EXHIBIT 9: DEFERRAL AND VARIANCE ACCOUNTS

2024 Cost of Service

InnPower Corporation
EB-2023-0033

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9-1-1 DEFERRAL AND VARIANCE ACCOUNTS

1. INTRODUCTION

The purpose of this Exhibit is to identify InnPower's deferral and variance accounts, provide the principal balances, derive the carrying charges (up to December 31, 2023) and identify the total claim amount for each deferral and variance account (DVA) balance up to December 31, 2022.

The exhibit also describes the methodology proposed to allocate account balances to customer classes, describes the rationale supporting the proposed disposition period and quantifies the proposed rate riders for disposition of the recorded balances.

InnPower Corporation has provided a continuity schedule of the Group 1 and Group 2 DVA's in Appendix 9-1-1(A) of this Exhibit.

InnPower Corporation proposes to dispose of a debit of $2,574, 823 related to Group 1 and Group 2 deferral and variance accounts. The debit includes carrying charges up to and including December 31, 2023.

Group 1 and Group 2 DVA balances are proposed to be disposed of over a one-year period. InnPower Corporation has followed the OEB's guidance as provided by the OEB's Electricity Distributor's Disposition of Variance Accounts Reporting Requirements Report.

InnPower Corporation applies the accrual method in calculating carrying charges, which is in accordance with the OEB's directive. The forecasted interest on December 31, 2022, principal balances of the DVA is calculated using the OEBs prescribed rates.

InnPower Corporation is requesting the following new account or sub-account in conjunction with this Exhibit:

- Account 1595 – Sub Account (2022) – Rate Rider for Disposition of Deferral/Variance Accounts – Effective until December 31, 2024.

1.1 Details of Deferral and Variance Accounts

Tables 9-1 and 9-2 below present a complete list of InnPower Corporations active DVAs. The DVAs are categorized based on the OEB's report on the Electricity Distributors' Deferral and Variance Account Review Initiative ("EDDVAR Report"), which categorizes the DVAs into Group 1 and Group 2 Accounts.

Table 9-1: Group 1 Accounts

Group 1 Account Description	Account
LV Variance Account	**1550**
Smart Meter Entity Charge	**1551**
RSVA WMS	**1580**
RSVA WMS CBR Class A	**1580**
RSVA WMS CBR Class B	**1580**
RSVA Network	**1584**
RSVA Connection	**1586**
RSVA Power	**1588**
RVA Global Adjustment	**1589**
Disposition and Recovery/Refund of Regulatory Balances (2019)	**1595**
Disposition and Recovery/Refund of Regulatory Balances (2020)	**1595**
Disposition and Recovery/Refund of Regulatory Balances (2021)	**1595**
Disposition and Recovery/Refund of Regulatory Balances (2022)	**1595**

Table 9-2: Group 2 Accounts

Group 2 Account Description	Account
Other Regulatory Assets - Sub-Account	
Vegetation Management	**1508**
Affiliate Services	**1508**
Customer Choice Initiative	**1508**
Green Button Implementation	**1508**
Pole Attachment	**1508**
Broadband Expansion	**1508**
Ultra-low Overnight Rate Implementation	**1508**
COVID-19	**1509**
RCVA – Retail	**1518**
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential Carrying Charges	**1522**
RCVA – STR	**1548**
Stranded Smart Meters	**1555**
LRAM	**1568**
RSVA – One-Time	**1582**
PILS and Tax Variance	**1592**
Other Regulatory Liabilities	**2405**

Table 9-3 below is a summary of the principal, carrying charges and disposition amounts for all active Group 1 and Group 2 accounts, including the reason for not claiming disposition. Additional details are provided in subsequent sections of Exhibit 9.

Table 9-3: Summary of Group 1 and Group 2 Account Balances

Account Description	USoA	Principal	Interest to Dec 31, 2022	Total	Balance per 2.1.7	Variance to 2.1.7	Projected Interest	Total Claim	Reason for $0 Claim
Group 1 Accounts									
LV Variance Account	1550	498,259	13,095	511,354	511,354	0	7,461	518,815	
Smart Metering Entity Charge Variance Account	1551	-57,013	-524	-57,537	-57,537	0	-854	-58,391	
RSVA - Wholesale Market Service Charge	1580	667,036	12,597	679,633	679,633	0	9,989	689,622	
Variance WMS – Sub-account CBR Class B	1580	-34,560	-977	-35,537	-35,537	0	-518	-36,055	
RSVA - Retail Transmission Network Charge	1584	1,001,491	18,278	1,019,769	1,019,769	0	14,997	1,034,766	
RSVA - Retail Transmission Connection Charge	1586	585,262	11,882	597,144	597,144	0	8,764	605,908	
RSVA - Power (excluding Global Adjustment)	1588	663,094	14,242	677,336	677,336	0	9,930	687,266	
RSVA - Global Adjustment	1589	14,705	1,202	15,907	15,907	0	220	16,127	
DVA Regulatory Balances (2019)	1595	-78,208	-334	-78,542	-78,542	0	0	0	Disposed in previous IRM
DVA Regulatory Balances (2020)	1595	-329,761	163,969	-165,792	-165,792	0	-4,938	0	Rate rider expiry period not met
DVA Regulatory Balances (2021)	1595	-36,771	11,924	-24,847	-24,847	0	-551	0	Rate rider expiry period not met
DVA Regulatory Balances (2022)	1595	136,543	19,963	156,506	156,506	0	2,045	0	Rate rider expiry period not met
Group 1 total (including Account 1589)		3,030,077	265,317	3,295,394	3,295,394	0	46,545	3,458,058	
Group 1 total (excluding Account 1589)		3,015,372	264,115	3,279,487	3,279,487	0	46,325	3,441,931	
Account Description	USoA	Principal	Interest to Dec 31, 2022	Total	Balance per 2.1.7	Variance to 2.1.7	Projected Interest	Total Claim	
Group 2 Accounts									
Vegetation Management	1508	-88,274	0	-88,274	-95,405	7,131	0	-88,274	
Difference in Revenue from Affiliates	1508	-162,871	-12,527	-175,398	-175,398	0	0	0	Disposed in previous IRM
Difference in Expense from Affiliates	1508	95,418	7,493	102,911	102,911	0	0	0	Disposed in previous IRM
Customer Choice Initiatives	1508	4,999	129	5,128	5,128	0	75	0	Balance not material
Green Button Initiative	1508	1,362	8	1,370	1,370	0	20	0	Balance not material
Pole Attachment	1508	29,013	194	29,207	29,207	0	434	0	Balance not material
Broadband Expansion	1508	1,998	24	2,022	2,022	0	30	0	Balance not material
Retail Cost Variance Account - Retail	1518	240,029	11,584	251,613	251,613	0	3,594	255,207	
Pension & OPEB	1522	0	419	419	419	0	0	419	
Retail Cost Variance Account - STR	1548	8,283	1,003	9,286	9,286	0	124	9,410	
Subtotal		129,957	8,327	138,284	131,153	7,131	4,277	176,762	
PILs and Tax Variance for 2006 and Subsequent Years- CCA Changes	1592	-1,008,488	0	-1,008,488	-1,008,488	0	0	-1,008,488	
Group 2 Total (including 1592)		-878,531	8,327	-870,204	-877,335	7,131	4,277	-831,726	
LRAM Variance Account	1518	0	0	0	0	0	0	0	Rate mitigation
Smart Meter Capital and Recovery Offset Variance - Stranded Meter Costs	1555	-49,618	-1,148	-50,766	-50,766	0	-743	-51,509	
Group 2 Total		-928,149	7,179	-920,970	-928,101	7,131	3,534	-883,235	
Group 1 & Group 2 Total		2,101,928	272,496	2,374,424	2,367,293	7,131	50,079	2,574,823	

1.2 Continuity Schedule

A complete continuity schedule for all DVAs, including Sub-Accounts, can be found in Appendix 9-1-1(A). InnPower Corporation is using the 2023DVA Continuity Schedule updated by the OEB on September 15, 2022, via the OEB website.

The utility has updated the model using audited balances to the end of 2022, which includes 2021 disposition balances and specific adjustments (input into the principal adjustments column BF).

Further details on each adjustment are provided in Appendix 9-1-1(B) GA Analysis Workform.

Please note, as the latest model available is from 2023, the 2.1.7 account balances reflect amounts as of December 31, 2021. As such in Appendix 9-1-1(A), tab 3. Appendix A reflects several variances between the RRR data and 2022 balances. Once InnPower receives the 2024 updated OEB model, the data will be updated to reflect 2022 RRR data and actual 2022 balances.

The 2023_DVA_Continuity_Schedule_CoS (Appendix 9-1-1(A)) and GA_Analysis_Workform (Appendix 9-1-1 (B)) models detailing each account is being filed in conjunction with this application.

1.3 Carrying Charges

Table 9-4 below provides the interest rates by quarter that are applied to calculate actual and forecast carrying charges for each regulatory and variance account.

Note that InnPower Corporation has used the latest OEB prescribed interest rates as published on the website at:

https://www.oeb.ca/regulatory-rules-and-documents/rules-codes-and-requirements/prescribed-interest-rates

Please note, InnPower has used the 2022 OEB interest rates for interest projected to December 31, 2023.

Table 9-4: Interest Rates Applied to Deferral and Variance Accounts (%)

OEB Prescribed Interest Rates							
	Year	2017	2018	2019	2020	2021	2022
Quarter	Q1	1.10%	1.50%	2.45%	2.18%	0.57%	0.57%
	Q2	1.10%	1.89%	2.18%	2.18%	0.57%	1.02%
	Q3	1.10%	1.89%	2.18%	0.57%	0.57%	2.20%
	Q4	1.50%	2.17%	2.18%	0.57%	0.57%	3.87%

1.4 Compliance with The Accounting Procedure Handbook

InnPower Corporation confirms all accounts in Group 1 and Group 2 are accounted for in accordance with the Accounting Procedure Handbook. Additionally, InnPower Corporation confirms that transactions recorded in Account 1518 and Account 1548 follow Article 490, Retail Services and Settlement Variances.

For definitions of each account listed below, please refer to the Accounting Procedure Handbook using the following link:

https://www.oeb.ca/sites/default/files/uploads/documents/regulatorycodes/2019-01/Accounting-Procedures-Handbook-Elec-Distributors-20120101.pdf

1.5 Compliance with OEB 1588 and 1589 Accounting Guidance

InnPower Corporation confirms it has complied with the OEB's February 21, 2019, guidelines on the accounting for Accounts 1588 – RSVA Power and 1589 – RSVA Global Adjustment.

1.6 Departure from Board Approved Balances

InnPower Corporation confirms it has not made any adjustments to deferral and variance account balances that were previously approved by the Board on a final basis either in a cost of service or IRM proceedings.

1.7 OEB Audits of Deferral and Variance Accounts

1.7.1 2018 OEB Inspection of Affiliate Services

In the Decision and Order for InnPower Corporation's last cost-of-service proceeding (EB-2016-0085), the OEB stated it would undertake an audit of the affiliate transactions to ensure the allocation of costs and approach to costing and applicable revenue complies with the Affiliate Relationship Code (ARC). Additionally, two new variance accounts were created to account for the difference between the approved forecasted affiliate revenues/costs and actual revenues/fully allocated costs (as determined by the audit).

The audit began August 2018 and was finalized January 2019. The inspection assessed whether InnPower Corporation complies with OEB Codes and accounting guidance with regards to the accounting for revenues and costs of services provided to its non-rate regulated affiliates, including the allocation of those costs.

OEB staff reviewed InnPower Corporation's processes used to calculate the forecasted affiliate revenues and expenses submitted in the 2017 Cost of Service proceeding, as well as its 2018 year-to-date processes of recording its affiliate transactions.

OEB staff also reviewed InnPower Corporation's procedures, systems, and controls with respect to the tracking, recording, calculating, and reporting of affiliate transactions. OEB staff also interviewed key InnPower staff and reviewed supporting documents such as Service Agreements, policies and procedures, cost analyses, and accounting records.

In a letter dated April 9, 2019, the OEB finalized the audit and requested that InnPower record $162,871 in the variance account for affiliate revenues and $95,418 in the variance account for affiliate expenses, as of December 31, 2018. The net impact was a credit of $67,453 in additional revenue offsets (see Appendix 9-1-1(C)). Additionally, InnPower Corporation incurred ($9,392.29) in interest for affiliate revenue and $5,656.32 in interest for affiliate expenses from January 1, 2018, to December 31, 2021. The projected interest from January 1, 2022, to December 31, 2022, was ($2,438.99) for affiliate revenue and $1,428.88 for affiliate expenses. The total net amount of interest was ($4,746.08).

In a letter dated February 17, 2022, the OEB requested InnPower to seek disposition of a credit amount of $67,453 in a Group 2 Account with its application for 2023 rates (although Group 2 accounts are normally disposed of in a cost-of-service application) (see Appendix 9-1-1(D)). As directed, InnPower Corporation submitted a request to dispose of the balance in its EB-2022-0043 application.

In September 2022, the OEB held a public hearing to consider the disposition of the affiliate services Group 2 accounts in the EB-2022-0043 application. The Vulnerable Energy Consumers Coalition (VECC) and the Small Business Utility Alliance (SBUA) applied for intervenor status on the application. OEB staff and VECC reviewed the Group 2 account balance and the supporting evidence substantiating the balance, with no response from SBUA. OEB staff and VECC supported InnPower Corporation's request to dispose of its December 31, 2021, Group 2 DVAs on a final basis.

As directed by the Board, InnPower Corporation has implemented the rate rider to refund the credit of $67,453 to customers over the period of January 1, 2023 to December 31, 2023.

Following the audit, InnPower Corporation has implemented additional internal control measures, including management review to ensure the accuracy of affiliate service transactions reported to the OEB. Additionally, InnPower Corporation has updated the shared services agreements to include all terms as required by the Affiliate Relationship Code.

InnPower Corporation is not seeking any further action on the 1508 affiliate services sub-accounts, rather intends to provide an update from the EB-2016-0085 application. The sub-account will be discontinued following expiry of the rate rider, as the subsequent affiliate services transactions have been recorded to the appropriate accounts.

Please note, an AVC was issued on April 26, 2019 (EB-2019-0090) with a penalty of $25,000, as a result of violations to the Affiliate Relationship Code identified in the OEB audit. InnPower has assured that it has taken measures to remedy the contravention of the ARC and prevent contravention of those provisions.

1.7.2 2020 OEB Inspection of Group 1 Deferral and Variance Accounts

In the Decision and Order for InnPower Corporation's previous rate application proceedings EB-2016-0085, EB-2018-0045 and EB-2019-0047, the OEB stated it would undertake an audit of the of the Group 1 accounts balances as a result of concerns with InnPower Corporation's regulatory accounting controls.

The audit began in February 2020 and was finalized in September 2020. The inspection assessed InnPower Corporation's compliance with applicable enforceable provisions under the Electricity Act, 1998, the Ontario Energy Board Act, 1998, and related regulations. The inspection also assessed whether InnPower Corporation conformed with the OEB's Accounting Procedures Handbook (APH), and related guidelines for the period of January 1, 2015 to December 31, 2019. The objective of the inspection was to determine whether InnPower Corporation has adequate regulatory accounting procedures, controls, and oversight in place to ensure accurate Group 1 DVA balances. OEB staff reviewed entries in Group 1 DVAs for the following periods:

- Accounts 1588 and 1589 – January 1, 2015 to December 31, 2019
- All other Group 1 DVAs – January 1, 2016 to December 31, 2019

OEB staff reviewed InnPower Corporation's procedures, systems, and controls with respect to the tracking, recording, calculating, and reporting of the balances in Group 1 DVAs. OEB staff also interviewed key InnPower staff and reviewed supporting documents such as IESO invoices, customer billing data, settlement calculations and procedures, and accounting records.

As a result of the inspection, OEB staff provided an inspection report noting their findings and providing adjusting entries to account 1588, 1589, 1580 and 1580 sub-account CBR B. As directed, InnPower Corporation recorded the principal and interest adjustments in the General Ledger as of January 1, 2020.

InnPower Corporation included the Group 1 account balance adjustments and explanations in the rate application EB-2020-0033. The OEB reviewed the evidence and approved the disposition of all Group 1 account balances on a final basis.

As directed by the Board, InnPower Corporation implemented the DVA rate rider (including the above noted inspection adjustments) as follows:

- Rate rider for disposition of deferral/variance accounts over the period of January 1, 2021 to December 31, 2022.
- Rate rider for disposition of global adjustment account over the period of January 1, 2021 to December 31, 2021,

Following the audit, InnPower Corporation has implemented additional internal control measures, including management review to ensure the accuracy of DVA balances reported to the OEB.

InnPower Corporation is not seeking any further action on the prior year dispositions of Group 1 account balances, rather intends to provide an update from the EB-2016-0085 application.

Please note, an AVC was issued on December 30, 2020 (EB-2020-0282) with a penalty of $5,000, as a result of violations to an enforceable provision of the OEB, as that term is defined in the OEB Act. More specifically, that InnPower charges rate riders beyond their expiry date. InnPower has assured that it has taken measures to ensure that all rates, including rate riders, charged to its customers are in accordance with OEB rate riders.

2. DISPOSITION OF GLOBAL ADJUSTMENT VARIANCE

2.1 1589 – Retail Settlement Variance Account – Global Adjustment (“RSVAGA”)

The RSVAGA account is used to record the net differences between the global adjustment amount billed, to non-RPP consumers and the global adjustment charge to a distributor for non-RPP consumers, using the settlement invoice received from the IESO, host distributor or embedded generator. These amounts are calculated on an accrual basis, as are the carrying charges, which are assessed on the monthly opening principal balance of this RSVA account.

The RSVAGA is designed for the global adjustment rates applicable to non-RPP customers. Hence, the disposition of the account balance should be attributable exclusively to non-RPP customers.

For account 1589, InnPower Corporation is requesting disposition of the December 31, 2022, audited balance, plus the forecasted interest through December 31, 2023. The December 31, 2022, audited balance reconciles with filing 2.1.7 of the RRR.

The balance requested for disposal, including carrying charges is a debit of $16,127.16, which does not reconcile with the 2022 2.1.7 RRR amounts. As shown in Table 9-5 below and in Appendix 9-1-1(B) GA Analysis Workform, InnPower has made the following principal adjustments in the amount of ($43,108) related to the CT148 true-up from 2021 and 2022.

Table 9-5: Account 1589 Principal Adjustments

Year		Account 1589 - RSVA Global Adjustment Adjustment Description	Amount	Year Recorded in GL
		Reversals of prior approved principal adjustments (auto-populated from table above)		
	1	CT 148 true-up of GA Charges based on actual Non-RPP volumes	(46,437)	2022
	2	Unbilled to actual revenue differences	-	
	3			
	4			
	5			
	6			
	7			
	8			
		Total Reversal Principal Adjustments	(46,437)	
		Current year principal adjustments		
	1	CT 148 true-up of GA Charges based on actual Non-RPP volumes	3,329	2023
	2	Unbilled to actual revenue differences	-	
	3			
	4			
	5			
	6			
	7			
	8			
		Total Current Year Principal Adjustments	3,329	
		Total Principal Adjustments to be Included on DVA Continuity Schedule/Tab 3 - IRM Rate Generator Model	(43,108)	

3. COMMODITY ACCOUNTS 1588 AND 1589

As stated above, InnPower Corporation confirms it has implemented the accounting guidance issued on February 21, 2019, related to Accounts 1588 Power and 1589 RSVA Global Adjustment. All transactions recorded to these accounts during 2019 and each year thereafter have been accounted for in accordance with this guidance.

The 1588 and 1589 account balances were last approved for disposition on a final basis in the OEB Decision and Rate Order EB-2022-0043 for balances as of December 31, 2021.

Since disposition of the December 31, 2021 balance, there have been no systematic issues noted or material adjustments to balances that have been recorded.

3.1 1588 – Retail Settlement Variance Account – Power ("RSVAPOWER")

The RSVAPOWER account is to be used to record the net differences in energy costs using the settlement invoice received from the IESO, host distributor, or embedded generator and the amounts billed to customers for energy. These amounts are calculated on an accrual basis, as are the carrying charges, which are assessed on the monthly opening principal balance of this RSVA account.

The RSVA power account is designed to capture variances due to billing timing differences (i.e., electricity charged by the IESO to LDCs vs electricity billed by LDCs to their customers), price and quantity differences (i.e., arising from final vs preliminary IESO settlement invoices), and line loss differences (i.e., actual vs estimate line loss factors).

This account is not designed to capture any price differences between the regulated price plan (RPP) and spot prices applicable to RPP customers.

Accordingly, since the RSVA power account is generic to all customers of an LDC, disposition of the account balance in rates is attributable to all its customers.

For account 1588, InnPower Corporation is requesting disposition of the December 31, 2022, audited balance, plus the forecasted interest through December 31, 2023. The December 31, 2022, audited balance reconciles with filing 2.1.7 of the RRR.

The balance requested for disposal, including carrying charges is a debit of $687,265.57, which does not reconcile with the RRR. As shown in Table 9-6 below and in Appendix 9-1-1(B) GA Analysis Workform, InnPower has made the following principal adjustments in the amount of $178,078 related to the CT148 and 1142/142 true-ups from 2021 and 2022.

Table 9-6: Account 1588 Principal Adjustments

Year		Account 1588 - RSVA Power		
		Adjustment Description	Amount	Year Recorded in GL
	Reversals of prior approved principal adjustments (auto-populated from table above)			
	1	CT 148 true-up of GA Charges based on actual RPP volumes	46,437	2,022
	2	CT 1142/142 true-up based on actuals	121,109	2,022
	3	Unbilled to actual revenue differences	-	
	4			
	5			
	6			
	7			
	8			
		Total Reversal Principal Adjustments	167,546	
	Current year principal adjustments			
	1	CT 148 true-up of GA Charges based on actual RPP volumes	(3,329)	2,023
	2	CT 1142/142 true-up based on actuals	13,862	2,023
	3	Unbilled to actual revenue differences	-	
	4			
	5			
	6			
	7			
	8			
		Total Current Year Principal Adjustments	10,532	
	Total Principal Adjustments to be Included on DVA Continuity Schedule/Tab 3 - IRM Rate Generator Model		178,078	

3.2 GA Analysis Workform

As directed, InnPower Corporation has undertaken and completed the GA Analysis Work form with this application for the year 2022. The resulting variance of Unresolved Difference as percentage of Expected GA payments to IESO for 2022 is 2.4% (see Appendix 9-1-1(B)).

Please note, the 1588 balance as a percentage of Account 4705 (Cost of Power) is 2.4%, which is higher than the 1% reasonability threshold. Analysis performed revealed an issue in the OEB approved loss factor. During InnPower's last Cost of Service (EB-2016-0085), the OEB found it appropriate to revise the load forecast for billed energy by using the recent five-year average of 1.0604 for the total loss factor. The OEB found that losses based on a ten-year average overstates the recent trend in losses and understates the load forecast.

In reviewing the historical data submitted in EB-2016-0085, there were several factors inaccurately reported for the years 2012 to 2016, including the Supply Facilities Loss Factor and Wholesale Consumption. As such, the loss factor of 1.0604 for the period of 2017 to 2022 is understated. In 2022, InnPower has not appropriately collected funds to recover losses, resulting in an accumulation of costs not recovered in Account 1588.

In the current application, InnPower is requesting approval for a loss factor of 1.0821, which more appropriately reflects actual losses within InnPower's Distribution System (see 8-81 for more details). As such, the Unresolved Difference should fall within the reasonability threshold in the next rate application.

InnPower Corporation notes that all relevant calculations are embedded in the 2024 GA Analysis Workform, submitted as Appendix 9-1-1 (B).

4. DISPOSITION OF CBR CLASS B VARIANCE

InnPower Corporation confirms that there were no customers who transitioned between Class A and Class B, during the period in which 1589 GA or 1580 sub-account CBR B balance requested for disposition accumulated. InnPower is requesting disposition of Account 1580 sub-account CBR Class B in accordance with the CBR Accounting Guidance.

For account 1580 CBR Class B, InnPower Corporation is requesting disposition of the December 31, 2022, audited balance, plus the forecasted interest through December 31, 2023. The December 31, 2022, audited balance reconciles with filing 2.1.7 of the RRR.

The balance requested for disposal, including carrying charges is a credit of ($36,054.47).

5. DISPOSITION OF CBR CLASS A VARIANCE

InnPower Corporation confirms that there were no customers who transitioned between Class A and Class B, during the period in which 1589 GA or 1580 sub-account CBR B balance requested for disposition accumulated.

InnPower is not requesting disposition of Account 1580 sub-account CBR Class A, as per the OEB's Accounting Guidance. The balance of the account is $0 as of December 31, 2022.

6. DISPOSITION OF ACCOUNT 1595

InnPower Corporation is not requesting disposition of any 1595 account balances. As indicated in the OEB Chapter 2 Filing Guidelines dated December 15, 2022, distributors are eligible to seek disposition of the residual balances two years after the expiry of the rate rider.

To mitigate bill impacts from the COVID-19 pandemic, InnPower requested a two-year disposition period for DVA accounts in its 2021 IRM application (EB-2020-0033). As such, the rate riders were effective until December 31, 2022, which does not meet the two-year restriction. InnPower will request disposition of the 2020 1595 residual account balances in the next IRM rate application.

InnPower confirms that any residual 1595 Account Balances prior to 2020, including the 1595 (2019) account has been disposed of in previous applications.

9-1-2 GROUP 1 ACCOUNTS

1. STATUS OF GROUP 1 ACCOUNTS

InnPower Corporation outlines the details on each Group 1 account in the section below. Table 9-7 summarizes the utility's planned action for the Group 1 Accounts in 2024 to 2028 (i.e., continue, continue with modification, or discontinue).

Table 9-7: Summary of Group 1 Accounts and Planned Action

Group 1 Account Description	Account	Continue/ Discontinue
LV Variance Account	**1550**	Continue
Smart Meter Entity Charge	**1551**	Continue
RSVA WMS	**1580**	Continue
RSVA WMS CBR Class A	**1580**	Continue
RSVA WMS CBR Class B	**1580**	Continue
RSVA Network	**1584**	Continue
RSVA Connection	**1586**	Continue
RSVA Power	**1588**	Continue
RVA Global Adjustment	**1589**	Continue
Disposition and Recovery/Refund of Regulatory Balances (2019)	**1595**	Discontinue
Disposition and Recovery/Refund of Regulatory Balances (2020)	**1595**	Continue
Disposition and Recovery/Refund of Regulatory Balances (2021)	**1595**	Continue
Disposition and Recovery/Refund of Regulatory Balances (2022)	**1595**	Continue

1.1 1550 – LV Variance Account

The LV account is used to record the variances arising from low voltage transactions which are not part of the electricity wholesale market.

For account 1550, InnPower Corporation is requesting disposition of the December 31, 2022, audited balance, plus the forecasted interest through December 31, 2023. The December 31, 2022, audited balance reconciles with filing 2.1.7 of the RRR.

The balance requested for disposal, including carrying charges is a debit of $518,814.75.

1.2 1551 – Smart Metering Entity Charge Variance Account

The Smart Metering Entity Charge Variance Account is used to record the difference between the SMC paid to the SME and amounts charged to customers,

For account 1551, InnPower Corporation is requesting disposition of the December 31, 2022, audited balance, plus the forecasted interest through December 31, 2023. The December 31, 2022, audited balance reconciles with filing 2.1.7 of the RRR.

The balance requested for disposal, including carrying charges is a credit of ($58,391.13).

1.3 1580 – Wholesale Market Service Charges (“RSVAWMS”)

RSVAWMS is used to record the amount charged by the Independent Electricity System Operator (“IESO”), based on the monthly settlement invoice, for the operation of the IESO administered markets and the operation of the IESO - controlled including accruals and the amount billed to customers using the Board-approved Wholesale Market Service Rate, including accruals.

For account 1580, InnPower Corporation is requesting disposition of the December 31, 2022, audited balance, plus the forecasted interest through December 31, 2023. The December 31, 2022, audited balance reconciles with filing 2.1.7 of the RRR.

The balance requested for disposal, including carrying charges is a debit of $689,622.13.

1.4 1584 – Retail Transmission Network Charges ("RSVANW")

RSVANW is used to record the difference between the amount of retail transmission connection costs paid to the IESO or host distributor and the amounts billed to customers for retail transmission network costs. These amounts are calculated on an accrual basis, as are the carrying charges, which are assessed on the monthly opening principal balance of this RSVA account.

For account 1584, InnPower Corporation is requesting disposition of the December 31, 2022, audited balance, plus the forecasted interest through December 31, 2023. The December 31, 2022, audited balance reconciles with filing 2.1.7 of the RRR.

The balance requested for disposal, including carrying charges is a debit of $1,034,766.22.

1.5 1586 – Retail Transmission Connection Charges ("RSVACN")

RSVACN is used to record the difference between the amount of retail transmission connection costs paid to the IESO or host distributor and the amounts billed to customers for retail transmission connection costs. These amounts are calculated on an accrual basis, as are the carrying charges, which are assessed on the monthly opening principal balance of this RSVA account.

For account 1586, InnPower Corporation is requesting disposition of the December 31, 2022, audited balance, plus the forecasted interest through December 31, 2023. The December 31, 2022, audited balance reconciles with filing 2.1.7 of the RRR.

The balance requested for disposal, including carrying charges is a debit of $605,908.34.

9-1-3 GROUP 2 ACCOUNTS

1. STATUS OF GROUP 2 ACCOUNTS

InnPower Corporation outlines the details on each Group 2 account in the section below. Table 9-8 summarizes the utility's planned action for the Group 2 Accounts in 2024 to 2028 (i.e., continue, continue with modification, or discontinue).

Table 9-8: Summary of Group 2 Accounts and Planned Action

Group 2 Account Description	Account Type	Account	Continue/ Discontinue
Other Regulatory Assets - Sub-Account			
Vegetation Management	**Distributor Specific**	**1508**	Discontinue
Affiliate Services	**Distributor Specific**	**1508**	Discontinue
Customer Choice Initiative	**Generic**	**1508**	Discontinue
Green Button Implementation	**Generic**	**1508**	Continue
Pole Attachment	**Generic**	**1508**	Discontinue
Broadband Expansion	**Generic**	**1508**	Continue
Ultra-low Overnight Rate Implementation	**Generic**	**1508**	Continue
COVID-19	**Generic**	**1509**	Discontinue
RCVA – Retail	**Generic**	**1518**	Discontinue
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential Carrying Charges	**Generic**	**1522**	Continue
RCVA – STR	**Generic**	**1548**	Discontinue
Stranded Smart Meters	**Generic**	**1555**	Discontinue
LRAM	**Generic**	**1568**	Continue
RSVA – One-Time	**Generic**	**1582**	Continue
PILS and Tax Variance	**Generic**	**1592**	Continue
Other Regulatory Liabilities	**Generic**	**2405**	Continue

1.1 1508 – Other Regulatory Assets – Vegetation Management

As outlined in the InnPower Corporation Final Rate Order (EB-2016-0085), the OEB directed InnPower Corporation to establish a deferral account to record any revenues received prior to its next cost of service application for the provision of vegetation management services pursuant to the terms of any joint-use agreement for wireline communications attachments.

Specifically, the Board directed InnPower Corporation to establish a new sub account of 1508: *Vegetation Management Revenues on Joint-Use Poles.*

Effective January 1, 2018, InnPower Corporation established the 1508 sub-account for vegetation management and has tracked all revenues received as of December 31, 2022.

Table 9-9 below presents the total number of poles, vegetation management rates and total revenues recorded between January 1, 2018 and December 31, 2022.

1 **Table 9-9: Vegetation Management Revenue 2018 to 2022**

Customer Name	Year	Attachment Poles	Clear Poles	Total Poles	Rate ($)	Invoice Subtotal ($)	Status
Rogers	2018	4,802	1,299	6,101	$ 2.75	$ 16,777.75	Recovered
Rogers	2019	4,802	1,299	6,101	$ 2.81	$ 17,143.81	Recovered
Rogers	2020	4,842	1,299	6,141	$ 2.87	$ 17,624.67	Recovered
Rogers	2021	4,905	1,299	6,204	$ 2.93	$ 18,177.72	Recovered
Rogers	2022	4,905	1,299	6,204	$ 2.99	$ 18,549.96	Recovered
Hydro One	2022	69	53	122	$ 2.99	$ 364.78	Unrecovered
Bell	2022	1,967	91	2,058	$ 2.99	$ 6,153.42	Unrecovered
Vianet	2022	94	0	94	$ 2.99	$ 281.06	Unrecovered
Zayo	2022	111	0	111	$ 2.99	$ 331.89	Unrecovered
					Total for Rogers	**$ 88,274**	
					Total of Invoices	**$ 95,405**	

2

Please note, as indicated in the EB-2016-0085 Decision and Order, InnPower and Rogers had an existing joint-use agreement that allowed InnPower to charge an amount for vegetation management. The two parties have since met and have finalized the provisions of the vegetation management services pursuant to the terms of the existing joint-use agreement. The rates in Table 9-9 reflect the amounts agreed to by both parties.

InnPower Corporation is requesting disposition of the December 31, 2022, adjusted audited balance. The December 31, 2022, audited balance reconciles with filing 2.1.7 of the RRR.

Please note, there is a principal adjustment of $7,131.15 in Appendix 9-1-1 (A) tab “2b. Continuity Schedule” in the DVA Continuity Schedule that reduces the balance refunded to customers. As such, the amount requested for disposition does not match the 2.1.7 RRR filing. In 2022, InnPower attempted to collect vegetation management fees from other telecommunication companies. The utility was only able to recover funds from Rogers Communications (to which InnPower has an agreement). As such, InnPower is requesting a reduced balance for disposition. The unrecovered balance will be reversed from the 1508 sub-account in 2023.

The balance requested for disposal is a credit of ($88,273.91). Please note, carrying charges were not calculated on the principal balance, as directed by the Board. The sub-account will be discontinued, as InnPower has included vegetation management funds in Other Revenue.

1.2 1508 – Other Regulatory Assets – Affiliate Services

Please refer to Exhibit 9-1-1 section 1.7.1 2018 OEB Inspection of Affiliate Services for more details.

1.3 1508 – Other Regulatory Assets – Customer Choice Initiative

As outlined in the Board letter dated September 16, 2020, the OEB approved a generic deferral account for distributors to record the costs associated with implementing the customer choice initiative. On September 8, 2020, the Ontario Energy Board adopted final amendments to the Standard Supply Service Code (SSSC), to come into force on October 13, 2020, which enabled electricity consumers on the Regulated Price Plan to opt out of time-of-use prices and to elect instead to be charged on the basis of tiered pricing.

Effective September 16, 2020, InnPower Corporation established the 1508 sub-account for Customer Choice Initiative incremental costs and has tracked associated amounts up to December 31, 2022.

InnPower Corporation notes that the balance for sub-account 1508: *Customer Choice Initiative* does not meet the materiality threshold ($73k) as of December 31, 2022. As such, InnPower Corporation is not seeking disposition of this account. The balance of the sub-account will be moved to an expense and discontinued following the current application, as the Customer Choice Initiative has ended.

1.4 1508 – Other Regulatory Assets – Green Button Initiative

As outlined in the Board letter dated November 1, 2021, the OEB approved a generic deferral account for distributors to record the incremental costs directly attributable to the implementation of the Green Button Initiative, in a manner that accords with the requirements set out in the Green Button Regulation.

Effective November 1, 2022, InnPower Corporation established the 1508 sub-account for Green Button incremental costs and has tracked amounts referred to in the Regulation up to December 31, 2022.

InnPower Corporation notes that the balance for sub-account 1508: *Green Button Initiative* does not meet the materiality threshold ($73k) as of December 31, 2022. As such, InnPower Corporation is not seeking disposition of this account in the current application but may request disposition in a future rebasing application. The sub-account will be continued following the current application, as the Green Button Initiative is ongoing.

1.5 1508 – Other Regulatory Assets – Pole Attachment Incremental Loss

As outlined in the Board letter dated July 20, 2018, the OEB approved a variance account for distributors that do not have an OEB-approved distributor-specific pole attachment charge.

Specifically, the Board directed distributors to establish a new sub account of 1508: *Pole Attachment Revenue Variance.*

On December 16, 2021, the OEB issued an Order, establishing a new pole attachment charge for 2022 in accordance with the methodology outlined in O. Reg. 842/21 (Electricity Infrastructure (Part VI.1 of the OEB Act)). The Order specified the charge would also apply to InnPower Corporation, which is the only distributor that currently has approval to charge a distributor-specific amount rather than the generic province-wide charge.

The OEB also confirmed that distributors would be allowed to track (in the existing pole attachment variance account), any revenue shortfall resulting from the pole attachment charge for 2022 until their next rebasing.

Effective January 1, 2022, InnPower Corporation established the 1508 sub-account for pole attachment incremental loss and has tracked the difference between the distributor-specific attachment charge of $38.82 and the generic province-wide charge of $34.76 up to December 31, 2022.

InnPower Corporation notes that the balance for sub-account 1508: *Pole Attachment Incremental Loss* does not meet the materiality threshold ($73k) as of December 31, 2022. As such, InnPower Corporation is not seeking disposition of this account. The sub-account balance will be moved to an expense and discontinued following the current application, as InnPower Corporation will enact the generic province-wide charge.

1.6 1508 – Other Regulatory Assets – Broadband Expansion

As outlined in the Board letter dated July 7, 2022, the OEB approved a generic deferral account for distributors to record the incremental impacts associated with carrying out activities pertaining to designated broadband projects.

The project service area 77.1 – Simcoe has been identified for the execution of designated broadband projects, which falls within InnPower Corporation's service territory. The telecommunication service provider selected within the project service area is Rogers Communication. Although the designated broadband projects have been initiated, they are still in the initial phase of development.

Effective July 7, 2022, InnPower Corporation established the 1508 sub-account for broadband expansion incremental costs and has tracked amounts referred to in the Regulation up to December 31, 2022.

InnPower Corporation notes that the balance for sub-account 1508*: Broadband Expansion* does not meet the materiality threshold ($73k) as of December 31, 2022. As such, InnPower Corporation is not seeking disposition of this account in the current application but may request disposition in a future rebasing application. The sub-account will be continued following the current application, as the Broadband Expansion Initiative is ongoing.

1.7 1508 – Other Regulatory Assets – Ultra-Low Overnight

As outlined in the Board letter dated March 2, 2023, the OEB approved a generic deferral account for distributors to record the incremental impacts associated implementing the Ultra-Low Overnight Regulated Price Plan Option (ULO).

Effective March 2, 2023, InnPower established the 1508 sub-account for ULO incremental costs and has tracked amounts referred to in the Regulation up to the current day.

InnPower Corporation notes that the balance for sub-account 1508*: ULO* was commenced in 2023 and is still ongoing, therefore, the utility is not seeking disposition of this account.

1.8 1509 – Other Regulatory Asset - Impacts Arising from the COVID-19 Emergency

As outlined in the Board letter dated March 25, 2020, the OEB approved several sub-accounts for distributors to record the incremental costs associated with the COVID-19 pandemic.

Specifically, the Board directed distributors to establish the 1509 sub-accounts for:

- Sub-account: Costs associated with billing and system changes
- Sub-account: Lost revenues
- Sub-account: Other costs
- Sub-account: Forgone revenues from postponing rate implementation
- Sub-account: Bad debt

In March 2020, the Ontario government declared a state of emergency in response to the COVID-19 pandemic. The COVID-19 pandemic affected economies, business and individuals locally, as well as around the globe. As a result, distributors incurred additional costs to comply with health and safety protocols, enable remote work for staff and deal with changing customer circumstances that lead to increased bad debts and lost revenues from changes in demand and consumption.

Effective March 24, 2020, InnPower Corporation established 1509 sub-accounts for COVID-19 incremental costs. The associated costs were initially tracked in the 1509 sub-accounts butwere later transferred to operational expense accounts. As of December 31, 2022, the balance in the above noted sub-accounts is nil.

InnPower Corporation notes that although the incremental costs related to the COVID-19 pandemic exceed the materiality threshold as of December 31, 2022, given that InnPower Corporation was able to manage the pandemic-related impacts within the existing budget, disposition of the account will not be requested in the current application. The sub-account will be discontinued following the current application, as the COVID-19 pandemic has ended.

1.9 1555 – Other Regulatory Assets – Smart Meters

As outlined in the Board letter dated January 16, 2007, the OEB approved a deferral account for distributors in relation to the funding of, and the recovery of costs associated with smart meter activities conducted by electricity distributors.

On June 25, 2008, the Government of Ontario enacted regulations under the Electricity Act, 1998 (O. Reg. 233/08 and O. Reg. 235/08) and the Ontario Energy Board Act, 1998 (O. Reg. 234/08) with respect to smart meter activity. These regulations amended pre-existing regulations pertaining to smart metering.

The Board noted that the installation of smart meters meant that older meters would be retired earlier than planned and that the costs associated with retired meters would not have been fully depreciated. Therefore, distributors would be at risk of not recovering the costs of stranded meters.

Accordingly, the Board approved the use of a new account to record the stranded costs associated with the conventional or accumulation meters removed at the time of installation of smart meters.

Specifically, distributors were directed to record stranded meter costs in a new sub account of account: *Smart Meter Capital and Recovery Offset Variance Account 1555, sub-account Stranded Meter Costs*. The stranded meter costs are defined as the pooled residual net book value cost of removed meters, less any net sale proceeds when received.

InnPower Corporation setup two sub-accounts in 1555 to track i.) stranded meter costs and ii.) approved recovery of stranded meter costs. Table 9-10 below presents the total stranded costs calculations, as well as the stranded meter costs recovered.

Table 9-10: Stranded Meter Balances for Disposition

Stranded Meters	Amount
2009 Stranded Meters	$ 201,707.94
2010 Stranded Meters	324,147.54
Less amount to correct value of meters in 1860	(89,924.28)
Total Stranded Meters	**$ 435,931.20**
Less 2010 Depreciation	(27,336.62)
Less 2011 Depreciation	(42,531.94)
Less 2012 Depreciation	(42,531.95)
Less 2013 Depreciation	(14,177.32)
Add depreciation adjustment on Stranded Meters	11,097.16
Depreciation adjustment per audit correction	(310.06)
Total Open Item Listing	**$ 320,140.47**
Stranded Meter Recovery	(369,758.69)
Stranded Meter Carrying Charges	(1,148.39)
Total 1555 Stranded Meter Balances	**($50,766.61)**

InnPower Corporation does not have any residual balances with respect to incremental operating, maintenance, amortization and administrative expenses directly related to smart meters. As such, InnPower Corporation is not seeking disposition of balances for the 1556 sub-accounts.

InnPower Corporation is requesting disposition of the December 31, 2022, adjusted audited balance. The December 31, 2022, audited balance reconciles with filing 2.1.7 of the RRR.

The balance requested for disposition, including carrying charges (projected to December 31, 2023) is a credit of ($51,509.64). The sub-account will be discontinued following the current application, as Smart Meter Initiative has ended.

1.10 1582 – RSVA – One-Time

The RSVA – One Time Account is used to record the net of the amount charged by the Independent Electricity System Operator based on the monthly settlement invoice, for Wholesale

Market Service, specified by the Board and the amount billed to customers for the same services using the Board-approved Rate, including accruals.

InnPower Corporation does not have a balance for disposition in the RSVA – One-Time Account.

1.11 2405 – Other Regulatory Liabilities

InnPower Corporation has no amounts for disposition in Account 2405. The Other Regulatory Liabilities Account is used to accrue regulatory asset recovery charges not included in other accounts.

9-1-4 ACCOUNT 1592 PILS AND TAX VARIANCE

Bill C-97, also known as the Budget Implementation Act, 2019, was passed by the Parliament of Canada and received Royal Assent in June 2019. The legislation provides for accelerated Capital Cost Allowance ("CCA") deductions for eligible property available for use and acquired after November 20, 2018.

The OEB released guidance in a letter dated July 25, 2019, where the OEB approved a subaccount for distributors to record the impact of changes in capital cost allowance (CCA) rules. Specifically, the Board directed distributors to establish a new sub account of 1592: *PILS and Tax Variances – CCA* to record the impact of any differences resulting from a legislative or regulatory change to the tax rates or rules that are not reflected in rates.

As directed, InnPower Corporation established the 1592 sub-account effective December 2019 for accelerated capital cost allowance and has tracked the full revenue requirement impact related to the Bill C-97 CCA rule change (as of November 21, 2018) up to December 31, 2022.

The change in revenue requirement reflected in base rates for 2022 to 2024 on account of accelerated CCA is summarized in Table 9-11 below.

Table 9-11: Appendix 2-TA Tax Variance

Year	Prior CCA ($)	Accelerated CCA ($)	Difference in CCA ($)	Difference in Grossed Up PILs ($)	Cumulative Difference in Grossed Up PILs ($)
2018	3,713,285	3,884,828	(171,543)	(61,849)	(61,849)
2019	3,689,587	3,932,369	(242,782)	(87,534)	(149,382)
2020	3,672,032	4,129,248	(457,216)	(164,847)	(314,229)
2021	3,803,064	5,106,841	(1,303,777)	(470,069)	(784,298)
2022	4,040,132	4,661,942	(621,810)	(224,190)	(1,008,488)
2023	4,646,650	5,237,706	(591,056)	(213,102)	(213,102)
2024	5,143,549	4,994,314	149,235	53,806	(159,296)

For the accelerated CCA calculations for 2018 through 2024, please refer to the following Attachments:

- Appendix 9-1-4 (A) 2018 Accelerated Capital Cost Allowance
- Appendix 9-1-4 (B) 2019 Accelerated Capital Cost Allowance
- Appendix 9-1-4 (C) 2020 Accelerated Capital Cost Allowance
- Appendix 9-1-4 (D) 2021 Accelerated Capital Cost Allowance
- Appendix 9-1-4 (E) 2022 Accelerated Capital Cost Allowance
- Appendix 9-1-4 (F) 2023 Accelerated Capital Cost Allowance
- Appendix 9-1-4 (G) 2024 Accelerated Capital Cost Allowance

InnPower Corporation is requesting disposition of the December 31, 2022, audited balance. The audited balances as at December 31, 2022, reconciles with filing 2.1.7 of the RRR.

The balance requested for disposal is a credit of ($1,008,488). Please note, InnPower Corporation did not apply for any 1592 related amounts in an ICM or ACM application.

9-1-5 DISPOSITION OF RETAIL SERVICE CHARGES

1.0 DISPOSITION OF RETAIL SERVICE CHARGES

1.1 1518 – Retail Cost Variance Account – Retail

The Retail Cost Variance Account – Retail is used to record the revenue derived, including accruals from establishing service agreements, distributor-consolidated billing, and retailer-consolidated billing. The account also includes incremental costs of entering into service agreements, and related contract administration, monitoring, necessary to maintain the contract, as well as incremental costs incurred to provide the services as applicable and the avoided costs credit arising from retailer-consolidated billing, including accruals.

InnPower Corporation is requesting disposition of the December 31, 2022, audited balance. The December 31, 2022, audited balance reconciles with filing 2.1.7 of the RRR.

The balance requested for disposal, including carrying charges is a debit of $255,207.95. Please note, although the Chapter 2 of the Board's Filing Requirements for Electricity Distribution Rate Applications states that the distributor may forecast a balance up to the effective date of its new rates with reasonable accuracy, InnPower is only requesting disposition of balances to December 31, 2022.

1.2 1548 – Retail Cost Variance Account – STR

The Retail Cost Variance Account – STR is used to record the revenues derived, including accruals, from the Service Transaction Request services and charged by the distributor, in the form of a request fee, processing fee, information request fee, default fee, and other associated costs. The account also includes the incremental cost of labour, internal information system maintenance costs, and delivery costs related to the provision of the services associated with the service transaction request services.

InnPower Corporation requesting disposition of the December 31, 2022 audited balance. The December 31, 2022 audited balance reconciles with filing 2.1.7 of the RRR.

The balance requested for disposal, including carrying charges is a debit balance of $9,049.58. Please note, although the Chapter 2 of the Board's Filing Requirements for Electricity Distribution Rate Applications states that the distributor may forecast a balance up to the effective date of its new rates with reasonable accuracy, InnPower is only requesting disposition of balances to December 31, 2022.

1.3 Disposition Details for Account 1518 and 1548

InnPower received Board approval for the recovery of $61,792 of Account 1518 RCVA-Retail balance, and for the disposition of $26,549 of Account 1548 RCVA_STR balance in its 2017 COS rate application (EB-2016-0085). These amounts consisted of the year-to-date audited balances at December 31, 2015, with interest projected to December 31, 2016.

InnPower confirms that all costs incorporated into the variances reported in Account 1518 and Account 1548 are incremental costs of providing retail services. Additionally, InnPower has followed Article 490, Retail Services and Settlement Variances of the APH for Account 1518 and Account 1548.

In accordance with Chapter 2 of the Board's Filing Requirements for Electricity Distribution Rate Applications, a detailed schedule identifying the revenues and expenses by Uniform System of Accounts (USoA) that are incorporated into the variances recorded in Account 1518 and 1548 is included in Table 9-12 below.

1 **Table 9-12: Account 1518 and 1548 Transactions by Year**

Transaction	USoA	Opening Balance	2017 COS Disposition	2017	2018	2019	2020	2021	2022	2023 Projected Interest	Disposition Total
Principal											
Retailer Charges	4082			$(10,932.20)	$(11,568.30)	$(14,908.60)	$(15,343.77)	$(16,756.60)	$(14,767.52)		
Incremental Expenses	5315			$24,001.41	$44,380.59	$62,886.39	$62,724.01	$66,979.82	$45,408.54		
RCA Retail	**1518**	**$77,254.30**	**$(59,328.97)**	**$13,069.21**	**$32,812.29**	**$47,977.79**	**$47,380.24**	**$50,223.22**	**$30,641.02**		**$240,029.10**
STR Charges	4084			$(134.00)	$(95.25)	$(203.25)	$(315.02)	$(99.36)	$(77.52)		
Incremental Expenses	5315			$2,636.02	$47.82	$-	$-	$-	$-		
RCVA STR	**1548**	**$31,620.90**	**$(25,097.69)**	**$2,502.02**	**$(47.43)**	**$(203.25)**	**$(315.02)**	**$(99.36)**	**$(77.52)**		**$8,282.65**
Carrying Charges											
RCA Retail	**1518**	**$2,595.94**	**$(2,554.00)**	**$1,023.40**	**$1,194.24**	**$2,019.78**	**$1,745.92**	**$1,042.86**	**$4,516.27**	**$3,594.44**	**$15,178.85**
RCVA STR	**1548**	**$1,187.12**	**$(1,451.00)**	**$399.30**	**$340.15**	**$199.85**	**$119.50**	**$47.92**	**$160.06**	**$124.03**	**$1,126.93**

The drivers of the balances in the Retail Cost Variance Accounts 1518 and 1548 are the costs of providing retail services and revenue collected from retailers. The revenue collected from retailers is affected by the number of customers who are enrolled with the retailers.

The following table shows the number of InnPower customers enrolled with a retailer by year.

Table 9-13: Number of Retailer Accounts by Year

Year	2017	2018	2019	2020	2021	2022
Number of retail customers at year-end	704	602	507	405	345	307

There is an apparent downward trend in the number of retailer associated customers and consequently, in the amount of revenue collected from the retailers derived from fees based on the number of transaction.

This application includes a request for disposition of these balances through the proposed rate rider. InnPower intends to discontinue the use of Retail Cost Variance Accounts 1518 and 1548 upon final disposition.

9-2-1 NEW DEFERRAL AND VARIANCE ACCOUNTS

InnPower Corporation is requesting the following new accounts or sub-accounts in conjunction with this Exhibit:

- Account 1595 – Sub Account (2022) – Rate Rider for Disposition of Deferral/Variance Accounts (2022) – Effective until December 31, 2024
    - Evidence of the causation, materiality and prudence, as well as the mechanics of the account are provided in Appendix 9-1-1 (A) 2023 DVA Continuity Schedule.

- Account 1508 – Other Regulatory Assets - Sub-Account BATU Installment Account. The deferral account is proposed to have four sub-accounts as follows:
    - **BATU Installments Paid Sub-Account:** Will record the actual capital contributions paid to Hydro One beyond those that are already included in base rates.
        - **BATU Installment Return and PILs Recovery Sub-Account:** Will record the revenue requirement associated with the capital contributions recorded in the BATU Installments Paid Sub-account, excluding depreciation expense (i.e., return on rate base using InnPower's approved WACC, and PILs).
        - **BATU Installment Depreciation Expense Sub-Account:** Will record the depreciation expense associated with the capital contributions recorded in the BATU Installments Paid Sub-Account.
        - **BATU Installment Accumulated Depreciation Sub-Account:** Will be credited with the amounts charged to the BATU Installment Depreciation Expense Sub-Account.
        - **BATU Installments, Carrying Charges Sub-Account:** Will record carrying charges based on the amounts recorded in the BATU Installment Return and PILs Recovery and BATU Installment Depreciation Expense Sub-Accounts. Will be calculated as simple interest on the actual amounts recorded in these Sub-Accounts based on the interest rate prescribed by the OEB.
    - Evidence of the causation, materiality and prudence, as well as the mechanics of the account are provided in Exhibit 2-5-7.

In the alternative, and only if the OEB does not approve this new deferral account, InnPower is requesting approval of three ACM requests relating to capital contributions paid to Hydro One for InnPower's calculated portions of the BATU Project. This request is based on the evidence provided above (including the results of the OEB's ACM model), and the OEB's Decision and Order in EB-2018-0117.

InnPower Corporation will continue to monitor OEB directives and implement new accounts as set out by the OEB and identified in the Accounting Procedures Handbook or other sources of information, as required.

9-3-1 DISPOSITION OF CURRENT DEFERRAL AND VARIANCE ACCOUNTS

1. INTRODUCTION

Table 9-14 below presents the list of deferral and variance accounts proposed for disposition. All accounts proposed for disposition reflect balances as of December 31, 2022, which is the most recent period subject to an audit. The DVAs are categorized based on the OEB's report on the *Electricity Distributor's Deferral and Variance Account Review Initiative* (EDDVAR Report), which categorizes the DVAs into Group 1 and Group 2 Accounts.

Board policy states: at the time of rebasing, all account balances should be disposed of unless otherwise justified by the distributor or as required by a specific Board decision or guideline. In accordance with the above statement, InnPower Corporation proposes to dispose of all its material balances. Each account is described in Table 9-14 below.

Table 9-14: Deferral and Variances Account Balances Proposed for Disposition

Account Description	UsoA	Principal	Interest	Total Claim
Group 1 Accounts				
LV Variance Account	1550	$498,258.80	$20,555.95	$518,814.75
Smart Meter Entity Charge	1551	$(57,013.42)	$(1,377.71)	$(58,391.13)
RSVA – WMSC	1580	$667,036.36	$22,585.77	$689,622.13
RSVA - WMSC Class A	1580	$-	$-	$-
RSVA - WMSC Class B	1580	$(34,560.09)	$(1,494.38)	$(36,054.47)
RSVA - Retail Transmission	1584	$1,001,490.85	$33,275.37	$1,034,766.22
RSVA - Retail Connection	1586	$585,262.07	$20,646.27	$605,908.34
RSVA - Power (excl. GA)	1588	$663,094.08	$24,171.49	$687,265.57
RSVA - Global Adjustment	1589	$14,704.60	$1,422.56	$16,127.16
Subtotal (including 1589)		**$3,338,273.25**	**$119,785.31**	**$3,458,058.56**
Subtotal (excluding 1589)		**$3,323,568.65**	**$118,362.75**	**$3,441,931.40**
Group 2 Accounts				

Account Description	UsoA	Principal	Interest	Total Claim
Vegetation Management	1508	$(88,273.91)	$-	$(88,273.91)
Retail Cost Variance Account	1518	$240,029.10	$15,178.85	$255,207.95
Pension and OPEB Forecast	1522	$419.37	$-	$419.37
Retail Cost Variance Account	1548	$8,282.65	$1,126.93	$9,409.58
Smart Meter Capital and Recovery	1555	$(49,618.22)	$(1,891.42)	$(51,509.64)
Subtotal		**$3,449,112.24**	**$134,199.67**	**$3,583,311.91**
PILS and Tax Variance	1592	$(1,008,488.00)	$-	$(1,008,488.00)
Group 1 & Group 2 Total		**$2,440,624.24**	**$134,199.67**	**$2,574,823.91**

2. DISPOSITION OF LOST REVENUE ADJUSTMENT MECHANISM VARIANCE ACCOUNT (LRAM)

InnPower Corporation will not be seeking to dispose of any balance in the LRAMVA due to LRAM-eligible CDM activities funded by the IESO through the Conservation First Framework or Interim Framework in an effort to mitigate bill impacts for customers. InnPower Corporation confirms that the balance in the LRMAVA is not a credit that would be refunded to customers.

Please refer to Exhibit 4-3-1 for additional details.

3. METHODS OF DISPOSITION OF DVA BALANCES

The following methods are proposed for disposition of the DVA balances for those accounts that have been selected for disposition, together with a summary of proposed rates.

3.1 Group 1 Accounts Method of Disposition:

Allocation to rate classes on the basis of the forecasted 2024 kWh energy consumption by customer class and disposition through variable component rate rider based on kWh or kW. Allocation of costs to customer classes is based upon kWh energy consumption by customer class in accordance with the default cost allocation methodology established by the Board for

Group 1 deferral and variance accounts in the Electricity Distributor's Deferral and Variance Account Review Initiative (EDDVAR Report), dated July 31, 2009.

Certain rate riders are not applicable to all customers. InnPower Corporation calculated separate sets of Group 1 rate riders based on the group of customers who contributed to the accumulated variance. The 2023 DVA Continuity Schedule Work Form (see Appendix 9-1-1 (A)) was used to calculate the Group 1 and Group 2 rate riders.

3.1.1 Proposed Method of Disposition for Rate Rider for DVA Balances

- Account 1551 balances is allocated based on the 2024 forecasted number of customers in the residential and General Service less than 50 kW rate classes.
- Account 1584 and 1586 accounts are allocated to rate classes on the basis of the forecasted 2024 kWh energy consumption by customer class.
- Account 1595 balances are not disposed of in the current application.

The rate rider for the above-mentioned balances is collected in a variable per kWh/kW rate.

3.1.2 Proposed Method of Disposition for Rate Rider for DVA Balances to Non-WMP

- The rate rider is not applicable to InnPower Corporation's current application.

3.1.3 Proposed Method of Disposition for Rate Rider for RSVA Global Adjustment

- Account 1588 balance is allocated based on the forecasted 2024 kWh energy consumption for non-RPP customers only.

The rate rider for the above-mentioned balances is collected in a variable per kWh/kW rate for the applicable customer classes.

3.1.4 Proposed Direct Settlement for RSVA Global Adjustment – Transition Customers

- The rate rider is not applicable to InnPower Corporation's current application.

3.1.5 Proposed Method of Disposition for Rate Rider for RSVA WMS – Sub-Account CBR Class B

- Account 1580 WMS Sub-Account CBR Class B is allocated based on forecasted 2024 kWh energy consumption for Class B customers only.

The rate rider for the above-mentioned balances is collected in a variable per kWh/kW rate for the applicable customer classes.

3.2 Group 2 Accounts Method of Disposition

Allocation of balances to rate classes and rate rider calculations are based on parameters provided by the 2023 DVA Continuity Schedule model (see Appendix 9-1-1(A)) and in accordance with the default cost allocation and rate rider derivation methodologies established by the Board in the EDDVAR Report, dated July 31, 2009.

Disposition is proposed through variable component rate riders for all rate classes except the residential rate class, for which a fixed monthly rate rider is computed based on the number of customers.

3.2.1 Proposed Method of Disposition for Rate Rider for Group 2 Accounts

- Account 1518 and 1548 balances are allocated based on the number of customers.
- Accounts in 1508, 1555 and 1592 are allocated based on the forecasted 2024 kWh energy consumption by customer class.

The rate rider for the above-mentioned balances is collected at a fixed rate for residential customers and a variable per kWh/kW rate for all other customer classes.

4. PROPOSED RATE RIDERS

InnPower Corporation notes that all relevant calculations are embedded in the 2023_EDDVAR_Continuity_Schedule_CoS OEB provided model (see Appendix 9-1-1(A)).

InnPower Corporation does not propose a billing determinant that is different than the OEB standards (as indicated above). InnPower Corporation does not need to establish separate rate riders to recover the balances in the RSVAs from Market Participants ("MPs") who must not be allocated the RSVA account balances related to charges for which the MPs settle directly with the IESO (e.g., wholesale energy, wholesale market services).

InnPower Corporation is proposing to dispose of these balances over a period of one year. The rate rider calculations are calculated in the OEB's EDVARR model and are outlined in the tables below.

Table 9-15: Deferral and Variance Rate Riders (excluding Global Adjustment)[1]

Rate Class (Enter Rate Classes in cells below)	Units	kW / kWh / # of Customers	Allocated Group 1 Balance (excluding 1589)	Rate Rider for Deferral/Variance Accounts ($)
Residential	kWh	190,211,161	$2,224,611	**0.0117**
GS<50 kW	kWh	45,901,003	$546,416	**0.0119**
GS 50 to 4999 kW	**kW**	152,108	$678,895	**4.4633**
Unmetered Scattered Load	kWh	441,081	$5,286	**0.0120**
Sentinel Lighting	**kW**	263	$1,141	**4.3403**
Street Lighting	**kW**	2,623	$10,425	**3.9746**
Embedded Distributor	**kW**	2,355	$11,212	**4.7609**
Total			**$3,477,986**	

[1] Rate Rider Calculation for Group 1 Deferral/Variance Accounts Balances (excluding Global Adjustment): Accounts 1550, 1551, 1584, 1586, 1595, 1580 and 1588

Table 9-16: Deferral and Variance Rate Riders (excluding Global Adjustment) – Non WMP[2]

Rate Class (Enter Rate Classes in cells below)	Units	kW / kWh / # of Customers	Allocated Group 1 Balance - Non-WMP	Rate Rider for Deferral/Variance Accounts ($)
Residential	kWh	0	0	**0.0000**
GS<50 kW	kWh	0	0	**0.0000**
GS 50 to 4999 kW	**kW**	0	0	**0.0000**
Unmetered Scattered Load	kWh	0	0	**0.0000**
Sentinel Lighting	**kW**	0	0	**0.0000**
Street Lighting	**kW**	0	0	**0.0000**
Embedded Distributor	**kW**	0	0	**0.0000**
Total			**$0**	

Table 9-17: Account 1580, sub-account CBR Class B[3]

Rate Class (Enter Rate Classes in cells below)	Units	kW / kWh / # of Customers	Allocated Sub-account 1580 CBR Class B Balance	Rate Rider for Sub-account 1580 CBR Class B ($)
Residential	kWh	190,211,161	(24,038)	**(0.0001)**
GS<50 kW	kWh	45,901,003	(5,801)	**(0.0001)**
GS 50 to 4999 kW	**kW**	152,108	(5,920)	**(0.0389)**
Unmetered Scattered Load	kWh	441,081	(56)	**(0.0001)**
Sentinel Lighting	**kW**	263	(12)	**(0.0458)**
Street Lighting	**kW**	2,623	(110)	**(0.0419)**
Embedded Distributor	**kW**	2,355	(118)	**(0.0502)**
Total			**($36,054)**	

[2] Rate Rider Calculation for Group 1 Deferral/Variance Accounts Balances (excluding Global Adjustment) – NON-WMP – Accounts 1580 and 1588
[3] Rate Rider Calculation for Account 1580, sub-account CBR Class B – Account 1580, Sub-account CBR Class B

Table 9-18: Global Adjustment[4]

Rate Class (Enter Rate Classes in cells below)	Units	kWh	Allocated Global Adjustment Balance	Rate Rider for RSVA - Power - Global Adjustment ($)
Residential	kWh	2,355,841	875	**0.0004**
GS<50 kW	kWh	5,059,452	1,879	**0.0004**
GS 50 to 4999 kW	kWh	34,913,129	12,966	**0.0004**
Unmetered Scattered Load	kWh	29,355	11	**0.0004**
Sentinel Lighting	kWh	95,254	35	**0.0004**
Street Lighting	kWh	37,071	14	**0.0004**
Embedded Distributor	kWh	935,589	347	**0.0004**
Total			**$16,127**	

Table 9-19: Group 2 Accounts[5]

Rate Class (Enter Rate Classes in cells below)	Units	kW / kWh / # of Customers	Allocated Group 2 Balance	Rate Rider for Group 2 Accounts ($)
Residential	# of Customers	19,957	(536,059)	**(2.2400)**
GS<50 kW	kWh	45,901,003	(165,018)	**(0.0036)**
GS 50 to 4999 kW	**kW**	152,108	(219,542)	**(1.4433)**
Unmetered Scattered Load	kWh	441,081	(987)	**(0.0022)**
Sentinel Lighting	**kW**	263	1,131	**4.3015**
Street Lighting	**kW**	2,623	40,870	**15.5817**
Embedded Distributor	**kW**	2,355	(3,629)	**(1.5410)**
Total			**($883,234)**	

[4] Rate Rider Calculation for RSVA Global Adjustment – Balance of Account 4589 allocated to Non-WMPs
[5] Rate Rider Calculation for Group 2 Accounts

Table 9-20: Accounts 1575 and 1576[6]

Rate Class (Enter Rate Classes in cells below)	Units	kW / kWh / # of Customers	Allocated Accounts 1575 and 1576 Balances	Rate Rider for Accounts 1575 and 1576 ($)
Residential	kWh	190,211,161	$-	-
GS<50 kW	kWh	45,901,003	$-	-
GS 50 to 4999 kW	kW	152,108	$-	-
Unmetered Scattered Load	kWh	441,081	$-	-
Sentinel Lighting	kW	263	$-	-
Street Lighting	kW	2,623	$-	-
Embedded Distributor	kW	2,355	$-	-
Total			**$0**	

Table 9-21: LRAM Account 1568[7]

Rate Class (Enter Rate Classes in cells below)	Units	kW / kWh / # of Customers	Allocated Account 1568 Balance	Rate Rider for Account 1568
Residential	kWh	190,211,161	$-	-
GS<50 kW	kWh	45,901,003	$-	-
GS 50 to 4999 kW	kW	152,108	$-	-
Unmetered Scattered Load	kWh	441,081	$-	-
Sentinel Lighting	kW	263	$-	-
Street Lighting	kW	2,623	$-	-
Embedded Distributor	kW	2,355	$-	-
Total			**$0**	

[6] Rate Rider Calculation for Accounts 1575 and 1576

[7] Rate Rider Calculation for Account 1568

Table 9-22: Account 1509[8]

Rate Class (Enter Rate Classes in cells below)	Units	kW / kWh / # of Customers	Allocated Account 1509 Balance	Rate Rider for Account 1509 ($)
Residential	# of Customers	19,957	$-	-
GS<50 kW	# of Customers	1,324	$-	-
GS 50 to 4999 kW	# of Customers	80	$-	-
Unmetered Scattered Load	# of Customers	71	$-	-
Sentinel Lighting	# of Customers	147	$-	-
Street Lighting	# of Customers	4,334	$-	-
Embedded Distributor	# of Customers	1	$-	-
Total			**$0**	

InnPower Corporation is not requesting other any rate riders in the current application.

8 Rate Rider Calculation for Account 1568

5. ENERGY SALES AND COST OF POWER

The sale of energy is a flow through revenue and the cost of power is a flow through expense. Energy sales and the cost of power expense, by component, are presented in the year ended December 31, 2022 and as shown in Table 9-23. InnPower has no profit or loss resulting from the flow through of energy revenues and expenses. Table 9-24 shows the reconciliation of Energy Sales and Cost of Power Expenses as reported in 2022 OEB RRR 2.1.7 and InnPower's Audited Financial Statements.

Table 9-23: 2022 Energy Sales and Cost of Power Expenses (2.1.7 RRR)

Transactions	USoA	Balance
Energy Sales		
Residential Energy Sales	**4006**	**$(19,019,666)**
GS<50 Energy Sales	**4035**	**$(4,247,870)**
GS>50 Energy Sales	**4035**	**$(5,361,596)**
Street Ligh Energy Sales	**4025**	**$(73,916)**
Sentintel Light Energy Sales	**4030**	**$(9,039)**
Unmetered Scattered Load	**4035**	**$(43,031)**
Retailers	**4055**	**$(1,115,079)**
Billed WMS	**4062**	**$(1,182,265)**
Billed NW	**4066**	**$(1,845,927)**
Billed CN	**4068**	**$(1,457,104)**
Billed LV	**4075**	**$(779,335)**
Billed SME	**4076**	**$(114,123)**
RSVA Revenue Adjustment	**4050**	**$91,574**
Total Energy Revenue		**$(35,157,378)**
Cost of Power Expenses		
Power Purchased	**4705**	**$27,152,902**
Global Adjustment	**4707**	**$3,260,124**
Charges WMS	**4708**	**$1,814,741**
Charges NW	**4714**	**$2,847,418**

Transactions	USoA	Balance
Charges CN	**4716**	**$2,042,366**
Charges LV	**4750**	**$1,277,594**
Charges SME	**4751**	**$57,110**
RSVA Cost of Power Adjustment	**4710**	**$(3,294,876)**
Total Energy Revenue		**$35,157,378**
Net Energy Revenues and Energy Purchases		**$(0)**

Table 9-24: Reconciliation of Energy Revenues and Purchases to 2022 Audited Financial Statements

Transactions	2022	
Energy Sales		
As per RRR Filing	**$(35,157,378)**	
As per Audited Financial Statements	**$(35,239,273)**	
Unbilled Revenue Classified as Other Revenue in Audited Financial Statements	**$9,679**	
Energy Revenue Variance		**$91,574**
Cost of Power Expenses		
As per RRR Filing	**$35,157,378**	
As per Audited Financial Statements	**$38,452,254**	
Energy Purchases Variance		**$(3,294,877)**
Gross Net Movement		**$(3,203,303)**
Additional Regulatory Asset Movement		
Carry Charge Expense on Regulatory Asset & Liability		**$13,097**
Revenue Adjustment Unbilled - GA Non RPP		**$9,457**
Carrying Charges - Regulatory Assets		**$(151,302)**
Carry Charges - OPEB		**$(210)**
RSR STR - RCVA Adjustment		**$(30,641)**
Total Additional Regulatory Asset Movement		**$(159,599)**
Total Regulatory Net Movement		**$(3,362,901)**

List of Appendices

Appendix 9-1-1 (A): DVA Continuity Schedule

InnPower Corporation has filed the DVA Continuity Schedule separately in Excel as Exhibit 9, Appendix 9-1-1 (A): DVA Continuity Schedule.

Appendix 9-1-1 (B): GA Analysis Workform

InnPower Corporation has filed the GA Analysis Workform separately in Excel as Exhibit 9, Appendix 9-1-1 (B): GA Analysis Workform.

Appendix 9-1-1 (C): OEB Letter dated April 9, 2019

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Ontario

Ontario Energy Board
Commission de l'energie de !'Ontario

BY E-MAIL

April 9, 2019

Brenda Pinke
Regulatory/Conservation Manager
InnPower Corporation
7251 Yonge Street
Innisfil, ON L9S 0J3
regulatoryaffairs@innpower.ca

Dear Ms. Pinke:

Re: Audit of Affiliate Transactions

In the Decision and Order of the Ontario Energy Board (OEB) in InnPower Corporation's last cost-of-service proceeding, the OEB stated that it would "undertake an audit of InnPower's affiliate transactions to ensure its allocation of costs and approach to costing and applicable revenue complies with the *Affiliate Relationships Code* [ARC]".[1] The Decision and Order further directed InnPower to create two new variance accounts effective January 1, 2018 - one to record the difference between the approved forecast affiliate revenues of $757,539 and "appropriate actual" revenues as determined as a result of the OEB audit, and the other to record the difference between the approved forecast affiliate expenses of $704,939 and the fully-allocated costs as determined by the audit.

This is to confirm that the audit is complete. The OEB's Audit & Investigations staff reviewed InnPower's updated pricing and costing methodologies for affiliate services for 2017. Based on ARC-compliant cost allocations, OEB staff agreed that the appropriate affiliate revenues for 2017 were $920,410 and the appropriate affiliate expenses were $800,357. As a result, InnPower is expected to record $162,871 in the variance account for affiliate revenues as of December 31, 2018, and $95,418 in the variance account for affiliate expenses, as shown in the table below.

[1] Decision and Order, March 8, 2018 (EB-2016-0085), p. 17.

	Affiliate revenues	**Affiliate expenses**	**Net affiliate revenues**
Approved forecast from cost-of-service proceeding	$757,539	$704,939	$52,600
Appropriate for 2017 based on ARC-compliant cost allocation	$920,410	$800,357	$120,053
Difference to be recorded in variance accounts in 2018	**$162,871**	**$95,418**	**$67,453**

The net impact is a credit amount of $67,453 in additional revenue offsets. That amount will be refunded to customers, subject to OEB approval to dispose of the variance accounts in another proceeding.

We thank InnPower for its co-operation.

Yours truly,

Tony Stanco
Manager, Audit & Investigations
Phone: (416) 440-7614
Email address: Tony.Stanco@oeb.ca

Appendix 9-1-1 (D): OEB Letter dated February 17, 2022

Ontario Energy Board | Commission de l'énergie de l'Ontario

BY EMAIL

February 17, 2022

Glen McAllister,
Chief Financial Officer/Treasurer
InnPower Corporation
7251 Yonge Street
Innisfil, ON L9S 0J3
glenm@innpower.ca

Dear Mr. McAllister:

Re: Application for 2023 Electricity Rates
OEB File No. EB-2022-0043

This letter is in response to your letter expressing an interest to defer InnPower Corporation's (InnPower) rebasing of its rates beyond the 2023 rate year for one year. InnPower was originally scheduled to file an application for 2022 rates but was granted a one-year deferral.

The OEB has reviewed the letter and based on InnPower's performance is approving InnPower's request to defer its 2023 cost of service application. The OEB will place InnPower on the list of distributors whose rates will be scheduled for rebasing for the 2024 rate year, including the filing of a distribution system plan (DSP).

If InnPower intends to seek a rate adjustment for 2023 rates, the OEB expects InnPower to adhere to the process for Price Cap Incentive Rate-setting applications for the 2023 rate year.

In 2019, InnPower recorded a credit amount $67,453 in additional revenue offsets to be refunded to customers, subject to OEB approval to dispose of the variance account in another proceeding. While this amount is recorded in a Group 2 account, which is normally disposed of during a rebasing application, the OEB expects InnPower to seek disposition of this amount with its application for 2023 rates.

The OEB's letter of December 1, 2021, regarding changes to the OEB's approach to deferrals, established a transitional measure allowing distributors with existing deferrals, such as InnPower, to make one more deferral request or select Annual Incentive Rate-setting Index. With this deferral, InnPower must file a cost of service application for 2024 rates. If the rebasing application is not filed by the commencement of the 2024 rate year, the OEB will declare InnPower's rates interim until InnPower files a rebasing application. Additionally, there is no availability of an Incremental Capital Module for 2023 rates and the OEB will not require InnPower to file a DSP during this deferral period.

Yours truly,

Nancy Marconi
Acting Registrar

Appendix 9-1-4 (A): 2018 Accelerated Capital Cost Allowance

(1) Class	Class Description	Working Paper Reference	(2) Undepreciated capital cost (UCC) at the beginning of the test year	(3) Cost of acquisitions during the year (new property must be available for use, except CWIP)	(4) Cost of acquisitions from column 3 that are accelerated investment incentive property (AIIP)	(5) Adjustments and transfers (enter amounts that will reduce the UCC as negatives)	(6) Amount from column 5 that is assistance received or receivable during the year for a property, subsequent to its disposition	(7) Amount from column 5 that is repaid during the year for a property, subsequent to its disposition	(8) Proceeds of dispositions	(9) UCC (column 2 plus column 3 plus or minus column 5 minus column 8)	(10) Proceeds of disposition available to reduce the UCC of AIIP (column 8 plus column 6 minus column 3 plus column 4 minus column 7) (if negative, enter "0")	(11) Net capital cost additions of AIIP acquired during the year (column 4 minus column 10) (if negative, enter "0")	Relevant factor (after 2023 no more 1.5 times, but half year rule still suspended)	(12) UCC adjustment for AIIP acquired during the year (column 11 multiplied by the relevant factor)	(13) UCC adjustment for non-AIIP acquired during the year (0.5 multiplied by the result of column 3 minus column 4 minus column 6 plus column 7 minus column 8) (if negative,	(14) CCA Rate %	(15) Recapture of CCA	(16) Terminal Loss	(17) CCA (for declining balance method, the result of column 9 plus column 12 minus column 13, multiplied by column 14)		(18) UCC at the end of the test year (column 9 minus column 17)
1	Buildings, Distribution System (acq'd post 1987)	B8	$ 22,105,366							$ 22,105,366	$ -	$ -	0.50	$ -	$ -	4%			$ 884,215		$ 21,221,151
1b	Non-Residential Buildings [Reg. 1100(1)(a.1) election]	B8	$ -	196,000	2,070					$ 196,000	$ -	$ 2,070	0.50	$ 1,035	$ 96,965	6%			$ 6,004		$ 189,996
8	General Office Equipment, Furniture, Fixtures	B8	$ 1,756,715	169,606	164,511					$ 1,926,321	$ -	$ 164,511	0.50	$ 82,256	$ 2,548	20%			$ 401,206		$ 1,525,115
10	Motor Vehicles, Fleet	B8	$ 132,046	557,000	54,498					$ 689,046	$ -	$ 54,498	0.50	$ 27,249	$ 251,251	30%			$ 139,513		$ 549,533
14.1	Eligible Capital Property (acq'd pre Jan 1, 2017)	B8	$ 203,139							$ 203,139	$ -	$ -	0.00	$ -	$ -	7%			$ 14,220		$ 188,919
45	Computers & System Software (acq'd post Mar 22/04 and pre Mar 19/07)	B8	$ 155							$ 155	$ -	$ -	0.00	$ -	$ -	45%			$ 70		$ 85
47	Distribution System (acq'd post Feb 22/05)	B8	$ 24,705,847	2,849,732	1,013,623				4,400	$ 27,551,179	$ -	$ 1,013,623	0.50	$ 506,812	$ 915,855	8%			$ 2,171,371		$ 25,379,808
50	General Purpose Computer Hardware & Software (acq'd post Mar 18/07)	B8	$ 313,870	213,043	67,298					$ 526,913	$ -	$ 67,298	0.50	$ 33,649	$ 72,873	55%			$ 268,229		$ 258,684
95	CWIP	B8	$ 1,137,092	129,908		0				$ 1,267,000	$ -	$ -	0.00	$ -	$ 64,954	0%			$ -		$ 1,267,000
	TOTALS		**$ 50,354,230**	**$ 4,115,289**	**$ 1,302,000**	**$ -**	**$ -**	**$ -**	**$ 4,400**	**$ 54,465,119**	**$ -**	**$ 1,302,000**		**$ 651,000**	**$ 1,404,445**		**$ -**	**$ -**	**$ 3,884,828**	T1	**$ 50,580,291**

Appendix 9-1-4 (B): 2019 Accelerated Capital Cost Allowance

(1) Class	Class Description	Working Paper Reference	(2) Undepreciated capital cost (UCC) at the beginning of the test year	(3) Cost of acquisitions during the year (new property must be available for use, except CWIP)	(4) Cost of acquisitions from column 3 that are accelerated investment incentive property (AIIP)	(5) Adjustments and transfers (enter amounts that will reduce the UCC as negatives)	(6) Amount from column 5 that is assistance received or receivable during the year for a property, subsequent to its disposition	(7) Amount from column 5 that is repaid during the year for a property, subsequent to its disposition	(8) Proceeds of dispositions	(9) UCC (column 2 plus column 3 plus or minus column 5 minus column 8)	(10) Proceeds of disposition available to reduce the UCC of AIIP (column 8 plus column 6 minus column 3 plus column 4 minus column 7) (if negative, enter "0")	(11) Net capital cost additions of AIIP acquired during the year (column 4 minus column 10) (if negative, enter "0")	Relevant factor (after 2023 no more 1.5 times, but half year rule still suspended)	(12) UCC adjustment for AIIP acquired during the year (column 11 multiplied by the relevant factor)	(13) UCC adjustment for non-AIIP acquired during the year (0.5 multiplied by the result of column 3 minus column 4 minus column 6 plus column 7 minus column 8) (if negative,	(14) CCA Rate %	(15) Recapture of CCA	(16) Terminal Loss	(17) CCA (for declining balance method, the result of column 9 plus column 12 minus column 13, multiplied by column 14)		(18) UCC at the end of the test year (column 9 minus column 17)
1	Buildings, Distribution System (acq'd post 1987)	B8	$ 21,221,151							$ 21,221,151	$ -	$ -	0.50	$ -	$ -	4%			$ 848,846		$ 20,372,305
1b	Non-Residential Buildings [Reg. 1100(1)(a.1) election]	B8	$ 189,996	38,000	38,000					$ 227,996	$ -	$ 38,000	0.50	$ 19,000	$ -	6%			$ 14,820		$ 213,176
8	General Office Equipment, Furniture, Fixtures	B8	$ 1,525,115	43,691	43,691					$ 1,568,806	$ -	$ 43,691	0.50	$ 21,846	$ -	20%			$ 318,130		$ 1,250,676
10	Motor Vehicles, Fleet	B8	$ 549,533	6,000	6,000					$ 555,533	$ -	$ 6,000	0.50	$ 3,000	$ -	30%			$ 167,560		$ 387,973
14.1	Eligible Capital Property (acq'd pre Jan 1, 2017)	B8	$ 188,919							$ 188,919	$ -	$ -	0.00	$ -	$ -	7%			$ 13,224		$ 175,695
45	Computers & System Software (acq'd post Mar 22/04 and pre Mar 19/0	B8	$ 85							$ 85	$ -	$ -	0.00	$ -	$ -	45%			$ 38		$ 47
47	Distribution System (acq'd post Feb 22/05)	B8	$ 25,379,808	2,451,505	2,451,505				6,000	$ 27,825,313	$ 6,000	$ 2,445,505	0.50	$ 1,222,753	$ -	8%			$ 2,323,845		$ 25,501,468
50	General Purpose Computer Hardware & Software (acq'd post Mar 18/0	B8	$ 258,684	125,612	125,612					$ 384,296	$ -	$ 125,612	0.50	$ 62,806	$ -	55%			$ 245,906		$ 138,390
95	CWIP	B8	$ 1,267,000	2,470,000	2,470,000					$ 3,737,000	$ -	$ 2,470,000	0.00	$ -	$ -	0%			$ -		$ 3,737,000
	TOTALS		**$ 50,580,291**	**$ 5,134,808**	**$ 5,134,808**	**$ -**	**$ -**	**$ -**	**$ 6,000**	**$ 55,709,099**	**$ 6,000**	**$ 5,128,808**		**$ 1,329,404**	**$ -**		**$ -**	**$ -**	**$ 3,932,369**	T1	**$ 51,776,730**

Appendix 9-1-4 (C): 2020 Accelerated Capital Cost Allowance

(1) Class	Class Description	Working Paper Reference	(2) Undepreciated capital cost (UCC) at the beginning of the test year	(3) Cost of acquisitions during the year (new property must be available for use, except CWIP)	(4) Cost of acquisitions from column 3 that are accelerated investment incentive property (AIIP)	(5) Adjustments and transfers (enter amounts that will reduce the UCC as negatives)	(6) Amount from column 5 that is assistance received or receivable during the year for a property, subsequent to its disposition	(7) Amount from column 5 that is repaid during the year for a property, subsequent to its disposition	(8) Proceeds of dispositions	(9) UCC (column 2 plus column 3 plus or minus column 5 minus column 8)	(10) Proceeds of disposition available to reduce the UCC of AIIP (column 8 plus column 6 minus column 3 plus column 4 minus column 7) (if negative, enter "0")	(11) Net capital cost additions of AIIP acquired during the year (column 4 minus column 10) (if negative, enter "0")	Relevant factor (after 2023 no more 1.5 times, but half year rule still suspended)	(12) UCC adjustment for AIIP acquired during the year (column 11 multiplied by the relevant factor)	(13) UCC adjustment for non-AIIP acquired during the year (0.5 multiplied by the result of column 3 minus column 4 minus column 6 plus column 7 minus column 8) (if negative,	(14) CCA Rate %	(15) Recapture of CCA	(16) Terminal Loss	(17) CCA (for declining balance method, the result of column 9 plus column 12 minus column 13, multiplied by column 14)		(18) UCC at the end of the test year (column 9 minus column 17)
1	Buildings, Distribution System (acq'd post 1987)	B8	$ 20,372,305							$ 20,372,305	$ -	$ -	0.50	$ -	$ -	4%			$ 814,892		$ 19,557,413
1b	Non-Residential Buildings [Reg. 1100(1)(a.1) election]	B8	$ 213,176	69,709	69,709					$ 282,885	$ -	$ 69,709	0.50	$ 34,855	$ -	6%			$ 19,064		$ 263,821
8	General Office Equipment, Furniture, Fixtures	B8	$ 1,250,676	262,130	262,130					$ 1,512,806	$ -	$ 262,130	0.50	$ 131,065	$ -	20%			$ 328,774		$ 1,184,032
10	Motor Vehicles, Fleet	B8	$ 387,973	18,630	18,630					$ 406,603	$ -	$ 18,630	0.50	$ 9,315	$ -	30%			$ 124,775		$ 281,828
14.1	Eligible Capital Property (acq'd pre Jan 1, 2017)	B8	$ 175,695							$ 175,695	$ -	$ -	0.00	$ -	$ -	7%			$ 12,299		$ 163,396
45	Computers & System Software (acq'd post Mar 22/04 and pre Mar 19/0	B8	$ 47							$ 47	$ -	$ -	0.00	$ -	$ -	45%			$ 21		$ 26
47	Distribution System (acq'd post Feb 22/05)	B8	$ 25,501,468	3,711,652	3,711,652				39,000	$ 29,174,120	$ 39,000	$ 3,672,652	0.50	$ 1,836,326	$ -	8%			$ 2,480,836		$ 26,693,285
50	General Purpose Computer Hardware & Software (acq'd post Mar 18/0	B8	$ 138,390	330,269	330,269					$ 468,659	$ -	$ 330,269	0.50	$ 165,135	$ -	55%			$ 348,586		$ 120,072
95	CWIP	B8	$ 3,737,000	1,384,000	1,384,000					$ 5,121,000	$ -	$ 1,384,000	0.00	$ -	$ -	0%			$ -		$ 5,121,000
	TOTALS		$ 51,776,730	$ 5,776,390	$ 5,776,390	$ -	$ -	$ -	$ 39,000	$ 57,514,120	$ 39,000	$ 5,737,390		$ 2,176,695	$ -		$ -	$ -	$ 4,129,248	T1	$ 53,384,872

Appendix 9-1-4 (D): 2021 Accelerated Capital Cost Allowance

(1) Class	Class Description	Working Paper Reference	(2) Undepreciated capital cost (UCC) at the beginning of the test year	(3) Cost of acquisitions during the year (new property must be available for use, except CWIP)	(4) Cost of acquisitions from column 3 that are designated immediate expensing property (DIEP)	(5) Adjustments and transfers (enter amounts that will reduce the UCC as negatives)	(6) Amount from column 5 that is assistance received or receivable during the year for a property, subsequent to its disposition	(7) Amount from column 5 that is repaid during the year for a property, subsequent to its disposition	(8) Proceeds of dispositions	(9) Proceeds of dispositions of the DIEP (enter amount from column 8 that relates to the DIEP reported in column 4)	(10) UCC (column 2 plus column 3 plus or minus column 5 minus column 8)	(11) UCC of the DIEP (enter the UCC amount that relates to the DIEP reported in column 4)	(12) Immediate expensing
1	Buildings, Distribution System (acq'd post 1987)	B8	$ 19,557,413								$ 19,557,413		
1b	Non-Residential Buildings [Reg. 1100(1)(a.1) election]	B8	$ 263,821	43,734							$ 307,555		
8	General Office Equipment, Furniture, Fixtures	B8	$ 1,184,032	352,191	251,848						$ 1,536,223	251,848	251,848
10	Motor Vehicles, Fleet	B8	$ 281,828	668,543	668,543						$ 950,371	668,543	668,543
14.1	Eligible Capital Property (acq'd pre Jan 1, 2017)	B8	$ 163,396								$ 163,396		
45	Computers & System Software (acq'd post Mar 22/04 and pre Mar 19/07)	B8	$ 26								$ 26		
47	Distribution System (acq'd post Feb 22/05)	B8	$ 26,693,285	5,648,148					36,000		$ 32,305,433		
50	General Purpose Computer Hardware & Software (acq'd post Mar 18/07)	B8	$ 120,072	177,601							$ 297,673		
95	CWIP	B8	$ 5,121,000						1,314,000		$ 3,807,000		
	TOTALS		$ 53,384,872	$ 6,890,217	$ 920,391	$ -	$ -	$ -	$ 1,350,000	$ -	$ 58,925,089	$ 920,391	$ 920,391

(1) Class	(13) Cost of acquisitions on remainder of Class (column 3 minus column 4 plus column 11 minus column 12)	(14) Cost of acquisitions from column 13 that are accelerated investment incentive properties (AIIP) or properties included in Classes 54 to 56	(15) Remaining UCC (column 10 minus column 12) (if negative, enter "0")	(16) Proceeds of disposition available to reduce the UCC of AIIP and property included in Classes 54 to 56 (column 8 minus column 9 plus column 6 minus column 13 plus column 14 minus	(17) Net capital cost additions of AIIP and property included in Classes 54 to 56 acquired during the year (column 14 minus column 16) (if negative, enter "0")	Relevant factor (after 2023 no more 1.5 times, but half year rule still suspended)	(18) UCC adjustment for AIIP and property included in Classes 54 to 56 acquired during the year (column 17 multiplied by the relevant factor)	(19) UCC adjustment for property acquired during the year other than AIIP and property included in Classes 54 to 56 (0.5 multiplied by the result of column 13 minus column 14 minus	(20) CCA Rate %	(21) Recapture of CCA	(22) Terminal Loss	(23) CCA (for declining balance method, the result of column 15 plus column 18 minus column 19, multiplied by column 20, or a lower amount, plus column 12)		(24) UCC at the end of the year (column 10 minus column 23)
1	$ -	$ -	$ 19,557,413	$ -	$ -	0.50	$ -	$ -	4%			$ 782,297		$ 18,775,116
1b	$ 43,734	$ 43,734	$ 307,555	$ -	$ 43,734	0.50	$ 21,867	$ -	6%			$ 19,765		$ 287,789
8	$ 100,343	$ 100,343	$ 1,284,375	$ -	$ 100,343	0.50	$ 50,172	$ -	20%			$ 518,757		$ 1,017,465
10	$ -	$ -	$ 281,828	$ -	$ -	0.50	$ -	$ -	30%			$ 753,091		$ 197,279
14.1	$ -	$ -	$ 163,396	$ -	$ -	0.00	$ -	$ -	7%			$ 11,438		$ 151,959
45	$ -	$ -	$ 26	$ -	$ -	0.00	$ -	$ -	45%			$ 12		$ 14
47	$ 5,648,148	$ 5,648,148	$ 32,305,433	$ 36,000	$ 5,612,148	0.50	$ 2,806,074	$ -	8%			$ 2,808,921		$ 29,496,512
50	$ 177,601	$ 177,601	$ 297,673	$ -	$ 177,601	0.50	$ 88,801	$ -	55%			$ 212,561		$ 85,113
95	$ -	$ -	$ 3,807,000	$ 1,314,000	$ -	0.00	$ -	$ -	0%			$ -		$ 3,807,000
TOTALS	$ 5,969,826	$ 5,969,826	$ 58,004,698	$ 1,350,000	$ 5,933,826		$ 2,966,913	$ -		$ -	$ -	$ 5,106,841	T1	$ 53,818,248

Appendix 9-1-4 (E): 2022 Accelerated Capital Cost Allowance

(1) Class	Class Description	Working Paper Reference	(2) Undepreciated capital cost (UCC) at the beginning of the test year	(3) Cost of acquisitions during the year (new property must be available for use, except CWIP)	(4) Cost of acquisitions from column 3 that are designated immediate expensing property (DIEP)	(5) Adjustments and transfers (enter amounts that will reduce the UCC as negatives)	(6) Amount from column 5 that is assistance received or receivable during the year for a property, subsequent to its disposition	(7) Amount from column 5 that is repaid during the year for a property, subsequent to its disposition	(8) Proceeds of dispositions	(9) Proceeds of dispositions of the DIEP (enter amount from column 8 that relates to the DIEP reported in column 4)	(10) UCC (column 2 plus column 3 plus or minus column 5 minus column 8)	(11) UCC of the DIEP (enter the UCC amount that relates to the DIEP reported in column 4)	(12) Immediate expensing	(13) Cost of acquisitions on remainder of Class (column 3 minus column 4 plus column 11 minus column 12)	(14) Cost of acquisitions from column 13 that are accelerated investment incentive properties (AIIP) or properties included in Classes 54 to 56	(15) Remaining UCC (column 10 minus column 12) (if negative, enter "0")	(16) Proceeds of disposition available to reduce the UCC of AIIP and property included in Classes 54 to 56 (column 8 minus column 9 plus column 6 minus column 13 plus column 14 minus	(17) Net capital cost additions of AIIP and property included in Classes 54 to 56 acquired during the year (column 14 minus column 16) (if negative, enter "0")	Relevant factor (after 2023 no more 1.5 times, but half year rule still suspended)	(18) UCC adjustment for AIIP and property included in Classes 54 to 56 acquired during the year (column 17 multiplied by the relevant factor)	(19) UCC adjustment for property acquired during the year other than AIIP and property included in Classes 54 to 56 (0.5 multiplied by the result of column 13 minus column 14 minus	(20) CCA Rate %	(21) Recapture of CCA	(22) Terminal Loss	(23) CCA (for declining balance method, the result of column 15 plus column 18 minus column 19, multiplied by column 20, or a lower amount, plus column 12)		(24) UCC at the end of the year (column 10 minus column 23)
1	Buildings, Distribution System (acq'd post 1987)	B8	$ 18,775,116								$ 18,775,116			$ -	$ -	$ 18,775,116	$ -	$ -	0.50	$ -	$ -	4%			$ 751,005		$ 18,024,112
1b	Non-Residential Buildings [Reg. 1100(1)(a.1) election]	B8	$ 287,789	143,855							$ 431,644			$ 143,855	$ 143,855	$ 431,644	$ -	$ 143,855	0.50	$ 71,928	$ -	6%			$ 30,214		$ 401,430
8	General Office Equipment, Furniture, Fixtures	B8	$ 1,017,465	351,079	351,079						$ 1,368,544	351,079	351,079	$ -	$ -	$ 1,017,465	$ -	$ -	0.50	$ -	$ -	20%			$ 554,572		$ 813,972
10	Motor Vehicles, Fleet	B8	$ 197,279	48,945	48,945						$ 246,224	48,945	48,945	$ -	$ -	$ 197,279	$ -	$ -	0.50	$ -	$ -	30%			$ 108,129		$ 138,096
14.1	Eligible Capital Property (acq'd pre Jan 1, 2017)	B8	$ 151,959								$ 151,959			$ -	$ -	$ 151,959	$ -	$ -	0.00	$ -	$ -	7%			$ 10,637		$ 141,321
45	Computers & System Software (acq'd post Mar 22/04 and pre Mar 19/07)	B8	$ 14								$ 14			$ -	$ -	$ 14	$ -	$ -	0.00	$ -	$ -	45%			$ 6		$ 8
47	Distribution System (acq'd post Feb 22/05)	B8	$ 29,496,512	3,426,314					134,000		$ 32,788,826			$ 3,426,314	$ 3,426,314	$ 32,788,826	$ 134,000	$ 3,292,314	0.50	$ 1,646,157	$ -	8%			$ 2,754,799		$ 30,034,027
50	General Purpose Computer Hardware & Software (acq'd post Mar 18/07)	B8	$ 85,113	405,768	405,768						$ 490,881	405,768	405,768	$ -	$ -	$ 85,113	$ -	$ -	0.50	$ -	$ -	55%			$ 452,580		$ 38,301
95	CWIP	B8	$ 3,807,000	2,201,000	2,201,000						$ 6,008,000	2,201,000		$ 2,201,000	$ 2,201,000	$ 6,008,000	$ -	$ 2,201,000	0.00	$ -	$ -	0%			$ -		$ 6,008,000
	TOTALS		**$ 53,818,248**	**$ 6,576,961**	**$ 3,006,792**	**$ -**	**$ -**	**$ -**	**$ 134,000**	**$ -**	**$ 60,261,209**	**$ 3,006,792**	**$ 805,792**	**$ 5,771,169**	**$ 5,771,169**	**$ 59,455,417**	**$ 134,000**	**$ 5,637,169**		**$ 1,718,085**	**$ -**		**$ -**	**$ -**	**$ 4,661,942**	T1	**$ 55,599,267**

Appendix 9-1-4 (F): 2023 Accelerated Capital Cost Allowance

(1) Class	Class Description	Working Paper Reference	(2) Undepreciated capital cost (UCC) at the beginning of the test year	(3) Cost of acquisitions during the year (new property must be available for use, except CWIP)	(4) Cost of acquisitions from column 3 that are designated immediate expensing property (DIEP)	(5) Adjustments and transfers (enter amounts that will reduce the UCC as negatives)	(6) Amount from column 5 that is assistance received or receivable during the year for a property, subsequent to its disposition	(7) Amount from column 5 that is repaid during the year for a property, subsequent to its disposition	(8) Proceeds of dispositions	(9) Proceeds of dispositions of the DIEP (enter amount from column 8 that relates to the DIEP reported in column 4)	(10) UCC (column 2 plus column 3 plus or minus column 5 minus column 8)	(11) UCC of the DIEP (enter the UCC amount that relates to the DIEP reported in column 4)	(12) Immediate expensing	(13) Cost of acquisitions on remainder of Class (column 3 minus column 4 plus column 11 minus column 12)	(14) Cost of acquisitions from column 13 that are accelerated investment incentive properties (AIIP) or properties included in Classes 54 to 56	(15) Remaining UCC (column 10 minus column 12) (if negative, enter "0")	(16) Proceeds of disposition available to reduce the UCC of AIIP and property included in Classes 54 to 56 (column 8 minus column 9 plus column 6 minus column 13 plus column 14 minus	(17) Net capital cost additions of AIIP and property included in Classes 54 to 56 acquired during the year (column 14 minus column 16) (if negative, enter "0")	Relevant factor (after 2023 no more 1.5 times, but half year rule still suspended)	(18) UCC adjustment for AIIP and property included in Classes 54 to 56 acquired during the year (column 17 multiplied by the relevant factor)	(19) UCC adjustment for property acquired during the year other than AIIP and property included in Classes 54 to 56 (0.5 multiplied by the result of column 13 minus column 14 minus	(20) CCA Rate %	(21) Recapture of CCA	(22) Terminal Loss	(23) CCA (for declining balance method, the result of column 15 plus column 18 minus column 19, multiplied by column 20, or a lower amount, plus column 12)		(24) UCC at the end of the year (column 10 minus column 23)
1	Buildings, Distribution System (acq'd post 1987)	B8	$ 18,024,112								$ 18,024,112			$ -	$ -	$ 18,024,112	$ -	$ -	0.50	$ -	$ -	4%			$ 720,964		$ 17,303,147
1b	Non-Residential Buildings [Reg. 1100(1)(a.1) election]	B8	$ 401,430	75,000							$ 476,430			$ 75,000	$ 75,000	$ 476,430	$ -	$ 75,000	0.50	$ 37,500	$ -	6%			$ 30,836		$ 445,594
8	General Office Equipment, Furniture, Fixtures	B8	$ 813,972	198,390							$ 1,012,362	0	0	$ 198,390	$ 198,390	$ 1,012,362	$ -	$ 198,390	0.50	$ 99,195	$ -	20%			$ 222,311		$ 790,051
10	Motor Vehicles, Fleet	B8	$ 138,096	475,690							$ 613,786	0	0	$ 475,690	$ 475,690	$ 613,786	$ -	$ 475,690	0.50	$ 237,845	$ -	30%			$ 255,489		$ 358,296
14.1	Eligible Capital Property (acq'd pre Jan 1, 2017)	B8	$ 141,321								$ 141,321			$ -	$ -	$ 141,321	$ -	$ -	0.00	$ -	$ -	7%			$ 9,893		$ 131,429
45	Computers & System Software (acq'd post Mar 22/04 and pre Mar 19/07)	B8	$ 8								$ 8			$ -	$ -	$ 8	$ -	$ -	0.00	$ -	$ -	45%			$ 4		$ 4
47	Distribution System (acq'd post Feb 22/05)	B8	$ 30,034,027	10,329,617							$ 40,363,644			$ 10,329,617	$ 10,329,617	$ 40,363,644	$ -	$ 10,329,617	0.50	$ 5,164,809	$ -	8%			$ 3,642,276		$ 36,721,368
50	General Purpose Computer Hardware & Software (acq'd post Mar 18/07)	B8	$ 38,301	405,900							$ 444,201	0	0	$ 405,900	$ 405,900	$ 444,201	$ -	$ 405,900	0.50	$ 202,950	$ -	55%			$ 355,933		$ 88,268
95	CWIP	B8	$ 6,008,000						6,008,000		$ -	0		$ -	$ -	$ -	$ 6,008,000	$ -	0.00	$ -	$ -	0%			$ -		$ -
	TOTALS		$ 55,599,267	$ 11,484,597	$ -	$ -	$ -	$ -	$ 6,008,000	$ -	$ 61,075,864	$ -	$ -	$ 11,484,597	$ 11,484,597	$ 61,075,864	$ 6,008,000	$ 11,484,597		$ 5,742,299	$ -		$ -	$ -	$ 5,237,706	T1	$ 55,838,158

Appendix 9-1-4 (G): 2024 Accelerated Capital Cost Allowance

(1) Class	Class Description	Working Paper Reference	(2) Undepreciated capital cost (UCC) at the beginning of the test year	(3) Cost of acquisitions during the year (new property must be available for use, except CWIP)	(4) Cost of acquisitions from column 3 that are designated immediate expensing property (DIEP)	(5) Adjustments and transfers (enter amounts that will reduce the UCC as negatives)	(6) Amount from column 5 that is assistance received or receivable during the year for a property, subsequent to its disposition	(7) Amount from column 5 that is repaid during the year for a property, subsequent to its disposition	(8) Proceeds of dispositions	(9) Proceeds of dispositions of the DIEP (enter amount from column 8 that relates to the DIEP reported in column 4)	(10) UCC (column 2 plus column 3 plus or minus column 5 minus column 8)	(11) UCC of the DIEP (enter the UCC amount that relates to the DIEP reported in column 4)	(12) Immediate expensing	(13) Cost of acquisitions on remainder of Class (column 3 minus column 4 plus column 11 minus column 12)	(14) Cost of acquisitions from column 13 that are accelerated investment incentive properties (AIIP) or properties included in Classes 54 to 56	(15) Remaining UCC (column 10 minus column 12) (if negative, enter "0")	(16) Proceeds of disposition available to reduce the UCC of AIIP and property included in Classes 54 to 56 (column 8 minus column 9 plus column 6 minus column 13 plus column 14 minus	(17) Net capital cost additions of AIIP and property included in Classes 54 to 56 acquired during the year (column 14 minus column 16) (if negative, enter "0")	Relevant factor (after 2023 no more 1.5 times, but half year rule still suspended)	(18) UCC adjustment for AIIP and property included in Classes 54 to 56 acquired during the year (column 17 multiplied by the relevant factor)	(19) UCC adjustment for property acquired during the year other than AIIP and property included in Classes 54 to 56 (0.5 multiplied by the result of column 13 minus column 14 minus	(20) CCA Rate %	(21) Recapture of CCA	(22) Terminal Loss	(23) CCA (for declining balance method, the result of column 15 plus column 18 minus column 19, multiplied by column 20, or a lower amount, plus column 12)		(24) UCC at the end of the year (column 10 minus column 23)
1	Buildings, Distribution System (acq'd post 1987)	B8	$ 17,303,147								$ 17,303,147			$ -	$ -	$ 17,303,147	$ -	$ -	0.00	$ -	$ -	4%			$ 692,126		$ 16,611,021
1b	Non-Residential Buildings [Reg. 1100(1)(a.1) election]	B8	$ 445,594	75,000							$ 520,594			$ 75,000	$ 75,000	$ 520,594	$ -	$ 75,000	0.00	$ -	$ -	6%			$ 31,236		$ 489,359
8	General Office Equipment, Furniture, Fixtures	B8	$ 790,051	117,688							$ 907,739	0	0	$ 117,688	$ 117,688	$ 907,739	$ -	$ 117,688	0.00	$ -	$ -	20%			$ 181,548		$ 726,191
10	Motor Vehicles, Fleet	B8	$ 358,296	470,000							$ 828,296	0	0	$ 470,000	$ 470,000	$ 828,296	$ -	$ 470,000	0.00	$ -	$ -	30%			$ 248,489		$ 579,807
14.1	Eligible Capital Property (acq'd pre Jan 1, 2017)	B8	$ 131,429								$ 131,429			$ -	$ -	$ 131,429	$ -	$ -	0.00	$ -	$ -	7%			$ 9,200		$ 122,229
45	Computers & System Software (acq'd post Mar 22/04 and pre Mar 19/07)	B8	$ 4								$ 4			$ -	$ -	$ 4	$ -	$ -	0.00	$ -	$ -	45%			$ 2		$ 2
47	Distribution System (acq'd post Feb 22/05)	B8	$ 36,721,368	8,098,009							$ 44,819,377			$ 8,098,009	$ 8,098,009	$ 44,819,377	$ -	$ 8,098,009	0.00	$ -	$ -	8%			$ 3,585,550		$ 41,233,827
50	General Purpose Computer Hardware & Software (acq'd post Mar 18/07)	B8	$ 88,268	359,303							$ 447,571	0	0	$ 359,303	$ 359,303	$ 447,571	$ -	$ 359,303	0.00	$ -	$ -	55%			$ 246,164		$ 201,407
95	CWIP	B8	$ -	6,423,739							$ 6,423,739	0		$ 6,423,739	$ 6,423,739	$ 6,423,739	$ -	$ 6,423,739	0.00	$ -	$ -	0%			$ -		$ 6,423,739
	TOTALS		**$ 55,838,158**	**$ 15,543,739**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 71,381,897**	**$ -**	**$ -**	**$ 15,543,739**	**$ 15,543,739**	**$ 71,381,897**	**$ -**	**$ 15,543,739**		**$ -**	**$ -**		**$ -**	**$ -**	**$ 4,994,314**	T1	**$ 66,387,583**