015) that should have been brought forward for disposition was \$32,212.

⁴ EB-2016-0085.

Figure 1: Incorrect Account 1595 (2015) residual balance requested for disposition

The OEB approved the requested amount of \$146,037 in Account 1595 (2015) for disposition on a final basis in the 2017 Cost of Service proceeding. The amount was subsequently included in the rate rider charged to all customers from January 2018 to April 2020. As a result, InnPower collected the same amount of \$113,825 twice from all customers – once from the January 1 to December 31, 2015 rate rider ordered in the 2015 IRM proceeding⁵, and once from the January 2018 to April 2020 rate rider ordered in the 2017 Cost of Service proceeding.

Staff noted that as a result of the over-recoveries from customers, the Account 1595 (2015) balance as of December 31, 2019 was a large credit balance of (\$126,863). In other words, if approved for disposition, customers would be refunded the amounts overcharged.

As per the Filing Requirements for Electricity Distribution Rate Applications⁶, residual balances of vintage year Account 1595 sub-accounts should only be requested for final disposition once, on a final basis. No further dispositions of these vintage year accounts are expected thereafter, unless justified by the distributor.

4.2 Required Action

InnPower is expected to bring forward the credit balance in Account 1595 (2015) reflecting the over-recoveries for disposition in its next rate application, with an explanation of the error. This would ensure that the OEB has the information to resolve the issue through the rate-making process.

Going forward, InnPower should update its management review processes to ensure the accuracy of balances requested for disposition.

InnPower should also ensure its request for disposition of residual balances in Account 1595 sub-accounts are in accordance with the OEB's Filing Requirements for Electricity Distribution Rate Applications. In particular, InnPower should ensure that:

⁵ EB-2014-0086.

⁶ Chapter 3, Appendix A.

- The audited residual balance is requested for disposition a year after a rate rider's sunset date has expired
- Any vintage Account 1595 sub-account is disposed only once on a final basis
- No further transactions flow through the Account 1595 sub-account

5. FINDING 5

InnPower charged rate riders to customers over a 24-month period instead of the 12-month period approved by the OEB in InnPower's 2016 IRM proceeding⁷. As a result, InnPower was not in compliance with an OEB rate order and its customers were overcharged a total of \$405,769 in 2017.

5.1 Basis of Finding

The OEB approved disposition of InnPower's DVA balances in its 2016 IRM proceeding.⁸ The disposition of the DVA balances resulted in two rate riders:

- Rate Rider for Disposition of Deferral/Variance Accounts (2016)
- Rate Rider for Disposition of Global Adjustment Account (2016)

In the Decision and Order from the 2016 IRM proceeding, the two rate riders were to be effective for a one-year period from January 1 to December 31, 2016.⁹

Subsequently, during InnPower's 2017 Cost of Service proceeding, the OEB found that InnPower had erroneously continued to charge the above rate riders past their expiry date¹⁰. InnPower charged the rate riders to its customers over a 24-month period instead of the OEB-approved 12-month period.

As part of the OEB inspection, staff confirmed that charging rate riders over 24 months instead of 12 months resulted in InnPower overcharging customers \$405,769 in 2017. This has resulted in a large credit balance of (\$353,673) in Account 1595 (2016) as of December 31, 2019.

Given that InnPower did not comply with an OEB rate order and overcharged its customers, staff notes that InnPower is in potential non-compliance with its legal and regulatory requirements, which may result in further enforcement action.

Staff also noted that while the non-compliance with the OEB rate order resulted in customers being overcharged, the OEB expected to resolve the issue through the rate-making process. In the Decision and Order for the 2017 Cost of Service proceeding, the OEB stated:

⁷ EB-2015-0081.

⁸ Ibid.

⁹ EB-2015-0081, Decision and Order, pg. 8.

¹⁰ EB-2016-0085, Decision and Order, pg. 33.

“To the extent there has been an over or under collection of the 2016 DVA and 2016 Global Adjustment balances, the residual balances in Account 1595 can be addressed in a subsequent application.”¹¹

5.2 Required Action

Given that Account 1595 (2016) has yet to be disposed on a final basis, InnPower is expected to bring forward the December 31, 2019 credit balance in Account 1595 (2016), with an explanation for the large residual balance.

Going forward, InnPower should implement additional internal controls and update its management review processes to ensure that rates charged to customers are in accordance with OEB rate orders.

6. FINDING 6

InnPower incorrectly included Account 1595 (2014) balances for disposition in the 2016 IRM and 2017 Cost of Service proceedings. As a result, InnPower incorrectly refunded its customers \$28,862 from 2018 to 2020.

6.1 Basis of Finding

In its 2014 IRM proceeding¹², InnPower did not meet the threshold for disposition of DVA balances. As a result, Account 1595 (2014) should not have existed. However, for both the 2016 IRM¹³ and the 2017 Cost of Service proceedings, InnPower included Account 1595 (2014) balances in the DVA continuity schedule in its request for disposition of Group 1 DVAs.

1595 (2014)	Principal	Interest	Projected interest	Total claim and disposed on final basis
2016 IRM	1,254,861	(1,254,861)	0	0
2017 CoS	(1,254,861)	1,254,861	(28,862)	(28,862)

While the amounts claimed in the 2016 IRM proceeding netted to zero, projected interest included in the 2017 Cost of Service proceeding resulted in a disposition of (\$28,862) on a final basis. Considering that there were no balances in the GL for Account 1595 (2014), InnPower could not explain why amounts were included in the rate applications. Furthermore, InnPower could not explain why the large offsetting principal and interest balances did not raise any flags prior to submission for both rate applications. Staff found a lack of sufficient management review processes in place to ensure accuracy of the account balances.

¹¹ EB-2016-0085 Decision and Order, pg.33.

¹² EB-2013-0144.

¹³ EB-2015-0081.

As a result, InnPower incorrectly refunded its customers \$28,862 from 2018 to 2020.

6.2 Required Action

InnPower should implement additional internal controls, such as reasonability checks, and update its management review processes to ensure the accuracy of balances requested for disposition.

7. FINDING 7

InnPower incorrectly included Capacity Based Recovery (CBR) Class B charges in the balances of Account 1589 instead of Account 1580, sub-account CBR Class B for the period from 2015 to June 2017. As a result, Account 1589 was overstated by debits of \$66,059 in 2015 and \$93,239 in 2016. At the same time, InnPower did not record the CBR Class A and CBR Class B variances in their respective sub-accounts of Account 1580 until 2019. Prior to 2019, InnPower incorrectly recorded these variances in the main Account 1580. As a result, Account 1580 sub-account CBR Class B was understated by a credit of (\$66,059) in 2015, and the main Account 1580 was understated by a credit of (\$93,239) in 2016.

7.1 Basis of Finding

In a letter dated June 4, 2015, the OEB issued guidance to distributors stating that Capacity Based Recovery charges for Class B loads (IESO Charge Type 1351) are to be recorded in a sub-account of Account 4708, specifically Account 4708 Charges – WMS, Sub-account CBR Class B. The OEB further clarified in a letter dated July 25, 2016 that distributors should record variances related to CBR Class B in Account 1580 Variance – WMS, Sub-account CBR Class B. The variance in this sub-account should capture the difference between the billed WMS revenues in Account 4062 Billed – WMS, Sub-account CBR Class B and the IESO charges booked in Account 4708 Charges – WMS, Sub-account CBR Class B.

From 2015 to June 2017, InnPower recorded expenses related to CBR Class B incorrectly in Account 4707 instead of Account 4708. In July 2017, InnPower realized the error and made an adjusting entry to transfer the 2017 expenses (i.e. January to June 2017) to the proper Account 4708. However, OEB staff found that InnPower did not make an adjustment to transfer the 2015 or 2016 costs related to CBR Class B from Account 4707 to Account 4708.

Year	CBR Class B costs incorrectly booked in Account 4707 instead of Account 4708
2015	\$66,059
2016	\$93,239
TOTAL	\$159,298

The amounts recorded in Account 4707 above were included in the calculation to arrive at the Account 1589 variance balances in 2015 and 2016. Therefore, as of December 31, 2019, Account 1589 was overstated by a total debit of \$159,298.

The above errors also impacted both the main Account 1580 and the Account 1580 sub-account, CBR Class B. In 2015, the variance for CBR Class B consisted solely of the CBR Class B costs, as distributors did not charge and receive CBR Class B revenues from their customers.¹⁴ Since InnPower erroneously recorded the CBR Class B costs in Account 4707 in 2015, the variance for Account 1580 sub-account, CBR Class B was understated by a credit of (\$66,059) in 2015.

For the 2016 error of \$93,239, the impact was to the main Account 1580. This was due to adjusting entries made between the main Account 1580 and the respective CBR sub-accounts. From 2016 to 2019, InnPower incorrectly recorded the variances for both Account 1580 sub-accounts, CBR Class A and CBR Class B, in the main Account 1580. In November 2019, InnPower realized the error and made adjusting entries to transfer the 2016, 2017, and 2018 CBR Class A and CBR Class B variances from the main Account 1580 into the respective CBR sub-accounts. However, the amounts were transferred based on the assumption that InnPower had correctly calculated all the variances, but had simply recorded them in the wrong account. As discussed above, InnPower had not only recorded the variances in the wrong account, but had also calculated the variances incorrectly by excluding the CBR Class B costs from Account 4708 in 2015 and 2016. As a result, after the adjusting entries made in November 2019, InnPower recorded the correct variance in the Account 1580 sub-account, CBR Class B for 2016, but the main Account 1580 was understated by a credit of (\$93,239) for 2016.

In summary, the impacts of the errors are as follows:

Adjustments required to principal balances	Account 1589	Account 1580	Account 1580 sub-account, CBR Class B
2015 error	(\$66,059)	--	\$66,059
2016 error	(\$93,239)	\$93,239	--
Total adjustment required to principal balances	(\$159,298)	\$93,239	\$66,059

7.2 Required Action

InnPower is expected to make the necessary adjusting entries to Accounts 1580, 1580 sub-account CBR Class B, and 1589 to ensure accurate GL balances. InnPower is also expected to reflect the correct balances in Accounts 1580 and 1589 upon request for disposition of these accounts as of December 31, 2019.

Staff noted that InnPower began recording CBR Class B charges in the correct account in July 2017. Staff also noted InnPower began recording CBR Class A and Class B variances in the correct 1580 sub-accounts in November 2019. Going forward, InnPower should have adequate management review processes in place to ensure continued accurate reporting of CBR Class A and Class B variances.

¹⁴ OEB-issued Accounting Guidance on Capacity Based Recovery, July 25, 2016.

8. FINDING 8

InnPower did not exclude the Account 1580 interest amount approved for disposition in the 2017 Cost of Service proceeding from the interest balance as of December 31, 2019. As a result, the Account 1580 interest balance as of December 31, 2019 was overstated by a credit of (\$14,729).

8.1 Basis of finding

Staff reviewed the interest calculations for Account 1580 from 2016 to 2019 and did not note any issues with the monthly balances. However, staff found that InnPower had used incorrect opening balances for 2017 and 2018. Instead of carrying forward the prior year's ending balance, InnPower used the prior December's monthly amount as the opening balance. Staff noted that InnPower made an adjusting entry in January 2019 to correct the interest balances. However, in the adjustment calculation, InnPower did not include the interest amount of \$14,729 approved for disposition in the 2017 Cost of Service proceeding. Staff noted that InnPower had correctly transferred this debit amount from the interest balance of Account 1580 to Account 1595 that resulted in the original incorrect balance in 2018. Only when InnPower made an adjusting entry to correct the original incorrect balances had the disposed amount been excluded.

Account 1580 interest	Original balance	Adjusted balance (adjusted by InnPower in January 2019)	True adjusted balance from OEB inspection ¹⁵
Jan 1, 2017 opening balance	(\$773)	(\$10,211)	
Jan 1, 2018 opening balance	(\$1,477)	(\$22,150)	
Dec 31, 2018 closing balance	(\$1,635) (correctly includes \$14,729 disposition)	(\$37,038) (incorrectly excludes \$14,729 disposition)	
Dec 31, 2019 closing balance		(\$49,421)	(\$34,692)

As a result, the Account 1580 interest balance as of December 31, 2019 was overstated by a credit of (\$14,729).

8.2 Required Action

InnPower is expected to make the necessary adjusting entry to Account 1580 to ensure accurate GL balances. InnPower is also expected to reflect the correct principal and interest balances in Account 1580 upon request for disposition of these accounts as of December 31, 2019.

Going forward, InnPower should update its management review processes of journal entries to ensure accurate reporting of balances in Account 1580.

¹⁵ True adjusted balance as a result of this finding only. Note that there is an additional adjustment to the Account 1580 interest balance as a result of the previous finding.

9. OBSERVATION 1

Staff noted a number of control weaknesses in the reporting of DVA balances.

9.1 Basis of Observation

In addition to control deficiencies that resulted in the errors highlighted in the above findings, staff noted the following control weaknesses in the reporting of DVA balances:

1. InnPower recorded incorrect January 1, 2018 opening principal balances for Accounts 1588 and 1589 on the continuity schedule used to calculate interest. As a result, InnPower recorded incorrect interest amounts in 2018 and 2019.
2. InnPower made input errors in the calculation of the unbilled revenue accruals for Accounts 1588 and 1589 for May 2018 and October 2019. As a result, InnPower recorded incorrect accruals for those months, which resulted in incorrect interest amounts for those months.
3. InnPower made formula errors on the worksheet calculating interest for Accounts 1550, 1551, 1584 and 1586 for November and December 2019. As a result, InnPower recorded incorrect interest amounts for those months.
4. InnPower made entries for Hydro One Long-Term Load Transfers (LTLT) in Account 1595 sub-accounts that did not correspond to the correct vintage year. For example, InnPower recorded LTLT amounts for 2017 and 2018 in Account 1595 (2015).
5. InnPower still reported year-end balances in Account 1595 (2012) and Account 1595 (2013) for the OEB's Reporting and Record-keeping Requirements (RRR) for the 2018 and 2019 reporting years. The residual balances in these 1595 sub-accounts were disposed in the 2017 Cost of Service proceeding and there should no longer be any transactions flowing through these accounts after May 1, 2018.
6. InnPower did not report correct year-end balances for the Account 1580 CBR sub-accounts for RRR. InnPower left the data fields blank in the RRR 2.1.7 (Trial Balance) for both CBR Class A and CBR Class B sub-accounts for the 2016 to 2018 reporting years.

9.2 Required Action

InnPower should review and implement additional internal control measures, including management review, to ensure the accuracy of DVA balances reported to the OEB.

1 B: OEB Inspection – Summary of Inspection Adjustments

InnPower Group 1 DVAs - Summary of inspection adjustments

		Account 1588	Account 1589	Account 1580	Account 1580 sub-account CBR B
Principal	Principal balance as of Dec 31, 2019 per GL	\$ (1,001,147)	\$ 2,038,364	\$ (649,652)	\$ (48,372)
1	Error in recording true-up of GA expenses:				
	a) 2015	\$ 52,591	\$ (52,591)		
	b) 2016	\$ 828,492	\$ (828,492)		
	c) 2017	\$ 1,018,613	\$ (1,018,613)		
2	Error in calculation of GA true-up for May and July 2019	\$ 8,862	\$ (8,862)		
3	Incorrect manual adjustment entry made in 2017	\$ 57,781	\$ (57,781)		
4	Adjustment for recalculated variances based on actual revenues less expenses in 2018	\$ (191,423)	\$ 190,689		
5	Unbilled revenue accrual for non-RPP GA for Dec 2019 erroneously recorded in 1588	\$ 493,768	\$ (493,768)		
6	WMS CBR B charges erroneously recorded in Account 4707 instead of 4708:				
	a) 2015		\$ (66,059)	\$ 66,059	
	b) 2016		\$ (93,239)	\$ 93,239	
Sum of adjustments		\$ 2,268,684	\$ (2,428,716)	\$ 93,239	\$ 66,059
Revised principal balance as of Dec 31, 2019		\$ 1,267,537	\$ (390,351)	\$ (556,413)	\$ 17,687

Interest	Interest balance as of Dec 31, 2019 per GL	\$ (44,715)	\$ 69,516	\$ (49,421)	\$ (1,201)
1	Adjustments in 2019 for error in recording true-up of GA expenses	\$ 42,678	\$ (42,678)		
2	Adjustments in 2018 and 2019 for incorrect manual adjustment entry made in 2017	\$ 2,375	\$ (2,375)		
3	Adjustments in 2018 for incorrect manual adjustment entries made in 2018	\$ (3,414)	\$ 2,927		Calculated separately by InnPower in Apr 30 response
4	Adjustments in 2019 for recalculated variances in 2018	\$ (4,300)	\$ 4,284		
5	WMS CBR B charges erroneously recorded in Account 4707 instead of 4708		\$ (9,188)	\$ 4,953	\$ 4,236
6	Omission of interest amount approved for disposition in 2017 CoS			\$ 14,729	Provided separately by InnPower in Apr 3 response
Sum of adjustments		\$ 37,339	\$ (47,031)	\$ 19,682	\$ 4,236
Revised interest balance as of Dec 31, 2019		\$ (7,376)	\$ 22,485	\$ (29,739)	\$ 3,034

- 1 C: OEB Letter Dated January 9, 2018, Re: InnPower Application for Rates Ontario Energy Board
- 2 (OEB) File Number: EB-2016-0085

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January 9, 2018

**To: All Parties in the EB-2016-0085 InnPower Corporation (InnPower)
Application for Rates**

**Re: InnPower Application for Rates Ontario Energy Board (OEB) File Number:
EB-2016-0085**

This letter addresses certain rate riders approved by the OEB and implemented by InnPower. In undertaking response J2.6 filed with the OEB on October 6, 2017, InnPower confirmed that it had rate riders with an expiry date of December 31, 2016, but which “continued into 2017 per the Interim Rate Order”. The OEB had issued an Interim Rate Order on December 21, 2016, declaring InnPower’s current rates interim effective January 1, 2017 pending a final decision by the OEB in the proceeding.

This letter addresses three rate riders, each with a December 31, 2016 expiry date:

- Rate Rider for Disposition of Capital Gains - approved in EB-2014-0086
- Rate Rider for Disposition of Deferral/Variance Accounts (2016) – approved in EB-2015-0081
- Rate Rider for Disposition of Global Adjustment Account (2016) – approved in EB-2015-0081

The start and end dates for these rate riders were established to dispose of specific approved account balances. To the extent that these rate riders remain in effect as of the date of this letter, the OEB expects InnPower to end these riders effective end of day December 31, 2017, if possible, to avoid further collections and refunds in excess of the approved account balances.

InnPower should inform the OEB in writing when these three rate riders are ended. The OEB will address all rate riders in its final decision in the proceeding.

Please direct any questions relating to this application to the Case Manager, Fiona O'Connell at Fiona.oconnell@oeb.ca and OEB Counsel, Ljuba Djurdjevic at ljuba.djurdjevic@oeb.ca.

Yours truly,

Original signed by

Kirsten Walli
Board Secretary

- 1 D: OEB Decision and Order, EB-2016-0085 Section 3.13 Rate Riders

InnPower confirmed in its response to interrogatory 9.0-Staff-59 that it is foregoing its recovery of the Account 1568 balance accumulated to December 31, 2015 and the Z-factor amount recorded in Account 1572, not just deferring recovery. InnPower is expected to record balances in Account 1568 from January 1, 2016 onwards for future consideration.

The OEB approves two new variance accounts to start effective January 1, 2018, as discussed in the Revenues and Costs Relating to Affiliate – InnServices section in this Decision, as follows.

- Account 1508 –Other Regulatory Assets, Sub-account Difference in Revenues from Affiliate Services
- Account 1508 – Other Regulatory Assets, Sub-account Difference in Expenses from Affiliate Services

The OEB directs InnPower to include draft accounting orders for these two new accounts in its draft rate order.

3.13 Rate Riders

InnPower had three rate riders approved in its ICM Application³⁸ with expiry dates of December 31, 2016:

- Rate Rider for Recovery of Incremental Capital - fixed charge
- Rate Rider for Recovery of Incremental Capital - volumetric charge
- Rate Rider for Disposition of Capital Gains

InnPower also had two rate riders approved in its 2016 Price Cap IR application³⁹ with expiry dates of December 31, 2016:

- Rate Rider for Disposition of Deferral/Variance Accounts (2016)
- Rate Rider for Disposition of Global Adjustment Account (2016)

InnPower indicated that it has continued to collect the ICM rate rider through 2017 consistent with the terms of the rate order declaring its rates interim effective January 1,

³⁸ EB-2014-0086

³⁹ EB-2015-0081

2017. InnPower proposed that a final reconciliation of these rate riders be included with its next Price Cap IR application.

OEB staff submitted that the rate rider reconciliation should be completed as part of this proceeding.

OEB staff noted that as the new rates will reflect the new Building in rate base for the first time, InnPower should show detailed calculations in its draft rate order. OEB staff submitted that if any amounts have been over recovered, InnPower should propose a rate rider to refund amounts to customers. OEB staff indicated that if InnPower prefers the balances to be audited as part of its annual financial statement audit, any refunds may be deferred to a future Price Cap IR proceeding.

Findings

The OEB finds that InnPower incorrectly continued to charge these rate riders after the approved expiry dates. The rate order declaring rates interim should not override a pre-approved rate rider expiry date. In addition, rates were declared interim the day after the expiry dates for the rate riders.

In a letter dated January 9, 2018 (letter), the OEB indicated that it expected InnPower to end three of the rate riders which continued in 2017, effective December 31, 2017. InnPower confirmed it ended the rate riders effective December 31, 2017. In particular:

- Rate Rider for Disposition of Capital Gains
- Rate Rider for Disposition of Deferral/Variance Accounts (2016)
- Rate Rider for Disposition of Global Adjustment Account (2016)

In the letter, the OEB explained that as these rate riders were established to dispose of specific approved account balances, and money was either over collected or over refunded to customers. To address this issue, the OEB directs InnPower to transfer any over refunded balances with respect to capital gains to a sub account in Account 1595 for future disposition. To the extent there has been an over or under collection of the 2016 DVA and 2016 Global Adjustment balances, the residual balances in Account 1595 can be addressed in a subsequent application.

The remaining two rate riders that continued past December 31, 2016 related to incremental capital approved in the ICM proceeding. These rate riders provided rate relief to InnPower until its rates were rebased. In this application, InnPower proposes to

add the related assets to rate base and earn a return through base rates in the revenue requirement calculation.

The OEB directs InnPower to use the net book value of the associated net ICM assets on the effective date of this Decision as the addition to rate base.

On the effective date, the incremental capital rate riders should have been displaced by the return provided through the new base rates. To the extent that the rate riders continued to be charged after the effective date, this amount should be considered in the forgone revenue calculation.

The OEB does not find it necessary to true-up the ICM rate riders. A true up would reconcile any difference between the actual and expected revenue collected through the incremental capital rate riders. A true-up was not proposed by InnPower and there is no evidence to indicate the difference would be material.

3.14 Other Operating Revenue

Specific Service Charges

InnPower proposed to increase four of its specific charges included in other operating revenue. InnPower described these charges in its Argument-in-Chief as follows:

- (a) An increase in the “Disconnect/reconnect charge – at meter- during regular hours” charge from \$40 to \$65 to better reflect current contractor average costs for disconnects/reconnects.
- (b) An increase in the “Temporary Service – Install & Removal – Underground – No Transformer” charge from \$300 to \$468, to better reflect actual costs associated with both the install and removal portions of the activity.
- (c) An increase in the “Temporary Service – Install & Remove – Overhead – No Transformer” charge from \$500 to \$632, to better reflect the actual costs associated with both the installation and removal activities.
- (d) An increase in the “Temporary Service – Install & Remove – Overhead – With Transformer” charge from \$1000 to \$2525, to better reflect the actual costs associated with both installation and removal activities.

OEB staff had no issues with the proposed changes to the specific service charges.

1 E: Current Tariff Sheet

Schedule A

To Decision and Rate Order

Tariff of Rates and Charges

OEB File No: EB-2020-0033

DATED: December 10, 2020

InnPower Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2021

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

EB-2020-0033

RESIDENTIAL SERVICE CLASSIFICATION

This classification refers to the supply of electrical energy to residential customers residing in detached, semi detached, townhouse (freehold or condominium) dwelling units, duplexes or triplexes. Supply will be limited up to a maximum of 200 amp @ 240/120 volt. 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	\$	45.19
Smart Metering Entity Charge - effective until December 31, 2022	\$	0.57
Low Voltage Service Rate	\$/kWh	0.0025
Rate Rider for Disposition of Global Adjustment Account (2021) - effective until December 31, 2021 Applicable only for Non-RPP Customers	\$/kWh	(0.0058)
Rate Rider for Disposition of Deferral/Variance Accounts (2021) - effective until December 31, 2022	\$/kWh	0.0038
Rate Rider for Disposition of Capacity Based Recovery Account (2021) - effective until December 31, 2021 Applicable only for Class B Customers	\$/kWh	0.0001
Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until December 31, 2021 - Approved on an Interim Basis	\$/kWh	0.0065
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0057
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0043

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

InnPower Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2021

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

EB-2020-0033

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification refers to a non-residential account taking electricity at 750 volts or less whose monthly peak demand is less than or expected to be less than 50 kW. 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	\$	43.42
Smart Metering Entity Charge - effective until December 31, 2022	\$	0.57
Distribution Volumetric Rate	\$/kWh	0.0105
Low Voltage Service Rate	\$/kWh	0.0024
Rate Rider for Disposition of Global Adjustment Account (2021) - effective until December 31, 2021 Applicable only for Non-RPP Customers	\$/kWh	(0.0058)
Rate Rider for Disposition of Deferral/Variance Accounts (2021) - effective until December 31, 2022	\$/kWh	0.0037
Rate Rider for Disposition of Capacity Based Recovery Account (2021) - effective until December 31, 2021 Applicable only for Class B Customers	\$/kWh	0.0001
Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until December 31, 2021 - Approved on an Interim Basis	\$/kWh	0.0066
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0051
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0039

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

InnPower Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2021

**This schedule supersedes and replaces all previously
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EB-2020-0033

GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION

This classification refers to a non-residential account whose monthly average peak demand is equal to or greater than, or expected to be equal to or greater than 50 kW but less than 5,000 kW. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

If included in the following listing of monthly rates and charges, the rate rider for the disposition of WMS - Sub-account CBR Class B is not applicable to wholesale market participants (WMP), customers that transitioned between Class A and Class B during the variance account accumulation period, or to customers that were in Class A for the entire period. Customers who transitioned are to be charged or refunded their share of the variance disposed through customer specific billing adjustments. This rate rider is to be consistently applied for the entire period to the sunset date of the rate rider. In addition, this rate rider is applicable to all new Class B customers.

If included in the following listing of monthly rates and charges, the rate rider for the disposition of Global Adjustment is only applicable to non-RPP Class B customers. It is not applicable to WMP, customers that transitioned between Class A and Class B during the variance account accumulation period, or to customers that were in Class A for the entire period. Customers who transitioned are to be charged or refunded their share of the variance disposed through customer specific billing adjustments. This rate rider is to be consistently applied for the entire period to the sunset date of the rate rider. In addition, this rate rider is applicable to all new non-RPP Class B customers.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	222.08
Distribution Volumetric Rate	\$/kW	4.5004
Low Voltage Service Rate	\$/kW	1.3285
Rate Rider for Disposition of Global Adjustment Account (2021) - effective until December 31, 2021 Applicable only for Non-RPP Customers	\$/kWh	(0.0058)
Rate Rider for Disposition of Deferral/Variance Accounts (2021) - effective until December 31, 2022	\$/kW	0.8869
Rate Rider for Disposition of Capacity Based Recovery Account (2021) - effective until December 31, 2021 Applicable only for Class B Customers	\$/kW	0.0308
Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until December 31, 2021 - Approved on an Interim Basis	\$/kW	2.5622
Retail Transmission Rate - Network Service Rate	\$/kW	2.0205
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.2208
Retail Transmission Rate - Network Service Rate - Interval Metered	\$/kW	2.0205
Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered	\$/kW	2.0809

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

EB-2020-0033

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

InnPower Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2021

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EB-2020-0033

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification refers to a non-residential account taking electricity at 240/120 or 120 volts whose monthly peak demand is less than, or expected to be less than, 50kW and the consumption is unmetered. A detailed calculation of the load will be calculated for billing purposes. 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 (per connection)	\$	13.44
Distribution Volumetric Rate	\$/kWh	0.0226
Low Voltage Service Rate	\$/kWh	0.0024
Rate Rider for Disposition of Global Adjustment Account (2021) - effective until December 31, 2021 Applicable only for Non-RPP Customers	\$/kWh	(0.0058)
Rate Rider for Disposition of Deferral/Variance Accounts (2021) - effective until December 31, 2022	\$/kWh	0.0039
Rate Rider for Disposition of Capacity Based Recovery Account (2021) - effective until December 31, 2021 Applicable only for Class B Customers	\$/kWh	0.0001
Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until December 31, 2021 - Approved on an Interim Basis	\$/kWh	0.0066
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0051
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0039

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

InnPower Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2021

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

EB-2020-0033

SENTINEL LIGHTING SERVICE CLASSIFICATION

This classification refers to accounts that are an unmetered lighting load supplied to a sentinel light. 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 (per connection)	\$	14.16
Distribution Volumetric Rate	\$/kW	64.5407
Low Voltage Service Rate	\$/kW	1.0383
Rate Rider for Disposition of Global Adjustment Account (2021) - effective until December 31, 2021 Applicable only for Non-RPP Customers	\$/kWh	(0.0059)
Rate Rider for Disposition of Deferral/Variance Accounts (2021) - effective until December 31, 2022	\$/kW	(12.0346)
Rate Rider for Disposition of Capacity Based Recovery Account (2021) - effective until December 31, 2021 Applicable only for Class B Customers	\$/kW	0.0278
Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until December 31, 2021 - Approved on an Interim Basis	\$/kW	2.3776
Retail Transmission Rate - Network Service Rate	\$/kW	1.5812
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.7356

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

InnPower Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2021

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

EB-2020-0033

STREET LIGHTING SERVICE CLASSIFICATION

This classification refers to accounts concerning roadway lighting for a Municipality, Regional Municipality, and/or the Ministry of Transportation. This lighting will be controlled by photocells. The consumption for these customers will be based on the calculated connected load times as established in the approved Ontario Energy Board Street Lighting Load Shape Template. 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 (per connection)	\$	4.33
Distribution Volumetric Rate	\$/kW	29.9250
Low Voltage Service Rate	\$/kW	0.7003
Rate Rider for Disposition of Global Adjustment Account (2021) - effective until December 31, 2021 Applicable only for Non-RPP Customers	\$/kWh	(0.0058)
Rate Rider for Disposition of Deferral/Variance Accounts (2021) - effective until December 31, 2022	\$/kW	1.0986
Rate Rider for Disposition of Capacity Based Recovery Account (2021) - effective until December 31, 2021 Applicable only for Class B Customers	\$/kW	0.0267
Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until December 31, 2021 - Approved on an Interim Basis	\$/kW	2.1761
Retail Transmission Rate - Network Service Rate	\$/kW	1.5733
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.1707

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

InnPower Corporation
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2021
This schedule supersedes and replaces all previously
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EB-2020-0033

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.

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
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InnPower Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2021

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EB-2020-0033

ALLOWANCES

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

SPECIFIC SERVICE CHARGES

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

Arrears certificate	\$	15.00
Easement letter	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Returned cheque (plus bank charges)	\$	15.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00

Non-Payment of Account

Late payment - per month (effective annual rate 19.56% per annum or 0.04896% compounded daily rate)	%	1.50
Reconnection 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

Other

Special meter reads	\$	30.00
Temporary service - install & remove - overhead - no transformer	\$	632.00
Temporary service - installation and removal - underground - no transformer	\$	468.00
Temporary service - installation and removal - overhead - with transformer	\$	2,525.00
Specific charge for access to the power poles - per pole/year	\$	38.82

InnPower Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2021

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EB-2020-0033

RETAIL SERVICE CHARGES (if applicable)

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	\$/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	1.0604
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0498

1 F: IPC Certification

August 18, 2021

Ms. Christine E. Long
Registrar and Board Secretary
Ontario Energy Board
PO Box 2319
2300 Yonge Street
Toronto ON M4P 1E4

Dear Ms. Long,

Re: InnPower Corporation Application for Rates – OEB File Number EB-2021-0036

Glen McAllister, Chief Financial Officer for InnPower Corporation certifies that, to the best of my knowledge;

- The evidence filed in application EB-2021-0036 is accurate, consistent and complete
- InnPower has robust processes and internal controls in place for the preparation, review, verification and oversight of the account balances being disposed.

Respectively submitted,

Original signed by Glen McAllister

Glen McAllister, B.Sc., CPA, CMA
CFO