



Ontario
Energy
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DECISION AND RATE ORDER

EB-2022-0015

ATIKOKAN HYDRO INC.

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

BY DELEGATION, BEFORE: Theodore Antonopoulos
Vice President
Applications

March 23, 2023

1. OVERVIEW

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

As a result of this Decision, there will be a monthly total bill increase of \$1.58 for a residential customer consuming 750 kWh. This change does not factor in applicable taxes or the Ontario Electricity Rebate but includes impacts resulting from the Distribution Rate Protection program. The applicant is one of eight electricity distributors in Ontario to which this tax-funded program applies. The program has been in effect since July 2017, and currently caps monthly distribution charges at \$38.08.¹

¹ Decision and Order, EB-2022-0186, June 16, 2022

2. CONTEXT AND PROCESS

Atikokan Hydro filed its application on November 21, 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.² 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.

Atikokan Hydro serves approximately 1,600 mostly residential and commercial electricity customers in the town of Atikokan.

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

² 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
- Shared Tax Adjustments
- Retail Transmission Service Rates
- Group 1 Deferral and Variance Accounts

Instructions for implementing Atikokan 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 charges³ 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.

³ 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

Atikokan Hydro 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.⁴

The components of the Price Cap adjustment formula applicable to Atikokan Hydro are set out in the table below. Inserting these components into the formula results in a 3.40% increase to Atikokan Hydro's rates: **3.40% = 3.70% - (0.00% + 0.30%)**.

Table 4.1: Price Cap IR Adjustment Formula

Components		Amount
Inflation factor ⁵		3.70%
Less: X-factor	Productivity factor ⁶	0.00%
	Stretch factor (0.00% to 0.60%) ⁷	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, ranging from 0.00% to 0.60%. The stretch factor assigned to any distributor is based on the distributor's total cost performance as

⁴ 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.

⁵ [OEB Letter](#), 2023 Inflation Parameters, issued October 20, 2022

⁶ 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

⁷ 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 Atikokan Hydro is 0.30%, resulting in a rate adjustment of 3.40%.

Findings

Atikokan 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 Atikokan Hydro's new rates shall be effective May 1, 2023.

5. SHARED TAX ADJUSTMENTS

In any adjustment year of an IRM term, a change in legislation may result in a change to the amount of taxes payable by a distributor. The impacts of such legislated tax changes are shared equally between shareholders and customers.⁸ The shared tax change amount, whether in the form of a credit or a debit, will be assigned to customer rate classes in the same proportions as the OEB-approved distribution revenue by rate class from the distributor's last cost of service proceeding.

The application identifies a total tax decrease of \$2,564, resulting in a shared amount of \$1,282 to be refunded to ratepayers.

This allocated tax sharing amount does not produce a rate rider to the fourth decimal place, in one or more rate classes. In such situations where the Rate Generator Model does not compute rate riders, distributors are required to transfer the entire OEB-approved tax sharing amount into the Disposition and Recovery of Regulatory Balances Control Account (Account 1595) for disposition at a later date.

In a follow-up OEB staff question, OEB staff noted that it had recently become aware that Atikokan Hydro had been recording a true-up between the PILs provision included in rates in its last rebasing application and the actual PILs paid in a sub-account of Account 1592, PILs and Tax Variances.⁹ Atikokan Hydro noted that it had been paying a greater amount in actual PILs, versus the PILs provision included in rates in its rebasing application, because its taxable capital across all affiliates is aggregated (versus on a stand-alone basis) for its actual tax return purposes which eliminates Atikokan Hydro's eligibility for the small business deduction.

OEB staff noted that Section 2.6.2 of the Filing Requirements states that distributors are to use the stand-alone principle when determining PILs.¹⁰ OEB staff also noted that for regulatory purposes there is no true-up allowed to the actual PILs paid, as per the OEB's Accounting Procedures Handbook.¹¹

⁸ On July 25, 2019, the OEB issued a [letter](#) providing accounting guidance with respect to changes in capital cost allowance (CCA) rules. The guidance provides that impacts from changes in CCA rules will not be assessed in IRM proceedings, and that any request for disposition of amounts related to CCA changes is to be deferred to the distributor's next cost of service rate proceeding. A distributor's request for disposition of shared tax adjustment amounts in an IRM application should, therefore, be comprised only of impacts for tax changes unrelated to CCA.

⁹ OEB Staff Question-10

¹⁰ OEB Staff Question-10; Filing Requirements For Electricity Distribution Rate Applications - 2023 Edition for 2024 Rate Applications, Chapter 2 Cost of Service, December 15, 2022, page 40

¹¹ OEB Staff Question-10; Accounting Procedures Handbook, Article 440, page 9

In response to these questions, Atikokan Hydro acknowledged that generally true-ups are not allowed to actual PILs paid.¹² However, Atikokan Hydro does not want to preclude itself from requesting the disposition of such amounts in a future proceeding.

Findings

The OEB approves the tax sharing refund of \$1,282.

As the allocated tax sharing amount does not produce a rate rider in one or more rate classes, the OEB directs Atikokan Hydro to record the credit amount of \$1,282 into Account 1595 (2023).

No specific finding is necessary in the current proceeding regarding the amounts that Atikokan Hydro has been recording in a sub-account of Account 1592, PILs and Tax Variances, relating to a true-up to actual PILs paid. This is because Atikokan Hydro has not requested the disposition of Account 1592 in the current proceeding and this account is a Group 2 account that requires a prudence review¹³ and is usually not disposed in an IRM proceeding. The OEB will address this matter in a future proceeding should Atikokan Hydro seek disposition of Account 1592.

¹² OEB Staff Question-10

¹³ Report of the OEB – “Electricity Distributors’ Deferral and Variance Account Review Initiative (EDDVAR).” EB-2008-0046, July 31, 2009, page 6

6. RETAIL TRANSMISSION SERVICE RATES

Atikokan Hydro is transmission connected.

To recover its cost of transmission services, Atikokan 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

Atikokan Hydro's proposed adjustment to its RTSRs is approved. The RTSRs have been adjusted based on the current OEB-approved UTRs.¹⁴

UTRs are typically approved annually by the OEB. In the event that new UTRs take effect during Atikokan Hydro's 2023 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).

¹⁴ EB-2022-0250, Decision and Rate Order, December 8, 2022

7. 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.¹⁵ If the net balance does not exceed the threshold, a distributor may still request disposition.¹⁶

The 2021 year-end net balance for Atikokan Hydro's Group 1 accounts eligible for disposition, including interest projected to April 30, 2023, is a debit of \$68,641, and pertains to variances accumulated during the 2020 to 2021 calendar years. This amount represents a total claim of \$0.0022 per kWh, which exceeds the disposition threshold.

Atikokan Hydro has requested the disposition of this amount over a one-year period except for the Global Adjustment (GA) balances. A two-year period is requested for the GA balances to mitigate bill impacts exceeding 10%.¹⁷

In response to Staff Questions¹⁸, Atikokan Hydro confirmed that its actual line losses were less than OEB-approved line losses, resulting in an over-recovery of its 2020 and 2021 energy purchases. This over-recovery contributed to the credit balance in Account 1588.

Atikokan Hydro further reviewed the Account 1588 Reasonability Test tab of the GA Analysis Workform. In its review, Atikokan Hydro determined that both Accounts 1588 and 1589 contain correct variances, including the correct split of IESO Charge Type (CT) 148, in its spreadsheet computations used to calculate the Accounts 1588 and 1589 balances. However, Account 4705 was understated and Account 4707 overstated by the same amount because the Regulated Price Plan (RPP) portion of CT 148 was recorded in Account 4707 and not Account 4705.

Atikokan Hydro updated the Account 1588 Reasonability Test tab of the GA Analysis Workform to show the correct amounts that should have been recorded to Account 4705, in conjunction with other adjustments. As a result, the OEB's threshold test for Account 1588 of +/-1%, specifically the "Account 1588 as % of Account 4705" percentage in this tab decreased from -36.1% (2020) and -5.2% (2021), as per its pre-

¹⁵ Report of the OEB – "Electricity Distributors' Deferral and Variance Account Review Initiative (EDDVAR)." EB-2008-0046, July 31, 2009

¹⁶ OEB letter, "Update to the Electricity Distributors' Deferral and Variance Account Review ("EDDVAR Report"), released July 2009 (EB-2008-0246)", issued July 25, 2014

¹⁷ Manager's Summary, November 21, 2022, page 14

¹⁸ Atikokan Hydro Response to OEB Staff Question-8b

filed evidence,¹⁹ to -4.4% (2020) and -2.6% (2021), as per its response to Staff Questions.²⁰

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 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 RPP.²¹ A similar mechanism applies to Class A and Class B customers for Capacity Based Recovery (CBR) charges.²² 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.

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

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 \$68,641 as of December 31, 2021, including interest projected to April 30, 2023, for Group 1 accounts on a final basis. The OEB is satisfied that despite the Account 1588 Reasonability Test threshold still being exceeded after corrections were made, Atikokan Hydro has sufficiently explained the variances being sought for disposition.

Table 7.1 identifies the principal and interest amounts, which the OEB approves for disposition.

¹⁹ GA Analysis Workform, November 21, 2022

²⁰ GA Analysis Workform, January 23, 2023

²¹ For additional details on the Global Adjustment charge, refer to the Independent Electricity System Operator (IESO)'s [website](#).

²² 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](#).

Table 7.1: Group 1 Deferral and Variance Account Balances

Account Name	Account Number	Principal Balance (\$) A	Interest Balance (\$) B	Total Claim (\$) C=A+B
Smart Meter Entity Variance Charge	1551	(700)	0	(700)
RSVA - Wholesale Market Service Charge	1580	7,502	105	7,607
Variance WMS - Sub-account CBR Class B	1580	(3,698)	(141)	(3,838)
RSVA - Retail Transmission Network Charge	1584	43,100	1,845	44,945
RSVA - Retail Transmission Connection Charge	1586	12,209	761	12,970
RSVA - Power	1588	(140,394)	(5,612)	(146,006)
RSVA - Global Adjustment	1589	99,805	3,263	103,068
Disposition and Recovery of Regulatory Balances (2018)	1595	(4,098)	(2,361)	(6,460)
Disposition and Recovery of Regulatory Balances (2019)	1595	77,033	(19,977)	57,056
Total for Group 1 accounts		90,758	(22,117)	68,641

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*.²³ 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 DVA rate rider,

²³ Article 220, Account Descriptions, Accounting Procedures Handbook for Electricity Distributors, effective January 1, 2012

charges, and payments, as applicable, will be in effect over a one-year period from May 1, 2023 to April 30, 2024²⁴. The GA rate rider will be in effect over a two-year period from May 1, 2023 to April 30, 2025.

²⁴ 2023 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

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)	\$0.0007
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, 2022.²⁵

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, 2022.²⁶

In the *Report of the Board: Review of Electricity Distribution Cost Allocation Policy*,²⁷ 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.²⁸

²⁵ EB-2022-0269, Decision and Order, December 8, 2022

²⁶ EB-2022-0137, Decision and Order, September 8, 2022

²⁷ EB-2010-0219, Report of the Board “Review of Electricity Distribution Cost Allocation Policy”, March 31, 2011

²⁸ OEB Letter, issued December 8, 2022

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. Atikokan Hydro 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
ATIKOKAN HYDRO INC.
TARIFF OF RATES AND CHARGES
EB-2022-0015
MARCH 23, 2023

Atikokan Hydro 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-2022-0015

RESIDENTIAL SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less where the electricity is used exclusively in a separate 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. All customers are single-phase. 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	\$	52.45
Smart Metering Entity Charge - effective until December 31, 2027	\$	0.42
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until April 30, 2025		
Applicable only for Non-RPP Customers	\$/kWh	0.0082
Rate Rider for Disposition of Deferral/Variance Accounts (2023) - effective until April 30, 2024	\$/kWh	(0.0010)
Rate Rider for Disposition of Capacity Based Recovery Account (2023) - effective until April 30, 2024		
Applicable only for Class B Customers	\$/kWh	(0.0002)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0100
Retail Transmission Rate - Transformation Connection Service Rate	\$/kWh	0.0061

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

Atikokan Hydro Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date May 1, 2023
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EB-2022-0015

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 forecast to be less than, 50 kW. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	85.66
Smart Metering Entity Charge - effective until December 31, 2027	\$	0.42
Distribution Volumetric Rate	\$/kWh	0.0052
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until April 30, 2025		
Applicable only for Non-RPP Customers	\$/kWh	0.0082
Rate Rider for Disposition of Deferral/Variance Accounts (2023) - effective until April 30, 2024	\$/kWh	(0.0007)
Rate Rider for Disposition of Capacity Based Recovery Account (2023) - effective until April 30, 2024		
Applicable only for Class B Customers	\$/kWh	(0.0002)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0088
Retail Transmission Rate - Transformation Connection Service Rate	\$/kWh	0.0051

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

Atikokan Hydro Inc.
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EB-2022-0015

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, 50kW but less than 5,000kW. 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 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	\$	633.40
Distribution Volumetric Rate	\$/kW	4.2101
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until April 30, 2025		
Applicable only for Non-RPP Customers	\$/kWh	0.0082
Rate Rider for Disposition of Deferral/Variance Accounts (2023) - effective until April 30, 2024	\$/kW	(0.3658)
Rate Rider for Disposition of Capacity Based Recovery Account (2023) - effective until April 30, 2024		
Applicable only for Class B Customers	\$/kW	(0.0682)
Retail Transmission Rate - Network Service Rate	\$/kW	3.5785
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.1195
Retail Transmission Rate - Network Service Rate - Interval Metered	\$/kW	3.7965
Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered	\$/kW	2.3425

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EB-2022-0015

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

Atikokan Hydro Inc.
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EB-2022-0015

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 for these customers will be based on the calculated connected load times the required lighting times established in the approved Ontario Energy Board street lighting load shape template. 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)	\$	16.22
Distribution Volumetric Rate	\$/kW	11.4803
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until April 30, 2025 Applicable only for Non-RPP Customers	\$/kWh	0.0082
Rate Rider for Disposition of Deferral/Variance Accounts (2023) - effective until April 30, 2024	\$/kW	(0.2033)
Rate Rider for Disposition of Capacity Based Recovery Account (2023) - effective until April 30, 2024 Applicable only for Class B Customers	\$/kW	(0.0623)
Retail Transmission Rate - Network Service Rate	\$/kW	2.6991
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.6384

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

Atikokan Hydro 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-2022-0015

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	\$	4.55
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ALLOWANCES

Transformer Allowance for Ownership - per kW of billing demand/month	\$/kW	(0.29)
Primary Metering Allowance for Transformer Losses - applied to measured demand & energy	%	(1.00)

Atikokan Hydro Inc.
TARIFF OF RATES AND CHARGES
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SPECIFIC SERVICE CHARGES

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

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

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

Customer Administration

Returned cheque (plus bank charges)	\$	25.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	25.00
Special meter reads	\$	25.00

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	\$	28.00
Reconnection at meter - after regular hours	\$	315.00
Reconnection at pole - during regular hours	\$	28.00
Reconnection at pole - after regular hours	\$	315.00

Other

Specific charge for access to the power poles - \$/pole/year (with the exception of wireless attachments)	\$	36.05
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EB-2022-0015

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	\$	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	1.0945
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0836