



Ontario
Energy
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DECISION AND RATE ORDER

EB-2021-0045

NIAGARA-ON-THE-LAKE HYDRO INC.

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

BEFORE: Pankaj Sardana
Presiding Commissioner

Anthony Zlahtic
Commissioner

December 9, 2021

1 OVERVIEW

The Ontario Energy Board is approving changes to the rates that Niagara-on-the-Lake Hydro Inc. (Niagara-on-the-Lake Hydro) charges to distribute electricity to its customers, effective January 1, 2022.

As a result of this Decision, there will be a monthly total bill decrease of \$1.19 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

Niagara-on-the-Lake Hydro filed its application on August 5, 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.

Niagara-on-the-Lake Hydro serves approximately 9,600 mostly residential and commercial electricity customers in the Town of Niagara-on-the-Lake.

Notice of the application was issued on August 19, 2021. There were no requests for intervenor status.

The application was supported by pre-filed written evidence and a completed Rate Generator Model. Niagara-on-the-Lake Hydro updated and clarified the evidence during the proceeding.

Niagara-on-the-Lake Hydro responded to interrogatories from OEB staff. Final submissions on the application were filed by OEB staff and Niagara-on-the-Lake Hydro.

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
- Deferral and Variance Accounts
- Rate Year Alignment

Instructions for implementing Niagara-on-the-Lake Hydro'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 in an IRM proceeding and for which no further approvals are required to continue to include them on Niagara-on-the-Lake Hydro'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

Niagara-on-the-Lake Hydro 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 Niagara-on-the-Lake Hydro are set out in the table below. Inserting these components into the formula results in a 3.00% increase to Niagara-on-the-Lake Hydro'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. The productivity offset 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.

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 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. 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 Niagara-on-the-Lake Hydro is 0.30%, resulting in a rate adjustment of 3.00%.

Findings

Niagara-on-the-Lake Hydro'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 Niagara-on-the-Lake Hydro's new rates shall be effective January 1, 2022.

5 RETAIL TRANSMISSION SERVICE RATES

Niagara-on-the-Lake Hydro is transmission connected.

To recover its cost of transmission services, Niagara-on-the-Lake Hydro requests approval to adjust the Retail Transmission Service rates (RTSRs) that it charges its customers in accordance with the Uniform Transmission Rates (UTRs) currently in effect.

Findings

Niagara-on-the-Lake Hydro's proposed adjustment to its RTSRs is approved. The RTSRs were adjusted based on the current OEB-approved UTRs.⁷

UTRs are typically approved annually by the OEB. In the event that new UTRs take effect during Niagara-on-the-Lake Hydro's 2022 rate year, any resulting differences (from the prior-approved UTRs) 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

6 DEFERRAL AND VARIANCE ACCOUNTS

In each year of an IRM term, the OEB reviews a distributor's Group 1 deferral and variance accounts 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 Niagara-on-the-Lake Hydro's Group 1 accounts eligible for disposition, including interest projected to December 31, 2021, is a credit of \$373,044, and pertains to variances accumulated during the 2020 calendar year. This amount represents a total credit claim of \$0.0017 per kWh, which exceeds the disposition threshold, Niagara-on-the-Lake Hydro 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.

Niagara-on-the-Lake Hydro had Class A customers during the period in which variances accumulated, however, the CBR Class B rate riders calculated rounded to zero at the fourth decimal place in one or more of the rate classes. In this circumstance, the balance of the CBR Class B variance account is disposed along with Account 1580 – Wholesale Market Service Charge through the general Deferral and Variance Account rate rider.

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](#).

During the period in which variances accumulated, Niagara-on-the-Lake Hydro had customers transition between Class A and Class B. Under the general principle of cost causality, customer groups that cause variances which are recorded in Group 1 accounts should be responsible for paying (or receiving credits) for their disposal. Niagara-on-the-Lake Hydro has proposed to allocate a portion of the Global Adjustment balance to its transition customers, based on their customer-specific consumption levels.¹¹ The amounts allocated to each transition customer are proposed to be recovered (or refunded, as applicable), by way of 12 equal monthly installments.

Niagara-on-the-Lake Hydro also requested disposition of Account 1508 – Other Regulatory Asset, Sub-account Specified Customer Revenue Variance Account in the credit amount of \$50,845 over a one-year period. The sub-account was established in Niagara-on-the-Lake Hydro's 2019 cost of service rate proceeding to capture variances between actual distribution revenue and the forecasted distribution revenue for a specific Large Use customer.¹² The sub-account addresses the uncertainty in the load forecast for this Large Use customer whose load is large relative to Niagara-on-the-Lake Hydro's total load. As part of the settlement proposal in the 2019 cost of service proceeding, which was accepted and approved by the OEB, the parties agreed that neither the distributor nor customers should bear the benefit or burden of unknown variances in this Large Use customer's load, and that establishing a variance account to deal with the uncertainty was appropriate.

The variance in the sub-account is to be disposed after the audited balances of the sub-account are available each year. Niagara-on-the-Lake Hydro's 2019 balance in the variance account was disposed in its 2021 rate application.

The approved accounting order in the 2019 cost of service proceeding stated that "the rate rider will be determined by allocating the balance of the variance account across customer classes based on customer class revenue. Within each customer class it will be allocated across customers based on kwh."¹³ Niagara-on-the-Lake Hydro originally proposed to refund the variance to residential customers as a fixed charge based on the number of customers, rather than a variable charge based on consumption. In its response to an OEB staff interrogatory, Niagara-on-the-Lake Hydro stated that it did not object to refunding the amounts to residential customers on a kWh basis, if required.¹⁴

¹¹ 2022 IRM Rate Generator Model, Tab 6.1a GA Allocation and Tab 6.2a CBR B_Allocation

¹² EB-2018-0056, Niagara-on-the-Lake Hydro's 2019 Cost of Service Decision and Order, Settlement Proposal, p. 31

¹³ EB-2018-0056, Niagara-on-the-Lake Hydro's 2019 Cost of Service Decision and Order, Appendix I Draft Accounting Order for Specified Customer Revenue Variance Account

¹⁴ Ibid

OEB staff submitted that it supported the proposed disposition of Account 1508 Sub-account Specified Customer Revenue Variance Account, as the requested balance represents the variance in 2020. However, OEB staff submitted that the disposition of the variance to residential customers should be in accordance with the accounting order approved in Niagara-on-the-Lake Hydro's decision and order for 2019 rates. As Niagara-on-the-Lake Hydro had already explained that it was not opposed to such an approach, OEB staff invited Niagara-on-the-Lake Hydro to update the allocated balances and associated rate riders as part of its reply submission.

In its reply submission, Niagara-on-the-Lake Hydro stated that it agreed with OEB staff's submission and had updated the associated rate riders such that the variance attributable to residential customers will be distributed on a kWh basis in accordance with the accounting order approved in Niagara-on-the-Lake Hydro's decision and order for 2019 rates. Niagara-on-the-Lake Hydro filed an updated Rate Generator Model with its reply submission with the updated rate riders.

Findings

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

The OEB approves the disposition of a credit balance of \$373,044 as of December 31, 2020, including interest projected to December 31, 2021 for Group 1 accounts on a final basis. The OEB also approves the disposition of a credit balance of \$50,845 as of December 31, 2020, including interest projected to December 31, 2021, for Account 1508 – Other Regulatory Asset, Sub-account Specified Customer Revenue Variance Account. The OEB agrees with OEB staff and Niagara-on-the-Lake Hydro that it is appropriate to clear this Group 2 account as part of this proceeding since an annual disposition of balances in this account was agreed to by the parties in the 2019 cost of service proceeding. In addition, the OEB approves disposition of the variance to residential customers as a variable charge based on consumption, in accordance with the accounting order approved in Niagara-on-the-Lake Hydro's decision and order for 2019 rates, and the updated associated rate riders.

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
Other Regulatory Asset, Sub-account Specified Customer Revenue Variance Account	1508	(50,388)	(458)	(50,845)
Smart Meter Entity Variance Charge	1551	(1,900)	(100)	(2,000)
RSVA - Wholesale Market Service Charge	1580	(134,440)	(1,375)	(135,815)
Variance WMS - Sub-account CBR Class B	1580	(5,314)	(111)	(5,426)
RSVA - Retail Transmission Network Charge	1584	(126,386)	(278)	(126,664)
RSVA - Retail Transmission Connection Charge	1586	(82,566)	(521)	(83,087)
RSVA - Power	1588	(10,657)	(61)	(10,718)
RSVA - Global Adjustment	1589	(6,648)	1,914	(4,734)
Disposition and Recovery of Regulatory Balances (2016)	1595	-	(6,326)	(6,326)
Disposition and Recovery of Regulatory Balances (2017)	1595	1,656	69	1,725
Totals for Group 1 accounts		(366,256)	(6,788)	(373,044)
Totals for Group 1 and Group 2 accounts		(416,644)	(7,246)	(423,889)

The balance of each of the Group 1 and Group 2 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*.¹⁵ 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, 2022.¹⁶

¹⁵ Article 220, Account Descriptions, Accounting Procedures Handbook for Electricity Distributors, effective January 1, 2012

¹⁶ 2022 IRM Rate Generator Model Tab 6.1 GA, Tab 6.1a GA Allocation, Tab 6.2 CBR B, Tab 6.2a CBR B_Allocation and Tab 7 Calculation of Def-Var RR

7 RATE YEAR ALIGNMENT

Niagara-on-the-Lake Hydro requested to change its rate year from its current May 1 to April 30 timeline, to January 1 to December 31, to align with its fiscal year. Niagara-on-the-Lake Hydro initially proposed establishing a variance account to record the additional distribution revenue earned arising from raising rates sooner than May 1, 2022. In the variance account, Niagara-on-the-Lake Hydro proposed to track the difference between the distribution rates to be approved in this application and its 2021 approved rates from January 1, 2022 to April 30, 2022. These amounts, inclusive of carrying charges, would be returned to customers via a rate rider once the balances of the account were final and audited. Niagara-on-the-Lake Hydro provided a draft accounting order with its application.

In response to OEB staff interrogatories, Niagara-on-the-Lake Hydro withdrew its proposal to establish a variance account.¹⁷ Instead, Niagara-on-the-Lake Hydro indicated that it would prefer to use an alternate approach, whereby instead of using a variance account to return the impacts to customers at a later date, there would be a one-time adjustment made for the stub period (January 1, 2022 to April 30, 2022) via a four-month rate rider.¹⁸

Niagara-on-the-Lake Hydro provided the calculation for the four-month rate rider for each rate class. The totals were calculated based on forecast consumption during the four-month stub period multiplied by the difference between the current and proposed rates for each class.¹⁹ The total credit and rate riders calculated by Niagara-on-the-Lake Hydro for each rate class, including the monthly fixed charge (MFC) component and the distribution variable rate (DVR) component, are set out in the table below.

¹⁷ OEB Staff Interrogatory-2, October 18, 2021

¹⁸ OEB Staff Interrogatory-3b, October 18, 2021

¹⁹ OEB Staff Interrogatory-3c, October 18, 2021

Table 7.1: Rate Year Alignment Rate Riders

Rate Class	Unit	Rate Year Alignment Revenue to Refund to Customers (MFC) \$	Rate Year Alignment Revenue to Refund to Customers (DVR) \$	Rate Year Alignment Rate Rider (MFC) \$	Rate Year Alignment Rate Rider (DVR) \$
Residential	kWh	(18,326.64)	-	(0.57)	-
GS<50 KW	kWh	(4,102.80)	(2,663.27)	(0.78)	(0.0002)
GS>50 kW	kW	(2,286.60)	(2,980.44)	(5.55)	(0.0464)
Large Use	kW	(290.80)	(1,360.18)	(72.70)	(0.0464)
Unmetered Scattered Load	kWh	(50.40)	(8.24)	(0.42)	(0.0001)
Street Lighting	kW	(1,202.88)	(26.58)	(0.14)	(0.0341)

In its submission, OEB staff referred to the letter issued on April 15, 2010 (concluding the Rate Year Alignment consultation) wherein the OEB found that it expected a distributor to include an analysis of the benefits and ratemaking implications, if any, of the alignment as part of its application.²⁰ OEB staff, however, noted that the OEB had since not required such an analysis as part of cost of service applications per the Chapter 2 Filing Requirements.²¹ Additionally, OEB staff stated that while rate year alignment was not on the list of exclusions identified in the Chapter 3 Filing Requirements, that section made it clear that those items were just examples.²² OEB staff noted that the OEB has previously approved an approach to rate year alignment in an IRM application similar to the approach proposed by Niagara-on-the-Lake Hydro.²³ Furthermore, OEB staff noted that there are enduring benefits associated with having a fiscal period aligned with a rate-setting period such as a timelier DVA disposition process, the ability to align underlying costs structures and the associated rates to recover those costs, and alignment of approved and achieved return on equity comparisons. OEB staff therefore did not oppose the alignment request.

While Niagara-on-the-Lake Hydro initially requested approval to establish a new variance account to record the additional distribution revenue resulting from rate year realignment, OEB staff noted its satisfaction with a one-time adjustment. Additionally, because the implementation of the alignment, including the refund to customers for the subject period is mechanistic, OEB staff noted that the rate rider calculation based on

²⁰ OEB Letter, April 15, 2010, p. 2 and Appendix B

²¹ Filing Requirements for Electricity Distribution Rate Applications - 2021 Edition for 2022 Rate Applications - Chapter 2 Cost of Service Applications, June 24, 2021, section 2.0.5

²² Filing Requirements for Electricity Distribution Rate Applications - 2021 Edition for 2022 Rate Applications - Chapter 3 Incentive Rate-Setting Applications, June 24, 2021, section 3.4

²³ EB-2020-0013, Elexicon Energy Inc., Decision and Rate Order, December 17, 2020

the 2021 place holder Price Cap Index would be updated by OEB staff once the OEB rendered a decision on the 2022 inflation factor.

In its reply submission, Niagara-on-the-Lake Hydro agreed with OEB staff that a one-time adjustment should be used to refund the difference in rates to Niagara-on-the-Lake Hydro customers for the period from January 1, 2022 to April 30, 2022. Niagara-on-the-Lake Hydro filed an updated Rate Generator Model with its reply submission to include the rate year alignment rate riders shown in Table 7.1 above.

Findings

The OEB approves Niagara-On-The-Lake Hydro's request to align its rate year with its fiscal year commencing on January 1, 2022. In approving this change, the OEB is persuaded by the prospect of enduring benefits and efficiencies associated with aligned fiscal and rate-setting periods, which benefits include the ability to align underlying costs structures and the associated rates to recover those costs. The OEB also approves the refund of any over-collection from this alignment to customers on a one-time basis instead of tracking the difference in a variance account for future disposition.

The four-month rate year alignment rate riders shown in Table 7.1 have been updated by OEB staff in the Rate Generator Model to reflect the 2022 inflation factor. The final rate year alignment rate riders are shown in the table below.

Table 7.2: Final Rate Year Alignment Rate Riders

Rate Class	Unit	Rate Year Alignment Revenue to Refund to Customers (MFC) \$	Rate Year Alignment Revenue to Refund to Customers (DVR) \$	Rate Year Alignment Rate Rider (MFC) \$	Rate Year Alignment Rate Rider (DVR) \$
Residential	kWh	(28,907.86)	-	(0.90)	-
GS<50 KW	kWh	(6,444.55)	(4,833.83)	(1.23)	(0.0004)
GS>50 kW	kW	(3,607.64)	(4,707.88)	(8.76)	(0.0733)
Large Use	kW	(459.15)	(2,148.51)	(114.79)	(0.0733)
Unmetered Scattered Load	kWh	(79.09)	(\$13.84)	(0.66)	(0.0002)
Street Lighting	kW	(1,922.89)	(41.99)	(0.22)	(0.0539)

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, 2020.²⁴

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, 2018.²⁵

²⁴ EB-2020-0276, Decision and Order, December 10, 2020

²⁵ EB-2017-0290, Decision and Order, March 1, 2018

9 ORDER

THE ONTARIO ENERGY BOARD ORDERS THAT:

1. Niagara-on-the-Lake Hydro Inc.'s new final distribution rates shall be effective January 1, 2022, in accordance with the Tariff of Rates and Charges set out in Schedule A.
2. The Tariff of Rates and Charges are deemed draft until Niagara-on-the-Lake Hydro Inc. has complied with the subsequent procedural steps.
3. Niagara-on-the-Lake Hydro Inc. shall review the Tariff of Rates and Charges and shall file with the OEB, as applicable, a written confirmation of its completeness and accuracy, or provide a detailed explanation of any inaccuracies or missing information, by **December 14, 2021**.
4. This Decision and Rate Order will be considered a final rate order unless Niagara-on-the-Lake Hydro Inc. identifies any inaccuracies or missing information pursuant to item 3.
5. If the OEB receives a submission from Niagara-on-the-Lake Hydro Inc. to the effect that inaccuracies were found or information was missing pursuant to item 3, the OEB will consider that submission prior to issuing a final rate order.
6. Niagara-on-the-Lake Hydro Inc. shall notify its customers of the rate changes no later than the delivery of the first bill reflecting the new rates.

Parties are responsible for ensuring that any documents they file with the OEB, such as applicant and intervenor evidence, interrogatories and responses to interrogatories or any other type of document, **do not include personal information** (as that phrase is defined in the *Freedom of Information and Protection of Privacy Act*), unless filed in accordance with rule 9A of the OEB's [Rules of Practice and Procedure](#).

Please quote file number, **EB-2021-0045**, for all materials filed and submit them in searchable/unrestricted PDF format with a digital signature through the [OEB's online filing portal](#).

- Filings should clearly state the sender's name, postal address, telephone number and e-mail address
- Please use the document naming conventions and document submission standards outlined in the [Regulatory Electronic Submission System \(RESS\) Document Guidelines](#) found at the [Filing Systems page](#) on the OEB's website
- Parties are encouraged to use RESS. Those who have not yet [set up an account](#), or require assistance using the online filing portal can contact registrar@oeb.ca for assistance

All communications should be directed to the attention of the Registrar at the address below and be received by end of business, 4:45 p.m., on the required date.

With respect to distribution lists for all electronic correspondence and materials related to this proceeding, parties must include the Case Manager, Vince Mazzone, at vince.mazzone@oeb.ca and OEB Counsel, Lawren Murray at lawren.murray@oeb.ca.

Email: registrar@oeb.ca

Tel: 1-877-632-2727 (Toll free)

DATED at Toronto, December 9, 2021

ONTARIO ENERGY BOARD

Original Signed By

Christine E. Long
Registrar

Schedule A

To Decision and Rate Order

Tariff of Rates and Charges

OEB File No: EB-2021-0045

DATED: December 9, 2021

Niagara-on-the-Lake Hydro 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-2021-0045

RESIDENTIAL SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less where the electricity is used exclusively in a separately metered living accommodation. Customers shall be residing in single-dwelling units that consist of a detached house or one unit of a semi-detached, duplex, triplex or quadruplex house, with a residential zoning. Separately metered dwellings within a town house complex or apartment building also qualify as residential customers. 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	\$	30.87
Rate Rider for Alignment of Rate Year with Fiscal Year - Fixed Rate - effective until April 30, 2022	\$	(0.90)
Rate Rider for Disposition of Large Use Deferral/Variance Accounts - effective until April 30, 2022	\$	(0.16)
Smart Metering Entity Charge - effective until December 31, 2022	\$	0.57
Rate Rider for Disposition of Global Adjustment Account (2022) - effective until December 31, 2022		
Applicable only for Non-RPP Customers	\$/kWh	(0.0001)
Rate Rider for Disposition of Deferral/Variance Accounts (2022) - effective until December 31, 2022	\$/kWh	(0.0016)
Rate Rider for Disposition of Global Adjustment Account (2021) - effective until April 30, 2022		
Applicable only for Non-RPP Customers	\$/kWh	(0.0005)
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2021) - effective until April 30, 2022	\$/kWh	0.0002
Rate Rider for Disposition of Deferral/Variance Accounts (2021) - effective until April 30, 2022	\$/kWh	(0.0008)
Rate Rider for Disposition of Capacity Based Recovery Account (2021) - effective until April 30, 2022		
Applicable only for Class B Customers	\$/kWh	(0.0001)
Rate Rider for Disposition of Large Use Deferral/Variance Accounts - effective until December 31, 2022	\$/kWh	(0.0003)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0087
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0012

Niagara-on-the-Lake Hydro 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-2021-0045

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

Niagara-on-the-Lake Hydro Inc.
TARIFF OF RATES AND CHARGES
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EB-2021-0045

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification applies to a non-residential account taking electricity at 750 volts or less whose monthly average peak 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	\$	42.07
Rate Rider for Alignment of Rate Year with Fiscal Year - Fixed Rate - effective until April 30, 2022	\$	(1.23)
Smart Metering Entity Charge - effective until December 31, 2022	\$	0.57
Distribution Volumetric Rate	\$/kWh	0.0125
Rate Rider for Disposition of Global Adjustment Account (2022) - effective until December 31, 2022		
Applicable only for Non-RPP Customers	\$/kWh	(0.0001)
Rate Rider for Disposition of Deferral/Variance Accounts (2022) - effective until December 31, 2022	\$/kWh	(0.0016)
Rate Rider for Disposition of Global Adjustment Account (2021) - effective until April 30, 2022		
Applicable only for Non-RPP Customers	\$/kWh	(0.0005)
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2021) - effective until April 30, 2022	\$/kWh	0.0009
Rate Rider for Disposition of Deferral/Variance Accounts (2021) - effective until April 30, 2022	\$/kWh	(0.0008)
Rate Rider for Disposition of Capacity Based Recovery Account (2021) - effective until April 30, 2022		
Applicable only for Class B Customers	\$/kWh	(0.0001)
Rate Rider for Disposition of Large Use Deferral/Variance Accounts - effective until April 30, 2022	\$/kWh	(0.0002)
Rate Rider for Disposition of Large Use Deferral/Variance Accounts - effective until December 31, 2022	\$/kWh	(0.0003)
Rate Rider for Alignment of Rate Year with Fiscal Year - Variable Rate - effective until April 30, 2022	\$/kWh	(0.0004)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0079
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0012

Niagara-on-the-Lake Hydro Inc.
TARIFF OF RATES AND CHARGES
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EB-2021-0045

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

Niagara-on-the-Lake Hydro Inc.
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EB-2021-0045

GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION

This classification applies to a non-residential account whose monthly average peak demand 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	\$	300.64
Rate Rider for Alignment of Rate Year with Fiscal Year - Fixed Rate - effective until April 30, 2022	\$	(8.76)
Distribution Volumetric Rate	\$/kW	2.5164
Rate Rider for Disposition of Global Adjustment Account (2022) - effective until December 31, 2022		
Applicable only for Non-RPP Customers	\$/kWh	(0.0001)
Rate Rider for Disposition of Deferral/Variance Accounts (2022) - effective until December 31, 2022	\$/kW	(0.6952)
Rate Rider for Disposition of Global Adjustment Account (2021) - effective until April 30, 2022		
Applicable only for Non-RPP Customers	\$/kWh	(0.0005)

Niagara-on-the-Lake Hydro Inc.
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Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2021) - effective until April 30, 2022	\$/kW	0.2820
Rate Rider for Disposition of Deferral/Variance Accounts (2021) - effective until April 30, 2022	\$/kW	(0.3130)
Rate Rider for Disposition of Capacity Based Recovery Account (2021) - effective until April 30, 2022 Applicable only for Class B Customers	\$/kW	(0.0480)
Rate Rider for Disposition of Large Use Deferral/Variance Accounts - effective until April 30, 2022	\$/kW	(0.0253)
Rate Rider for Disposition of Large Use Deferral/Variance Accounts - effective until December 31, 2022	\$/kW	(0.0529)
Rate Rider for Alignment of Rate Year with Fiscal Year - Variable Rate - effective until April 30, 2022	\$/kW	(0.0733)
Retail Transmission Rate - Network Service Rate	\$/kW	3.2266
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	0.3716
Retail Transmission Rate - Network Service Rate - Interval Metered	\$/kW	3.4872
Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered	\$/kW	0.8937

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

Niagara-on-the-Lake Hydro Inc.
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LARGE USE SERVICE CLASSIFICATION

This classification applies to a non-residential account whose monthly average peak demand is equal to or greater than, or is forecast to be equal to or greater 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	\$	3,941.08
Rate Rider for Alignment of Rate Year with Fiscal Year - Fixed Rate - effective until April 30, 2022	\$	(114.79)
Distribution Volumetric Rate	\$/kW	2.5164
Rate Rider for Disposition of Deferral/Variance Accounts (2022) - effective until December 31, 2022	\$/kW	(0.4774)
Rate Rider for Disposition of Deferral/Variance Accounts (2021) - effective until April 30, 2022	\$/kW	(0.2404)
Rate Rider for Disposition of Large Use Deferral/Variance Accounts - effective until April 30, 2022	\$/kW	(0.0108)
Rate Rider for Disposition of Large Use Deferral/Variance Accounts - effective until December 31, 2022	\$/kW	(0.0198)
Rate Rider for Alignment of Rate Year with Fiscal Year - Variable Rate - effective until April 30, 2022	\$/kW	(0.0733)
Retail Transmission Rate - Network Service Rate - Interval Metered	\$/kW	3.4872
Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered	\$/kW	0.8937

Issued - December 9, 2021

Niagara-on-the-Lake Hydro Inc.
TARIFF OF RATES AND CHARGES
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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

Niagara-on-the-Lake Hydro Inc.
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UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

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

APPLICATION

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)	\$	22.63
Rate Rider for Alignment of Rate Year with Fiscal Year - Fixed Rate - effective until April 30, 2022	\$	(0.66)
Distribution Volumetric Rate	\$/kWh	0.0058
Rate Rider for Disposition of Global Adjustment Account (2022) - effective until December 31, 2022		
Applicable only for Non-RPP Customers	\$/kWh	(0.0001)
Rate Rider for Disposition of Deferral/Variance Accounts (2022) - effective until December 31, 2022	\$/kWh	(0.0016)
Rate Rider for Disposition of Global Adjustment Account (2021) - effective until April 30, 2022		
Applicable only for Non-RPP Customers	\$/kWh	(0.0005)
Rate Rider for Disposition of Deferral/Variance Accounts (2021) - effective until April 30, 2022	\$/kWh	(0.0008)
Rate Rider for Disposition of Capacity Based Recovery Account (2021) - effective until April 30, 2022		
Applicable only for Class B Customers	\$/kWh	(0.0001)
Rate Rider for Disposition of Large Use Deferral/Variance Accounts - effective until April 30, 2022	\$/kWh	(0.0002)
Rate Rider for Disposition of Large Use Deferral/Variance Accounts - effective until December 31, 2022	\$/kWh	(0.0003)
Rate Rider for Alignment of Rate Year with Fiscal Year - Variable Rate - effective until April 30, 2022	\$/kWh	(0.0002)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0079
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0012

Niagara-on-the-Lake Hydro Inc.
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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

Niagara-on-the-Lake Hydro Inc.
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STREET LIGHTING SERVICE CLASSIFICATION

This classification applies to an account for roadway lighting with a Municipality, Regional Municipality, Ministry of Transportation and private roadway lighting operation, controlled by photo cells. The consumption for these customers will be based on the calculated connected load times the required lighting times established by an approved Ontario Energy Board process. 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)	\$	7.68
Rate Rider for Alignment of Rate Year with Fiscal Year - Fixed Rate - effective until April 30, 2022	\$	(0.22)
Distribution Volumetric Rate	\$/kW	1.8488
Rate Rider for Disposition of Global Adjustment Account (2022) - effective until December 31, 2022 Applicable only for Non-RPP Customers	\$/kWh	(0.0001)
Rate Rider for Disposition of Deferral/Variance Accounts (2022) - effective until December 31, 2022	\$/kW	(0.6403)
Rate Rider for Disposition of Global Adjustment Account (2021) - effective until April 30, 2022 Applicable only for Non-RPP Customers	\$/kWh	(0.0005)
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2021) - effective until April 30, 2022	\$/kW	18.7456
Rate Rider for Disposition of Deferral/Variance Accounts (2021) - effective until April 30, 2022	\$/kW	(0.2836)
Rate Rider for Disposition of Capacity Based Recovery Account (2021) - effective until April 30, 2022 Applicable only for Class B Customers	\$/kW	(0.0444)
Rate Rider for Disposition of Large Use Deferral/Variance Accounts - effective until April 30, 2022	\$/kW	(0.6802)
Rate Rider for Disposition of Large Use Deferral/Variance Accounts - effective until December 31, 2022	\$/kW	(0.7503)
Rate Rider for Alignment of Rate Year with Fiscal Year - Variable Rate - effective until April 30, 2022	\$/kW	(0.0539)
Retail Transmission Rate - Network Service Rate	\$/kW	2.4330
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	0.2872

Niagara-on-the-Lake Hydro Inc.
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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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STANDBY POWER SERVICE CLASSIFICATION

This classification refers to an account that has Load Displacement Generation or Load Displacement Storage that requires Niagara-on-the-Lake Hydro to provide back-up service. Standby Charges are to be applied to behind-the-meter generators that have a nameplate capacity greater than or equal to 500kW and are not IESO market participants or IESO program participants (FIT, MicroFIT, SOP etc.) which have their own metering and settlement conventions as per regulation and legislation. For the purpose of this rate classification the term "generator" shall include electricity storage devices used for the primary purpose of Load Displacement. 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 changes, 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

Standby Charges are based on applicable monthly General Service > 50kW to 4,999 kW or Large Use Distribution Volumetric Charges, depending on the rate classification of the generator host facility.

Distribution Charges on the generator host facility's load account will be determined by multiplying the peak hourly delivered load as measured by the load account meter in kW by applicable variable charges for the rate class. Standby Charges will be determined by multiplying the peak coincident combined kW delivered by both the distribution system and the generator, less the peak hourly delivered load in kW of the host customer facility as measured by the generator host load account meter.

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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

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	\$	10.00
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ALLOWANCES

Transformer Allowance for Ownership - per kW of billing demand/month	\$/kW	(0.56)
Primary Metering Allowance for Transformer Losses - applied to measured demand & 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.

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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
Account history	\$	15.00
Credit check (plus credit agency costs)	\$	15.00
Returned cheque (plus bank charges)	\$	15.00
Charge to certify cheque	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Special meter reads	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	190.00

Non-Payment of Account

Late payment - per month (effective annual rate 19.56% per annum or 0.04896% compounded daily)	%	1.50
Reconnection at meter - during regular hours	\$	95.00
Reconnection at meter - after regular hours	\$	320.00
Reconnection at pole - during regular hours	\$	185.00
Reconnection at pole - after regular hours	\$	610.00

Other

Service call - customer-owned equipment - during regular hours	\$	30.00
Service call - customer-owned equipment - after regular hours	\$	320.00
Temporary service - install & remove - overhead - no transformer	\$	Variable
Temporary service - install & remove - underground - no transformer	\$	Variable
Temporary service - install & remove - overhead - with transformer	\$	Variable
Specific charge for access to the power poles - per 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.

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	\$	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	1.0373
Total Loss Factor - Secondary Metered Customer > 5,000 kW	1.0145
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0275
Total Loss Factor - Primary Metered Customer > 5,000 kW	1.0045