

DECISION AND RATE ORDER

EB-2022-0020

CENTRE WELLINGTON HYDRO LTD.

Application for rates and other charges to be effective January 1, 2023

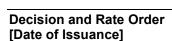
BY DELEGATION, BEFORE: Theodore Antonopoulos

Vice President Applications

1. OVERVIEW

The Ontario Energy Board is approving changes to the rates that Centre Wellington Hydro Ltd. (Centre Wellington Hydro) charges to distribute electricity to its customers, effective January 1, 2023.

As a result of this Decision, there will be a monthly total bill increase of \$3.67 for a residential customer consuming 750 kWh. This change does not factor in applicable taxes or the Ontario Electricity Rebate.



2. CONTEXT AND PROCESS

Centre Wellington Hydro filed its application on July 29, 2022 under section 78 of the *Ontario Energy Board Act, 1998* (OEB Act) 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 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.

Centre Wellington Hydro serves approximately 7,400 mostly residential and commercial electricity customers in the Town of Fergus and the Village of Elora in the Township of Centre Wellington.

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

Draft - Decision and Rate Order [Date of Issuance]

¹ Each of these options is explained in the OEB's <u>Handbook for Utility Rate Applications</u>.

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

Instructions for implementing Centre Wellington 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 the 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-2022-0220, issued November 3, 2022, established the adjustment for energy retailer service charges, effective January 1, 2023; and the Decision and Order EB-2022-0221, issued November 3, 2022, established the 2023 Wireline Pole Attachment Charge, effective January 1, 2023.

4. ANNUAL ADJUSTMENT MECHANISM

Centre Wellington Hydro has applied to change its rates, effective January 1, 2023, 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 adjustment formula applicable to Centre Wellington are set out in the table below. Inserting these components into the formula results in a 3.40% increase to Centre Wellington Hydro's rates: 3.40% = 3.70% - (0.00% + 0.30%).

Table 4.1: Price Cap IR Adjustment Formula

Components		Amount
Inflation factor ⁴		3.70%
Loop V footor	Productivity factor ⁵	0.00%
Less: X-factor	Stretch factor (0.00% to 0.60%) ⁶	0.30%

An inflation factor of 3.70% applies to all IRM applications for the 2023 rate year. 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 2023 rate year. The stretch factor component of the X-factor is distributor specific. The OEB has established five stretch factor groupings, within a range from 0.00% to 0.60%. The

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 OEB Letter, 2023 Inflation Parameters, issued October 20, 2022

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: 2021 Benchmarking Update", prepared by Pacific Economics Group LLC., August 2022 Report to the Ontario Energy Board – "Empirical Research in Support of Incentive Rate-Setting: 2021 Benchmarking Update", prepared by Pacific Economics Group LLC., July 2022

stretch factor assigned to any distributor is based on the distributor's total cost performance as benchmarked against other distributors in Ontario. The stretch factor assigned to Centre Wellington Hydro is 0.30%, resulting in a rate adjustment of 3.40%.

Findings

Centre Wellington Hydro's request for a 3.40% rate adjustment is in accordance with the annually updated parameters set by the OEB. The adjustment is approved, and Centre Wellington Hydro's new rates shall be effective January 1, 2023.



5. RETAIL TRANSMISSION SERVICE RATES

Centre Wellington Hydro is fully embedded within Hydro One Networks Inc.'s distribution system.

To recover its cost of transmission services, Centre Wellington Hydro 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

Centre Wellington Hydro'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 host-RTSRs take effect during Centre Wellington Hydro's 2023 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-2021-0032, Decision and Rate Order, December 14, 2021

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 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.⁹

The 2021 year-end net balance for Centre Wellington Hydro's Group 1 accounts eligible for disposition, including interest projected to December 31, 2022, is a debit of \$181,121, and pertains to variances accumulated during the 2021 calendar year. This amount represents a total claim of \$0.0012 per kWh, which exceeds the disposition threshold. Centre Wellington 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). A similar mechanism applies to Class A and Class B customers for Capacity Based Recovery (CBR) charges. 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.

Centre Wellington 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 event, the balance of the CBR Class B variance account (including the portion allocated to transition customers

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

⁹ OEB letter, "Update to the Electricity Distributors' Deferral and Variance Account Review ("EDDVAR Report"), released July 2009 (EB-2008-0246)", issued July 25, 2014

¹⁰ For additional details on the Global Adjustment charge, refer to the Independent Electricity System Operator (IESO)'s <u>website</u>.

¹¹ 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 <u>website</u>.

as noted below) is disposed along with Account 1580 – Wholesale Market Service Charge through the general Deferral and Variance Account rate rider.

During the period in which variances accumulated, Centre Wellington Hydro had customers transition between Class A and Class B. Under the general principle of cost causality, customer groups that cause variances that are recorded in Group 1 accounts should be responsible for paying (or receiving credits) for their disposal. Centre Wellington Hydro has proposed to allocate a portion of the GA and CBR Class B balances to its transition customers, based on their customer-specific consumption levels.^[1] The GA amounts allocated to each transition customer are proposed to be recovered (or refunded, as applicable), by way of 12 equal monthly installments. The CBR Class B amounts allocated to transition customers are disposed along with Account 1580 - Wholesale Market Service Charge through the general Deferral and Variance Account rate rider, similar to the remaining CBR Class B balance as the CBR Class B rate riders for Centre Wellington Hydro is rounded to zero at the fourth decimal place in one or more of the rate classes.

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 debit balance of \$181,121 as of December 31, 2021, including interest projected to December 31, 2022, 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	158,522	3,328	161,850
Smart Meter Entity Variance Charge	1551	(4,429)	(67)	(4,316)
RSVA - Wholesale Market Service Charge	1580	21,880	663	22,543

^{[1] 2023} IRM Rate Generator Model, Tab 6.1a "GA Allocation"

RSVA - Retail Transmission Network Charge	1584	73,912	2,106	76,018
RSVA - Retail Transmission Connection Charge	1586	42,806	645	43,450
RSVA - Power	1588	16,978	(504)	16,473
RSVA – Global Adjustment	1589	(129,417)	(1,157)	(130,573)
Disposition and Recovery of Regulatory Balances (2019)	1595	(12,830)	8,507	(4,323)
Total for Group 1 acco	unts	167,602	13,520	181,121

The balance of each of the Group 1 accounts approved for disposition shall be transferred to the applicable principal and carrying charge sub-accounts of Account 1595. Such transfer shall be pursuant to the requirements specified in the *Accounting Procedures Handbook for Electricity Distributors*. ¹² 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, 2023 to December 31, 2023.¹³

¹² Article 220, Account Descriptions, Accounting Procedures Handbook for Electricity Distributors, effective January 1, 2012

¹³ 2023 IRM Rate Generator Model Tab 6.1 GA, Tab 6.1a GA Allocation, Tab 6.2 CBR B and Tab 7 Calculation of Def-Var RR

7. LOST REVENUE ADJUSTMENT MECHANISM VARIANCE ACCOUNT

The OEB has historically utilized a Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) to capture a distributor's revenue implications resulting from differences between actual and forecast conservation and demand management (CDM) savings included in its last OEB-approved load forecast. The use of the LRAMVA is no longer the default approach for CDM activities.¹⁴

Distributors delivered 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.¹⁵

Distributors filing an application for 2023 rates are required to seek disposition of all outstanding LRAMVA balances related to program savings related to CFF programs or other conservation programs they delivered, unless they do not have complete information on eligible program savings.¹⁶

Centre Wellington Hydro noted that the LRAMVA includes a partial portion for the 2019 calendar year. However, it did not, and does not intend in future, to apply for disposition of any LRAMVA balance arising from completed CDM activities and confirmed that the balance in the LRAMVA is not a credit to customers.

Findings

The OEB accepts that any debit balance in the LRAMVA currently booked will not be sought for recovery from customers, and the balance is now set to zero. No further entries to the LRAMVA are permitted at this time. The LRAMVA will not be discontinued, in the event that Centre Wellington Hydro requests the use of the LRAMVA for a CDM activity in a future application, which the OEB will consider on a case-by-case basis.¹⁷

¹⁴ Conservation and Demand Management Guidelines for Electricity Distributors, December 20, 2021, chapter 8.

¹⁵ On March 20, 2019 the Minister of Energy, Northern Development and Mines issued separate Directives to the OEB and the IESO.

¹⁶ Chapter 3 Filing Requirements, section 3.2.6.1

¹⁷ Conservation and Demand Management Guidelines for Electricity Distributors, December 20, 2021, p. 28.

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 9.1.

Table 9.1: 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 and WMS rates were set by the OEB on December 16, 2021 and July 12, 2022. 18

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 at \$0.42 on September 8, 2022.¹⁹

¹⁸ EB-2021-0300, Decision and Order, December 16, 2021 and EB-2021-0300, Supplemental Decision and Order, July 12, 2022

¹⁹ EB-2022-0137, Decision and Order, September 8, 2022

9. ORDER

THE ONTARIO ENERGY BOARD ORDERS THAT

The Tariff of Rates and Charges set out in Schedule A of this Decision and Rate
Order is approved effective January 1, 2023 for electricity consumed or estimated to
have been consumed on and after such date. Centre Wellington Hydro Ltd. shall
notify its customers of the rate changes no later than the delivery of the first bill
reflecting the new rates.

DATED at Toronto, Month, Date, Year

ONTARIO ENERGY BOARD

Nancy Marconi Registrar

SCHEDULE A DECISION AND RATE ORDER CENTRE WELLINGTON HYDRO LTD. TARIFF OF RATES AND CHARGES EB-2022-0020 MONTH XX, 20XX

Effective and Implementation Date January 1, 2023

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

EB-2022-0020

RESIDENTIAL SERVICE CLASSIFICATION

This classification is for single dwelling units with separate metering, detached, semi-detached, triplex, etc. 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 Global Adjustment and the HST.

Service Charge	\$	32.29
Smart Metering Entity Charge - effective until December 31, 2027	\$	0.42
Rate Rider per 2018 Settlement Proposal (2018) - effective from January 1, 2022 until the effective date		
of next Cost of Service based Rate Order	\$	(0.33)
Low Voltage Service Rate	\$/kWh	0.0030
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until December 31, 2023		
Applicable only for Non-RPP Customers	\$/kWh	(0.0025)
Rate Rider for Disposition of Deferral/Variance Accounts (2023) - effective until December 31, 2023	\$/kWh	0.0021
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0087
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0061
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

Effective and Implementation Date January 1, 2023

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

EB-2022-0020

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification applies to a non-residential account taking electricity at 750 volts or less whose average monthly maximum demand is less than, or is forecasted to be less than, 50kW. 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

Rural or Remote Electricity Rate Protection Charge (RRRP)
Standard Supply Service - Administrative Charge (if applicable)

Service Charge	\$	23.30
Smart Metering Entity Charge - effective until December 31, 2027	\$	0.42
Distribution Volumetric Rate	\$/kWh	0.0243
Low Voltage Service Rate	\$/kWh	0.0027
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until December 31, 2023		
Applicable only for Non-RPP Customers	\$/kWh	(0.0025)
Rate Rider for Disposition of Deferral/Variance Accounts (2023) - effective until December 31, 2023	\$/kWh	0.0021
Rate Rider per 2018 Settlement Proposal (2018) - effective from January 1, 2022 until the effective date of		
next Cost of Service based Rate Order	\$/kWh	(0.0004)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0080
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0055
MONTHLY RATES AND CHARGES - Regulatory Component		
Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004

0.0005

0.25

\$/kWh

Effective and Implementation Date January 1, 2023

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

EB-2022-0020

GENERAL SERVICE 50 TO 2,999 KW SERVICE CLASSIFICATION

This classification applies to a non-residential account whose average monthly maximum demand used for billing purposes is equal to or greater than, or is forecasted to be equal to or greater than, 50 kW but less than 3,000 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.

Service Charge	\$	190.09	
Distribution Volumetric Rate	\$/k	W 4.6820	
Low Voltage Service Rate	\$/k	W 0.9987	
Rate Rider for Disposition of Global Adjustment Account (202 Applicable only for Non-RPP Customers		(0.0025)	
Rate Rider for Disposition of Deferral/Variance Accounts (202 Applicable only for Non-Wholesale Market Participants	\$/k		
Rate Rider for Disposition of Deferral/Variance Accounts (202	•	W 0.6883	
Rate Rider per 2018 Settlement Proposal (2018) - effective fr of next Cost of Service based Rate Order	om January 1, 2022 until the effective date \$/k	(0.0519)	
Retail Transmission Rate - Network Service Rate	\$/k	W 3.1990	
Retail Transmission Rate - Line and Transformation Connecti	on Service Rate \$/k	W 2.1599	

Effective and Implementation Date January 1, 2023

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

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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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EB-2022-0020

GENERAL SERVICE 3,000 TO 4,999 KW SERVICE CLASSIFICATION

This classification applies to a non-residential account whose average monthly maximum demand used for billing is equal to or greater than, or is forecasted to be equal to or greater than, 3,000 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.

Service Charge	\$	766.07
Distribution Volumetric Rate	\$/kW	3.5492
Low Voltage Service Rate	\$/kW	1.1778
Rate Rider for Disposition of Deferral/Variance Accounts (2023) - effective until December 31, 2023	\$/kW	0.9149
Rate Rider per 2018 Settlement Proposal (2018) - effective from January 1, 2022 until the effective date of		
next Cost of Service based Rate Order	\$/kW	(0.0330)
Retail Transmission Rate - Network Service Rate	\$/kW	3.5778
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.5472

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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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UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification applies to a non-residential account taking electricity at 750 volts or less whose average monthly maximum demand is less than, or is forecasted to be less than, 50kW 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.

Service Charge (per customer)	\$	8.74
Distribution Volumetric Rate	\$/kWh	0.0136
Low Voltage Service Rate	\$/kWh	0.0027
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until December 31, 2023		
Applicable only for Non-RPP Customers	\$/kWh	(0.0025)
Rate Rider for Disposition of Deferral/Variance Accounts (2023) - effective until December 31, 2023	\$/kWh	0.0022
Rate Rider per 2018 Settlement Proposal (2018) - effective from January 1, 2022 until the effective date of		
next Cost of Service based Rate Order	\$/kWh	(0.0002)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0080
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0055
MONTHLY RATES AND CHARGES - Regulatory Component		
Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Effective and Implementation Date January 1, 2023

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

EB-2022-0020

SENTINEL LIGHTING SERVICE CLASSIFICATION

This classification refers to an account that is an unmetered lighting load supplied to a sentinel light where consumption is based on connected 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.

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Service Charge (per connection)	\$	6.45
Distribution Volumetric Rate	\$/kW	17.0791
Low Voltage Service Rate	\$/kW	0.7882
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until December 31, 2023 Applicable only for Non-RPP Customers	\$/kWh	(0.0026)
Rate Rider for Disposition of Deferral/Variance Accounts (2023) - effective until December 31, 2023	\$/kW	0.7898
Rate Rider per 2018 Settlement Proposal (2018) - effective from January 1, 2022 until the effective date of next Cost of Service based Rate Order	\$/kW	(0.3949)
Retail Transmission Rate - Network Service Rate	\$/kW	2.4247
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.7046
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

Effective and Implementation Date January 1, 2023

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

EB-2022-0020

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, controlled by photo cells. The consumption of 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.

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.

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Service Charge (per connection)	\$	2.44
o u	*	11.8029
Distribution Volumetric Rate	\$/kW	
Low Voltage Service Rate	\$/kW	0.7720
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until December 31, 2023		
Applicable only for Non-RPP Customers	\$/kWh	(0.0025)
Rate Rider for Disposition of Deferral/Variance Accounts (2023) - effective until December 31, 2023	\$/kW	0.7819
Rate Rider per 2018 Settlement Proposal (2018) - effective from January 1, 2022 until the effective date of		
next Cost of Service or Custom IR Rate Order	\$/kW	(0.4645)
Retail Transmission Rate - Network Service Rate	\$/kW	2.4125
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.6697
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
Startdard Supply Service Martinistrative Strarge (ii applicable)	Ψ	0.20

Effective and Implementation Date January 1, 2023
This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2022-0020

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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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.

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge \$ 10.00

Effective and Implementation Date January 1, 2023

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EB-2022-0020

ALLOWANCES

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

SPECIFIC SERVICE CHARGES

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Customer Administration		
Arrears certificate	\$	15.00
Statement of account	\$	15.00
Pulling post dated cheques	\$	15.00
Duplicate invoices for previous billing	\$	15.00
Request for other billing information	\$	15.00
Easement letter	\$	15.00
Income tax letter	\$	15.00
Notification charge	\$	15.00
Account history	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Returned cheque (plus bank charges)	\$	15.00
Charge to certify cheque	\$	15.00
Legal letter charge	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Special meter reads	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00
Non-Payment of Account		
Late payment - per month	%	1.50
(effective annual rate 19.56% per annum or 0.04896% compounded daily rate)	% \$	65.00
Reconnection at meter - during regular hours		185.00
Reconnection at meter - after regular hours	\$ \$	185.00
Reconnection at pole - during regular hours	\$ \$	415.00
Reconnection at pole - after regular hours	Ф	415.00
Other		
Service call - customer owned equipment	\$	30.00
Service call - after regular hours	\$	160.00
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)	\$	36.05

Effective and Implementation Date January 1, 2023

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EB-2022-0020

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	\$	111.66
Monthly fixed charge, per retailer	\$	44.67
Monthly variable charge, per customer, per retailer	\$/cust.	1.11
Distributor-consolidated billing monthly charge, per customer, per retailer	\$/cust.	0.66
Retailer-consolidated billing monthly credit, per customer, per retailer	\$/cust.	(0.66)
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	\$	0.56
Processing fee, per request, applied to the requesting party	\$	1.11
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)	\$	4.47
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)	\$	2.23

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	1.0453
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0349