



Ontario
Energy
Board | Commission
de l'énergie
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DECISION AND RATE ORDER

EB-2022-0023

E.L.K. ENERGY INC.

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

BY DELEGATION, BEFORE: **Alex Share**
Manager
Generation & Transmission

March 23, 2023

1. OVERVIEW

The Ontario Energy Board is approving changes to the rates that E.L.K. Energy Inc. (E.L.K. Energy) charges to distribute electricity to its customers, effective May 1, 2023.

As a result of this Decision and Rate Order, there will be a monthly total bill increase of \$2.62 for a residential customer consuming 750 kWh. This change does not factor in applicable taxes or the Ontario Electricity Rebate.

2. CONTEXT AND PROCESS

E.L.K. Energy serves approximately 12,000 mostly residential and commercial electricity customers in the Towns of Essex, Lakeshore and Kingsville.

E.L.K. Energy filed its application on November 23, 2022 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 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.

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

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

3. DECISION OUTLINE

Each of the following issues is addressed in this Decision and Rate Order, 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 E.L.K. Energy's new rates and charges are set out in the final section of this Decision and Rate Order.

This Decision and Rate Order 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

E.L.K. Energy has applied to change its rates, effective May 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 IR adjustment formula applicable to E.L.K. Energy are set out in the table below. Inserting these components into the formula results in a 3.70% increase to E.L.K. Energy's rates: **3.70% = 3.70% - (0.00% + 0.00%)**.

Table 4.1: Price Cap IR Adjustment Formula

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

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, ranging from 0.00% to 0.60%. The stretch factor assigned to any distributor is based on the distributor's total cost performance as

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., July 2022

benchmarked against other distributors in Ontario. The stretch factor assigned to E.L.K. Energy is 0.00%, resulting in a rate adjustment of 3.70%.

Findings

E.L.K. Energy's request for a 3.70% rate adjustment is in accordance with the annually updated parameters set by the OEB. The adjustment is approved, and E.L.K. Energy's new rates shall be effective May 1, 2023.

5. RETAIL TRANSMISSION SERVICE RATES

E.L.K. Energy is fully embedded within Hydro One Networks Inc.'s distribution system.

To recover its cost of transmission services, E.L.K. Energy 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

E.L.K. Energy's proposed adjustment to its RTSRs is approved. The RTSRs have been adjusted based on the current OEB-approved host-RTSRs.⁷

Host-RTSRs are typically approved annually by the OEB. In the event that new host-RTSRs take effect during E.L.K. Energy'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-2021-0110, Decision and Rate Order, November 29, 2022

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 of. OEB policy states that Group 1 account balances should be disposed of 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 can justify why balances should not be disposed of.⁸ If the net balance does not exceed the threshold, a distributor may still request disposition.⁹

In the application, as originally filed, the 2021 year-end net balance for E.L.K. Energy's Group 1 accounts (excluding Accounts 1588 and 1589) eligible for disposition, including interest projected to December 31, 2022, was a debit of \$646,751, and pertained to variances accumulated during the 2021 calendar year. This amount represented a total claim of \$0.0027 per kWh, which exceeded the disposition threshold. E.L.K. Energy requested the disposition of this amount over a one-year period.

In the application, as originally filed, E.L.K. Energy referenced the Settlement Proposal in its 2022 cost of service proceeding,¹⁰ which states:

ELK is currently undertaking an external audit of the balance in Accounts 1588 and 1589 for years 2016 to 2021. The Parties agree that ELK will make best efforts to complete the external audit and seek disposition of the balances in Accounts 1588 and 1589 as part of its 2023 IRM application. If, however, ELK is not in a position to seek disposition in its 2023 IRM application, ELK shall, (a) provide reasons for not doing so, and (b) seek disposition no later than its 2024 IRM application.¹¹

E.L.K. Energy further noted that is not in position to dispose of Accounts 1588 and 1589 in the current 2023 IRM proceeding due to staff constraints. The external audit for the years 2016 to 2021 is currently in progress and associated account disposition will be sought as part of E.L.K. Energy's 2024 IRM application.¹²

During the proceeding, OEB staff asked E.L.K. Energy questions regarding its Group 1 account balances (other than Accounts 1588 and 1589) filed in the Continuity Schedule of the Rate Generator Model.¹³ OEB staff identified variances between the account

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-2008-0046)", issued July 25, 2014

¹⁰ Manager's Summary, page 11

¹¹ EB-2021-0016, Settlement Proposal, page 41, June 10, 2022

¹² Manager's Summary, page 11

¹³ OEB Staff Follow-up Questions, February 16, 2023

balances filed in this proceeding and the approved balances included in the continuity schedule filed in E.L.K. Energy's 2022 cost of service proceeding.¹⁴ Subsequently, on March 6, 2023, E.L.K. Energy filed a letter with the OEB requesting to withdraw disposition of its Group 1 accounts in this proceeding. E.L.K. Energy noted that it would need more time to investigate the discrepancies that were identified by OEB staff, and that the investigation may not be completed within the timeline of this proceeding due to the utility's staffing issues.¹⁵

Findings

The OEB accepts E.L.K. Energy's request to defer disposition of its Group 1 accounts to a future period. The OEB notes that, with respect to the 2016 to 2021 balances in Accounts 1588 and 1589, E.L.K. Energy's request to defer disposition remains in accordance with the terms of the OEB-approved settlement proposal. E.L.K. Energy shall bring forth those balances for the OEB's consideration, as well as the 2022 balances for those accounts, as part of E.L.K. Energy's IRM application for 2024 rates.

With respect to the remaining Group 1 accounts, it is the OEB's general expectation that amounts are disposed when eligible, and when the pre-set disposition threshold is exceeded. However, in this case, there are unresolved discrepancies that, according to E.L.K. Energy, will not be addressed in a timely manner due staffing issues. The OEB will grant E.L.K. Energy's request to defer disposition of Group 1 accounts by one year. The OEB expects E.L.K. Energy to address the discrepancies identified by OEB staff as part of its application for 2024 rates.

¹⁴ EB-2021-0016, Settlement Proposal and DVA Continuity Schedule Model, dated June 10, 2022

¹⁵ E.L.K. Energy's letter filed with the OEB, filed March 6, 2023

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.¹⁶

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.¹⁷

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.¹⁸

E.L.K. Energy did not apply for disposition of any LRAMVA amounts and confirmed that the balance in the LRAMVA is zero. E.L.K. Energy further confirmed that it will not be seeking to dispose of any balance in the LRAMVA due to LRAM-eligible CDM activities funded by the IESO through the CFF or Interim Framework in a future year's application.¹⁹

Findings

The balance in the LRAMVA is nil. No further entries to the LRAMVA are permitted at this time. The LRAMVA will not be discontinued, in the event that E.L.K. Energy 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.²⁰

¹⁶ Conservation and Demand Management Guidelines for Electricity Distributors, December 20, 2021, chapter 8

¹⁷ On March 20, 2019 the Minister of Energy, Northern Development and Mines issued separate Directives to the OEB and the IESO.

¹⁸ Chapter 3 Filing Requirements, section 3.2.6.1

¹⁹ Response to OEB Staff-5, January 26, 2023

²⁰ Conservation and Demand Management Guidelines for Electricity Distributors, December 20, 2021, page 28

8. IMPLEMENTATION

This Decision and Rate Order is accompanied by a Rate Generator Model 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)	\$0.0007
Wholesale Market Service (WMS) billed to Class A and B Customers	\$0.0041
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 8, 2022.²¹

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, 2022.²²

In the *Report of the Board: Review of Electricity Distribution Cost Allocation Policy*,²³ the OEB indicated that it will review the default province-wide microFIT charge annually to ensure it continues to reflect actual costs in accordance with the established methodology. On December 8, 2022, the OEB issued a letter advising electricity distributors that the microFIT charge shall remain at \$4.55 for the duration of the 2023 calendar year.

²¹ EB-2022-0269, Decision and Order, December 8, 2022

²² EB-2022-0137, Decision and Order, September 8, 2022

²³ EB-2010-0219, Report of the Board “Review of Electricity Distribution Cost Allocation Policy”, March 31, 2011

9. ORDER

THE ONTARIO ENERGY BOARD ORDERS THAT

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

DATED at Toronto, March 23, 2023

ONTARIO ENERGY BOARD

Nancy Marconi
Registrar

SCHEDULE A
DECISION AND RATE ORDER
E.L.K. ENERGY INC.
TARIFF OF RATES AND CHARGES
EB-2022-0023
MARCH 23, 2023

E.L.K. Energy Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date May 1, 2023
This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2022-0023

RESIDENTIAL SERVICE CLASSIFICATION

This classification refers to a service which is less than 50 kW supplied to a single family dwelling unit that is for domestic or household purposes, including seasonal occupancy. At E.L.K.'s discretion, residential rates may be applied to apartment buildings with 6 or less units by simple application of the residential rate or by blocking the residential rate by the number of units. 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	\$	18.83
Rate Rider for Recovery of Foregone Revenue (2022) - effective until June 30, 2023	\$	(0.16)
Rate Rider for Disposition of Accounts 1575 and 1576 (2022) - effective until June 30, 2023	\$	0.06
Rate Rider for Disposition of Deferral/Variance Accounts (2022) - effective until June 30, 2023	\$	(0.89)
Smart Metering Entity Charge - effective until December 31, 2027	\$	0.42
Low Voltage Service Rate	\$/kWh	0.0035
Rate Rider for Disposition of Deferral/Variance Accounts (2022) - effective until June 30, 2023	\$/kWh	(0.0018)
Rate Rider for Disposition of Capacity Based Recovery Account (2022) - effective until June 30, 2023 - Applicable only for Class B Customers	\$/kWh	(0.0001)
Rate Rider for Global Adjustment (2022) - effective until June 30, 2023 - Applicable only for non-RPP customers	\$/kWh	(0.0053)
Rate Rider for Lost Revenue Adjustment Mechanism (2022) - effective until June 30, 2023	\$/kWh	0.0006
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0111
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0081

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0007
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

E.L.K. Energy Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date May 1, 2023
This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2022-0023

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification refers to premises other than those designated as residential and do not exceed 50 kW in any month of the year. This includes multi-unit residential establishments such as apartment buildings supplied through one service (bulk-metered). 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	\$	18.43
Rate Rider for Recovery of Foregone Revenue (2022) - effective until June 30, 2023	\$	0.22
Smart Metering Entity Charge - effective until December 31, 2027	\$	0.42
Distribution Volumetric Rate	\$/kWh	0.0063
Low Voltage Service Rate	\$/kWh	0.0031
Rate Rider for Disposition of Deferral/Variance Accounts (2022) - effective until June 30, 2023	\$/kWh	(0.0023)
Rate Rider for Disposition of Capacity Based Recovery Account (2022) - effective until June 30, 2023 - Applicable only for Class B Customers	\$/kWh	(0.0001)
Rate Rider for Disposition of Accounts 1575 and 1576 (2022) - effective until June 30, 2023	\$/kWh	0.0001
Rate Rider for Recovery of Foregone Revenue (2022) - effective until June 30, 2023	\$/kWh	0.0001
Rate Rider for Global Adjustment (2022) - effective until June 30, 2023 - Applicable only for non-RPP customers	\$/kWh	(0.0053)
Rate Rider for Lost Revenue Adjustment Mechanism (2022) - effective until June 30, 2023	\$/kWh	0.0013
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0097
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0071

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0007
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

E.L.K. Energy Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date May 1, 2023
This schedule supersedes and replaces all previously
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EB-2022-0023

GENERAL SERVICE 50 TO 4,999 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 forecast to be equal to or greater than, 50 kW but less than 5,000 kW. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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 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 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	\$	186.47
Rate Rider for Recovery of Foregone Revenue (2022) - effective until June 30, 2023	\$	(2.60)
Distribution Volumetric Rate	\$/kW	1.6691
Low Voltage Service Rate	\$/kW	1.1966
Rate Rider for Disposition of Deferral/Variance Accounts (2022) - effective until June 30, 2023	\$/kW	(0.6640)
Rate Rider for Disposition of Capacity Based Recovery Account (2022) - effective until June 30, 2023 - Applicable only for Class B Customers	\$/kW	(0.0329)
Rate Rider for Disposition of Accounts 1575 and 1576 (2022) - effective until June 30, 2023	\$/kW	0.0199
Rate Rider for Recovery of Foregone Revenue (2022) - effective until June 30, 2023	\$/kWh	(0.0072)
Rate Rider for Global Adjustment (2022) - effective until June 30, 2023 - Applicable only for non-RPP customers	\$/kWh	(0.0053)
Rate Rider for Lost Revenue Adjustment Mechanism (2022) - effective until June 30, 2023	\$/kW	0.1231
Retail Transmission Rate - Network Service Rate	\$/kW	4.0896
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.8836

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0007
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

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UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification applies to an account whose average monthly maximum demand is less than, or is forecast 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. E.L.K. is not in the practice of connecting new unmetered scattered load services. 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)	\$	7.49
Rate Rider for Recovery of Foregone Revenue (2022) - effective until June 30, 2023	\$	0.05
Distribution Volumetric Rate	\$/kWh	0.0021
Low Voltage Service Rate	\$/kWh	0.0031
Rate Rider for Disposition of Deferral/Variance Accounts (2022) - effective until June 30, 2023	\$/kWh	(0.0021)
Rate Rider for Disposition of Capacity Based Recovery Account (2022) - effective until June 30, 2023 - Applicable only for Class B Customers	\$/kWh	(0.0001)
Rate Rider for Disposition of Accounts 1575 and 1576 (2022) - effective until June 30, 2023	\$/kWh	0.0001
Rate Rider for Global Adjustment (2022) - effective until June 30, 2023 - Applicable only for non-RPP customers	\$/kWh	(0.0053)
Rate Rider for Lost Revenue Adjustment Mechanism (2022) - effective until June 30, 2023	\$/kWh	(0.0001)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0097
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0071

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0007
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

E.L.K. Energy Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date May 1, 2023
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EB-2022-0023

SENTINEL LIGHTING SERVICE CLASSIFICATION

This classification refers to accounts that are an unmetered lighting load supplied to a sentinel light. E.L.K. is not in the practice of connecting new unmetered scattered load services. 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)	\$	3.52
Rate Rider for Recovery of Foregone Revenue (2022) - effective until June 30, 2023	\$	0.04
Distribution Volumetric Rate	\$/kW	6.6141
Low Voltage Service Rate	\$/kW	0.9451
Rate Rider for Disposition of Deferral/Variance Accounts (2022) - effective until June 30, 2023	\$/kW	(1.4788)
Rate Rider for Disposition of Capacity Based Recovery Account (2022) - effective until June 30, 2023 - Applicable only for Class B Customers	\$/kW	(0.0464)
Rate Rider for Disposition of Accounts 1575 and 1576 (2022) - effective until June 30, 2023	\$/kW	0.0281
Rate Rider for Recovery of Foregone Revenue (2022) - effective until June 30, 2023	\$/kW	0.0376
Rate Rider for Global Adjustment (2022) - effective until June 30, 2023 - Applicable only for non-RPP customers	\$/kWh	(0.0053)
Rate Rider for Lost Revenue Adjustment Mechanism (2022) - effective until June 30, 2023	\$/kW	(3.9948)
Retail Transmission Rate - Network Service Rate	\$/kW	3.0996
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.2777

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0007
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

E.L.K. Energy Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date May 1, 2023
This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2022-0023

STREET LIGHTING SERVICE CLASSIFICATION**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.

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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)	\$	1.21
Rate Rider for Recovery of Foregone Revenue (2022) - effective until June 30, 2023	\$	(0.01)
Distribution Volumetric Rate	\$/kW	11.7807
Low Voltage Service Rate	\$/kW	0.9256
Rate Rider for Disposition of Deferral/Variance Accounts (2022) - effective until June 30, 2023	\$/kW	(2.3734)
Rate Rider for Disposition of Capacity Based Recovery Account (2022) - effective until June 30, 2023 - Applicable only for Class B Customers	\$/kW	(0.0429)
Rate Rider for Disposition of Accounts 1575 and 1576 (2022) - effective until June 30, 2023	\$/kW	0.0260
Rate Rider for Recovery of Foregone Revenue (2022) - effective until June 30, 2023	\$/kW	(0.0984)
Rate Rider for Global Adjustment (2022) - effective until June 30, 2023 - Applicable only for non-RPP customers	\$/kWh	(0.0053)
Rate Rider for Lost Revenue Adjustment Mechanism (2022) - effective until June 30, 2023	\$/kW	(0.8553)
Retail Transmission Rate - Network Service Rate	\$/kW	3.0847
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.2306

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0007
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

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Effective and Implementation Date May 1, 2023
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EB-2022-0023

EMBEDDED DISTRIBUTOR SERVICE CLASSIFICATION

This classification applies to an electricity distributor licensed by the Ontario Energy Board, and provided electricity by means of E.L.K. Energy Inc.'s distribution facilities. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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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	\$	1,474.78
Rate Rider for Recovery of Foregone Revenue (2022) - effective until June 30, 2023	\$	(166.55)
Rate Rider for Disposition of Deferral/Variance Accounts (2022) - effective until June 30, 2023	\$/kW	(0.5054)
Rate Rider for Disposition of Capacity Based Recovery Account (2022) - effective until June 30, 2023 - Applicable only for Class B Customers	\$/kW	(0.0505)
Rate Rider for Disposition of Accounts 1575 and 1576 (2022) - effective until June 30, 2023	\$/kW	0.0306
Rate Rider for Global Adjustment (2022) - effective until June 30, 2023 - Applicable only for non-RPP customers	\$/kWh	(0.0053)

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0007
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

E.L.K. Energy Inc.
TARIFF OF RATES AND CHARGES
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EB-2022-0023

microFIT SERVICE CLASSIFICATION

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

APPLICATION

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	4.55
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ALLOWANCES

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

SPECIFIC SERVICE CHARGES

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Customer Administration

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

Non-Payment of Account

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

Other

Special meter reads	\$	30.00
Service call - customer-owned equipment	\$	30.00
Service call - after regular hours	\$	165.00
Temporary service - install & remove - overhead - no transformer	\$	500.00
Temporary service - install & remove - underground - no transformer	\$	300.00
Temporary service - install & remove - overhead - with transformer	\$	1,000.00
Specific charge for access to the power poles - \$/pole/year (with the exception of wireless attachments)	\$	36.05

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TARIFF OF RATES AND CHARGES
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RETAIL SERVICE CHARGES (if applicable)

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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	1.0417
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0313