



DECISION AND RATE ORDER

EB-2021-0065

WESTARIO POWER INC.

**Application for rates and other charges to be effective
January 1, 2022**

BY DELEGATION, BEFORE: Alex Share
Manager
Incentive Rate-setting & Regulatory Accounting

[date]

1 OVERVIEW

The Ontario Energy Board is approving changes to the rates that Westario Power Inc. (Westario Power) charges to distribute electricity to its customers, effective January 1, 2022.

As a result of this Decision, there will be a monthly total bill increase of \$1.96 for a residential customer consuming 750 kWh, effective January 1, 2022. This change does not factor in applicable taxes or the Ontario Electricity Rebate.

2 CONTEXT AND PROCESS

Westario Power filed its application on August 18, 2021 under section 78 of the *Ontario Energy Board Act, 1998* and in accordance with Chapter 3 of the OEB's [Filing Requirements for Incentive Rate-Setting Applications](#) (Filing Requirements). The application was based on the Price Cap Incentive Rate-setting (Price Cap IR) option, with a five-year term.

The Price Cap IR option is one of three incentive rate-setting mechanisms (IRM) approved by the OEB.¹ It involves the setting of rates through a cost of service application in the first year and mechanistic price cap adjustments which may be approved through IRM applications in each of the ensuing four adjustment years.

The OEB follows a standardized and streamlined process for hearing IRM applications filed under Price Cap IR. In each adjustment year of a Price Cap IR term, the OEB prepares a Rate Generator Model that includes, as a placeholder, information from the distributor's past proceedings and annual reporting requirements. A distributor will then review, complete, and include the model with its application, and may update the model during the proceeding to make any necessary corrections or to incorporate new rate-setting parameters as they become available.

Westario Power serves approximately 24,000 mostly residential and commercial electricity customers in Township of Huron-Kinloss (Villages of Ripley and Lucknow), the Municipality of Kincardine (Kincardine Ward 1), the Municipality of South Bruce (Villages of Mildmay and Teeswater), the Town of Saugeen Shores (Towns of Port Elgin and Southampton), the Township of North Huron (Town of Wingham), the Municipality of Brockton (Town of Walkerton and Village of Elmwood), the Township of Hanover (Town of Hanover), the Town of Minto (Towns of Harriston and Palmerston, Village of Clifford) and the Township of West Grey (Village of Neustadt).

The application was supported by pre-filed written evidence and a completed Rate Generator Model and as required during the proceeding, Westario Power updated and clarified the evidence.

¹ Each of these options is explained in the OEB's [Handbook for Utility Rate Applications](#).

3 DECISION OUTLINE

Each of the following issues is addressed in this Decision, together with the OEB's findings.

- Annual Adjustment Mechanism
- Retail Transmission Service Rates
- Group 1 Deferral and Variance Accounts
- Lost Revenue Adjustment Mechanism Variance Account Balance

Instructions for implementing Westario Power's new rates and charges are set out in the final section of this Decision.

This Decision does not address rates and charges approved by the OEB in prior proceedings, such as specific service charges² and loss factors, which are out of scope of an IRM proceeding and for which no further approvals are required to continue to include them on the distributor's Tariff of Rates and Charges.

² Certain service charges are subject to annual inflationary adjustments to be determined by the OEB through a generic order. For example, the Decision and Order EB-2021-0301, issued November 25, 2021 established the adjustment for energy retailer service charges, effective January 1, 2022; and the Order EB-2020-0288, issued December 10, 2020, set the Wireline Pole Attachment Charge for January 1, 2021 on an interim basis.

4 ANNUAL ADJUSTMENT MECHANISM

Westario Power has applied to change its rates, effective January 1, 2022, based on a mechanistic rate adjustment using the OEB-approved **inflation minus X-factor** formula applicable to IRM applications. The adjustment applies to distribution rates (fixed and variable) uniformly across all customer classes.³

The components of the Price Cap IR adjustment formula applicable to Westario Power are set out in the table below. Inserting these components into the formula results in a 3.00% increase to Westario Power's rates: **3.00% = 3.30% - (0.00% + 0.30%)**.

Table 4.1: Price Cap IR Adjustment Formula

Components		Amount
Inflation Factor ⁴		3.30%
X-Factor	Productivity ⁵	0.00%
	Stretch (0.00% to 0.60%) ⁶	0.30%

An inflation factor of 3.30% applies to all IRM applications for the 2022 rate year.

On August 6, 2021, the OEB issued a Notice on its own motion to initiate a proceeding to consider the inflation factor to be used to set rates for electricity transmitters and electricity and natural gas distributors for the year 2022. The OEB issued its Decision and Order on November 18, 2021, establishing the 2022 inflation factor.

The X-factor is the sum of the productivity factor and the stretch factor. It is a productivity offset that varies among different groupings of distributors. Subtracting the X-factor from inflation ensures that rates decline in real, constant-dollar terms, providing distributors with a tangible incentive to improve efficiency or else experience declining net income. The productivity component of the X-factor is based on industry conditions over a historical study period and applies to all IRM applications for the 2022 rate year.

³ The adjustment does not apply to the following components of delivery rates: rate riders, rate adders, low voltage service charges, retail transmission service rates, wholesale market service rate, smart metering entity charge, rural or remote electricity rate protection charge, standard supply service – administrative charge, transformation and primary metering allowances, loss factors, specific service charges, microFIT charge, and retail service charges.

⁴ EB-2021-0212, Decision and Order, November 18, 2021

⁵ Report of the Ontario Energy Board – “Rate Setting Parameters and Benchmarking under the Renewed Regulatory Framework for Ontario’s Electricity Distributors”, EB-2010-0379, December 4, 2013

⁶ Report to the Ontario Energy Board – “Empirical Research in Support of Incentive Rate-Setting: 2020 Benchmarking Update”, prepared by Pacific Economics Group LLC., August 2021

The stretch factor component of the X-factor is distributor specific. The OEB has established five stretch factor groupings, each within a range from 0.00% to 0.60%. The stretch factor assigned to any particular distributor is based on the distributor's total cost performance as benchmarked against other distributors in Ontario. The stretch factor assigned to Westario Power is 0.30%, resulting in a rate adjustment of 3.00%.

Findings

Westario Power's request for a 3.00% rate adjustment is in accordance with the annually updated parameters set by the OEB. The adjustment is approved, and Westario Power's new rates shall be effective January 1, 2022.

5 RETAIL TRANSMISSION SERVICE RATES

Westario Power is fully embedded within Hydro One Network Inc.'s distribution system.

To recover its cost of transmission services, Westario Power requests approval to adjust the retail transmission service rates (RTSRs) that it charges its customers in accordance with the host distributor RTSRs currently in effect.

Findings

Westario Power's proposed adjustment to its RTSRs is approved. The RTSRs were adjusted based on the current OEB-approved host-RTSRs.⁷

Host-RTSRs are typically approved annually by the OEB. In the event that new host-RTSRs take effect during Westario Power's 2022 rate year, any resulting differences (from the prior-approved host-RTSRs) are to be captured in Retail Settlement Variance Accounts 1584 (Retail Transmission Network Charge) and 1586 (Retail Transmission Connection Charge).

⁷ EB-2021-0176, Decision and Rate Order, June 24, 2021; EB-2021-0030, Decision and Rate Order, December 17, 2020

6 GROUP 1 DEFERRAL AND VARIANCE ACCOUNTS

In each year of an IRM term, the OEB will review a distributor's Group 1 deferral and variance accounts in order to determine whether those balances should be disposed. OEB policy states that Group 1 account balances should be disposed if they exceed, on a net basis (as a debit or credit), a pre-set disposition threshold of \$0.001 per kWh, unless a distributor justifies why balances should not be disposed.⁸ If the net balance does not exceed the threshold, a distributor may still request disposition.

The 2020 year-end net balance for Westario Power's Group 1 accounts eligible for disposition, including interest projected to December 31, 2021, is a debit of \$1,509,499, and pertains to variances accumulated during the 2020 calendar year. This amount represents a total debit claim of \$0.0035 per kWh, which exceeds the disposition threshold. Westario Power has requested disposition of this amount over a one-year period.

Included in the Group 1 accounts are certain variances related to costs that are paid for by a distributor's customers on different bases, depending on their classification. Namely, "Class A" customers, who participate in the Industrial Conservation Initiative, pay for Global Adjustment (GA) charges based on their contribution to the five highest Ontario demand peaks over a 12-month period. "Class B" customers pay for GA charges based on their monthly consumption totals, either as a standalone charge or embedded in the Regulated Price Plan (RPP).⁹ A similar mechanism applies to Class A and Class B customers for Capacity Based Recovery (CBR) charges.¹⁰ The balance in the GA variance account is attributable to non-RPP Class B customers and is disposed through a separate rate rider. The balance in the CBR Class B variance account is attributable to all Class B customers.

Westario Power had Class A customers during the period in which variances accumulated so it has applied to have the balance in the CBR Class B variance account disposed through a separate rate rider for Class B customers to ensure proper allocation between Class A and Class B customers.

⁸ Report of the OEB – "Electricity Distributors' Deferral and Variance Account Review Initiative (EDDVAR)", EB-2008-0046, July 31, 2009

⁹ For additional details on the Global Adjustment charge, refer to the Independent Electricity System Operator (IESO)'s [website](#).

¹⁰ All Class B customers (RPP and non-RPP) pay the CBR as a separate charge based on their monthly consumption. For additional details on the CBR for Class A customers, refer to the IESO's [website](#).

Findings

The balances proposed for disposition have been reconciled with the amounts reported as part of the OEB's *Electricity Reporting and Record-Keeping Requirements*.

The OEB approves the disposition of a debit balance of \$1,509,499 as of December 31, 2020, including interest projected to December 31, 2021, for Group 1 accounts on a final basis.

Table 6.1 identifies the principal and interest amounts, which the OEB approves for disposition.

Table 6.1: Group 1 Deferral and Variance Account Balances

Account Name	Account Number	Principal Balance (\$) A	Interest Balance (\$) B	Total Claim (\$) C=A+B
LV Variance Account	1550	979,584	3,623	983,207
Smart Meter Entity Variance Charge	1551	(1,980)	(33)	(2,013)
RSVA - Wholesale Market Service Charge	1580	(221,722)	(801)	(222,523)
Variance WMS - Sub-account CBR Class B	1580	48,847	335	49,182
RSVA - Retail Transmission Network Charge	1584	119,046	(566)	118,480
RSVA - Retail Transmission Connection Charge	1586	37,562	(831)	36,731
RSVA - Power	1588	(69,099)	5,655	(63,444)
RSVA - Global Adjustment	1589	661,516	(51,638)	609,878
Totals for Group 1 accounts		1,553,754	(44,255)	1,509,499

The balance of each of the Group 1 accounts approved for disposition shall be transferred to the applicable principal and interest carrying charge sub-accounts of Account 1595. Such transfer shall be pursuant to the requirements specified in the

Accounting Procedures Handbook for Electricity Distributors.¹¹ The date of the transfer must be the same as the effective date for the associated rates, which is generally the start of the rate year.

The OEB approves these balances to be disposed through final rate riders, charges, or payments, as calculated in the Rate Generator Model. The final rate riders, charges, and payments, as applicable, will be in effect over a one-year period from January 1, 2022 to December 31, 2022.¹²

¹¹ Article 220, Account Descriptions, Accounting Procedures Handbook for Electricity Distributors, effective January 1, 2012

¹² 2022 IRM Rate Generator Model Tab 6.1 GA, Tab 6.2 CBR B, and Tab 7 Calculation of Def-Var RR

7 LOST REVENUE ADJUSTMENT MECHANISM VARIANCE ACCOUNT

The OEB utilizes a Lost Revenue Adjustment Mechanism Variance Account (LRAMVA), which captures a distributor's revenue implications resulting from differences between actual and forecast conservation savings included in its last OEB-approved load forecast.¹³

Distributors delivered conservation and demand management (CDM) programs to their customers through the Conservation First Framework (CFF) that began on January 1, 2015 until March 20, 2019, when the CFF was revoked.¹⁴ The OEB provided direction to distributors seeking to claim program savings up to December 31, 2021 related to CFF programs or other conservation programs they delivered.¹⁵

Westario Power has applied to dispose of its LRAMVA credit balance of \$187,522. The balance consists of lost revenues in 2017, 2018 and 2019 from CDM programs during the period from 2017 to 2019, and carrying charges. The actual conservation savings claimed by Westario Power under the CFF were validated with reports from the IESO, project level savings files, or both.

Actual conservation savings were compared against Westario Power's forecasted conservation savings of 11,614,671 kWh included in its last OEB-approved load forecast.¹⁶

Findings

The OEB finds that Westario Power's LRAMVA balance has been calculated in accordance with the OEB's CDM-related guidelines and updated LRAMVA policy. The OEB approves the disposition of Westario Power's LRAMVA credit balance of \$187,522, as set out in Table 7.1 below.

¹³ Guidelines for Electricity Distributor Conservation and Demand Management, EB-2012-0003, April 26, 2012; and Requirement Guidelines for Electricity Distributors Conservation and Demand Management, EB-2014-0278, December 19, 2014

¹⁴ On March 20, 2019 the Minister of Energy, Northern Development and Mines issued separate Directives to the OEB and the IESO.

¹⁵ Chapter 3 Filing Requirements, section 3.2.6.1

¹⁶ EB-2017-0084, Decision and Order, May 17, 2018

Table 7.1 LRAMVA Balance for Disposition

Account Name	Account Number	Actual CDM Savings (\$) A	Forecasted CDM Savings (\$) B	Carrying Charges (\$) C	Total Claim (\$) D (A-B)+C
LRAMVA	1568	140,984	322,029	(6,477)	(187,522)

8 IMPLEMENTATION

This Decision is accompanied by a Rate Generator Model, applicable supporting models, and a Tariff of Rates and Charges (Schedule A). The Rate Generator Model also incorporates the rates set out in Table 8.1.

Table 8.1: Regulatory Charges

Rate	per kWh
Rural or Remote Electricity Rate Protection (RRRP)	\$0.0005
Wholesale Market Service (WMS) billed to Class A and B Customers	\$0.0030
Capacity Based Recovery (CBR) billed to Class B Customers	\$0.0004

Each of these rates is a component of the “Regulatory Charge” on a customer’s bill, established annually by the OEB through a separate, generic order. The RRRP, WMS and CBR rates were set by the OEB on December 10, 2020.¹⁷

The Smart Metering Entity Charge is a component of the “Distribution Charge” on a customer’s bill, established by the OEB through a separate order. The Smart Metering Entity Charge was set by the OEB on March 1, 2018.¹⁸

¹⁷ EB-2020-0276, Decision and Order, December 10, 2020

¹⁸ EB-2017-0290, Decision and Order, March 1, 2018

9 ORDER

THE ONTARIO ENERGY BOARD ORDERS THAT:

1. The Tariff of Rates and Charges set out in Schedule A of this Decision and Rate Order is approved effective January 1, 2022 for electricity consumed or estimated to have been consumed on and after such date. Westario Power Inc. shall notify its customers of the rate changes no later than the delivery of the first bill reflecting the new final rates.

DATED at Toronto, [date of issuance]

ONTARIO ENERGY BOARD

Christine E. Long
Registrar

Schedule A

To Decision and Rate Order

Tariff of Rates and Charges

OEB File No: EB-2021-0065

DATED: [Date of Issuance]

Westario Power Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2022
This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2021-0065

RESIDENTIAL SERVICE CLASSIFICATION

This classification refers to customers residing in residential dwelling units taking energy at 600 volts or less, with energy generally supplied as single phase, 3-wire, 60 Hertz, having a nominal voltage of 120/240 volts. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	30.27
Smart Metering Entity Charge - effective until December 31, 2022	\$	0.57
Low Voltage Service Rate	\$/kWh	0.0031
Rate Rider for Disposition of Capacity Based Recovery Account (2022) - effective until December 31, 2022 Applicable only for Class B Customers	\$/kWh	0.0001
Rate Rider for Disposition of Global Adjustment Account (2022) - effective until December 31, 2022 Applicable only for Non-RPP Customers	\$/kWh	0.0059
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2022) - effective until December 31, 2022	\$/kWh	0.0001
Rate Rider for Disposition of Deferral/Variance Accounts (2022) - effective until December 31, 2022	\$/kWh	0.0019
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0069
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0053

MONTHLY RATES AND CHARGES - Regulatory Component

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

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GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification refers to general service buildings, defined as buildings that are used for purposes other than single-family dwellings, taking energy at 600 volts or less, requiring a connection with a connected load of less than 50 kW, and including Town Houses and Condominiums that require centralized bulk metering, whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	29.40
Smart Metering Entity Charge - effective until December 31, 2022	\$	0.57
Distribution Volumetric Rate	\$/kWh	0.0131
Low Voltage Service Rate	\$/kWh	0.0028
Rate Rider for Disposition of Capacity Based Recovery Account (2022) - effective until December 31, 2022 Applicable only for Class B Customers	\$/kWh	0.0001
Rate Rider for Disposition of Global Adjustment Account (2022) - effective until December 31, 2022 Applicable only for Non-RPP Customers	\$/kWh	0.0059
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2022) - effective until December 31, 2022	\$/kWh	(0.0023)
Rate Rider for Disposition of Deferral/Variance Accounts (2022) - effective until December 31, 2022	\$/kWh	0.0019
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0063
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0048

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

Westario Power Inc.
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GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION

This classification refers to general service buildings, defined as buildings that are used for purposes other than single-family dwellings, requiring a connection with a connected load greater than 50 kW but less than 5,000 kW, whose average monthly maximum demand used for billing purposes is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 5,000 kW. Class A and Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	250.14
Distribution Volumetric Rate	\$/kW	2.6398
Low Voltage Service Rate	\$/kW	1.0438
Rate Rider for Disposition of Capacity Based Recovery Account (2022) - effective until December 31, 2022 Applicable only for Class B Customers	\$/kW	0.0525
Rate Rider for Disposition of Global Adjustment Account (2022) - effective until December 31, 2022 Applicable only for Non-RPP Customers	\$/kWh	0.0059
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2022) - effective until December 31, 2022	\$/kW	(0.1003)
Rate Rider for Disposition of Deferral/Variance Accounts (2022) - effective until December 31, 2022 Applicable only for Non-Wholesale Market Participants	\$/kW	(0.2640)

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Rate Rider for Disposition of Deferral/Variance Accounts (2022) - effective until December 31, 2022	\$/kW	1.0468
Retail Transmission Rate - Network Service Rate	\$/kW	2.6359
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.9048

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

DRAFT

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UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification refers to an account taking electricity at 600 volts or less whose monthly average peak demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. Such connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The customer will provide detailed manufacturer information/documentation with regard to electrical demand/consumption of the proposed unmetered load. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per customer)	\$	5.46
Distribution Volumetric Rate	\$/kWh	0.0203
Low Voltage Service Rate	\$/kWh	0.0028
Rate Rider for Disposition of Capacity Based Recovery Account (2022) - effective until December 31, 2022 Applicable only for Class B Customers	\$/kWh	0.0001
Rate Rider for Disposition of Global Adjustment Account (2022) - effective until December 31, 2022 Applicable only for Non-RPP Customers	\$/kWh	0.0059
Rate Rider for Disposition of Deferral/Variance Accounts (2022) - effective until December 31, 2022	\$/kWh	0.0019
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0063
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0048

MONTHLY RATES AND CHARGES - Regulatory Component

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

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SENTINEL LIGHTING SERVICE CLASSIFICATION

This classification refers to accounts that are an unmetered lighting load supplied to a sentinel light. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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)	\$	6.18
Distribution Volumetric Rate	\$/kW	31.9861
Low Voltage Service Rate	\$/kW	0.8245
Rate Rider for Disposition of Capacity Based Recovery Account (2022) - effective until December 31, 2022 Applicable only for Class B Customers	\$/kW	0.0625
Rate Rider for Disposition of Deferral/Variance Accounts (2022) - effective until December 31, 2022	\$/kW	0.7611
Retail Transmission Rate - Network Service Rate	\$/kW	2.0002
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.5044

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

Westario Power Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2022
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STREET LIGHTING SERVICE CLASSIFICATION

This classification refers to an account for roadway lighting with a Municipality, Regional Municipality, Ministry of Transportation and private roadway lighting operation, controlled by photocells. The consumption for these customers will be based on the calculated connected load times the required lighting times established in the approved Ontario Energy Board street lighting load shape template. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	6.17
Distribution Volumetric Rate	\$/kW	5.1546
Low Voltage Service Rate	\$/kW	0.8056
Rate Rider for Disposition of Capacity Based Recovery Account (2022) - effective until December 31, 2022 Applicable only for Class B Customers	\$/kW	0.0524
Rate Rider for Disposition of Global Adjustment Account (2022) - effective until December 31, 2022 Applicable only for Non-RPP Customers	\$/kWh	0.0059
Rate Rider for Disposition of Deferral/Variance Accounts (2022) - effective until December 31, 2022	\$/kW	0.7250
Retail Transmission Rate - Network Service Rate	\$/kW	1.9849
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.4701

MONTHLY RATES AND CHARGES - Regulatory Component

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

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microFIT SERVICE CLASSIFICATION

This classification applies to an electricity generation facility contracted under the Independent Electricity System Operator's microFIT program and connected to the distributor's distribution system. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	10.00
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ALLOWANCES

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

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SPECIFIC SERVICE CHARGES

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Customer Administration

Arrears certificate	\$	15.00
Statement of account	\$	15.00
Pulling post dated cheques	\$	15.00
Duplicate invoices for previous billing	\$	15.00
Request for other billing information	\$	15.00
Easement letter	\$	15.00
Income tax letter	\$	15.00
Notification charge	\$	15.00
Account history	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Returned cheque (plus bank charges)	\$	15.00
Charge to certify cheque	\$	15.00
Legal letter charge	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00
Special meter reads	\$	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 charge - at meter - during regular hours	\$	65.00
Reconnection charge - at meter - after regular hours	\$	185.00
Reconnection charge - at pole - during regular hours	\$	185.00
Reconnection charge - at pole - after regular hours	\$	415.00

Other

Service call - customer-owned equipment	\$	30.00
Service call - after regular hours	\$	165.00
Temporary service - install & remove - overhead - no transformer	\$	500.00
Temporary service - install & remove - underground - no transformer	\$	300.00
Temporary service - install & remove - overhead - with transformer	\$	1,000.00
Specific charge for access to the power poles - \$/pole/year (with the exception of wireless attachments)- Approved on an Interim Basis	\$	44.50

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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.

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Retail Service Charges refer to services provided by a distributor to retailers or customers related to the supply of competitive electricity.

One-time charge, per retailer, to establish the service agreement between the distributor and the retailer	\$	107.68
Monthly fixed charge, per retailer	\$	43.08
Monthly variable charge, per customer, per retailer	\$/cust.	1.07
Distributor-consolidated billing monthly charge, per customer, per retailer	\$/cust.	0.64
Retailer-consolidated billing monthly credit, per customer, per retailer	\$/cust.	(0.64)
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	\$	0.54
Processing fee, per request, applied to the requesting party	\$	1.07
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)	\$	4.31
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)	\$	2.15

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	1.0713
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0607