



Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2024 Filers



Version 1.10

Utility Name	InnPower Corporation
Service Territory	Innisfil and South Barrie
Assigned EB Number	EB-2023-0033
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Test Year	2024
Bridge Year	2023
Last Rebasing Year	2017

The RRWF has been enhanced commencing with 2017 rate applications to provide estimated base distribution rates. The enhanced RRWF is not intended to replace a utility's formal rate generator model which should continue to be the source of the proposed rates as well as the final ones at the conclusion of the proceeding. The load forecasting addition made to this model is intended to be demonstrative only and does not replace the information filed in the utility's application. In an effort to minimize the incremental work required from utilities, the cost allocation and rate design additions to this model do in fact replace former appendices that were required to be filed as part of the cost of service (Chapter 2) filing requirements.

For 2023 filers, the RRWF has been enhanced with an additional column, so that two stages of processing of an application (e.g. interrogatory responses and settlement agreement) between the initial application filing and the OEB decision and draft rate order ("Per Board Decision") can be used. Functionality of the RRWF is the same as in previous versions of the RRWF. (May 2022)

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While this model has been provided in Excel format and is required to be filed with the applications, the onus remains on the applicant to ensure the accuracy of the data and the results.



Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2024 Filers

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Notes:

- (1) Pale green cells represent inputs
- (2) Pale green boxes at the bottom of each page are for additional notes
- (3) Pale blue cells represent drop-down lists
- (4) ***Please note that this model uses MACROS. Before starting, please ensure that macros have been enabled.***
- (5) ***Completed versions of the Revenue Requirement Work Form are required to be filed in working Microsoft Excel format.***



Revenue Requirement Workform (RRWF) for 2024 Filers

Data Input Sheet ⁽¹⁾

	Initial Application ⁽²⁾	Adjustments	Interrogatory Responses ⁽⁶⁾	Adjustments	Settlement Agreement ⁽⁶⁾	Adjustments	Per Board Decision
1 Rate Base							
Gross Fixed Assets (average)	\$ 96,234,337	\$ -	\$ 96,234,337	(\$1,888,023)	\$ 94,346,314	\$ -	\$ 94,346,314
Accumulated Depreciation (average)	(\$22,456,566) ⁽⁵⁾	(\$157,149)	\$ (22,613,715)	(\$17,409)	\$ (22,631,124)	\$ -	\$ (22,631,124)
Allowance for Working Capital:							
Controllable Expenses	\$8,456,798	\$ -	\$ 8,456,798	(\$750,000)	\$ 7,706,798	\$ -	\$ 7,706,798
Cost of Power	\$31,662,671	\$650,983	\$ 32,313,654	\$1,443,129	\$ 33,756,783	\$1,325,405	\$ 35,082,188
Working Capital Rate (%)	7.50% ⁽⁹⁾	0.00%	7.50% ⁽⁹⁾	0.00%	7.50% ⁽⁹⁾	0.00%	7.50% ⁽⁹⁾
2 Utility Income							
Operating Revenues:							
Distribution Revenue at Current Rates	\$14,114,157	\$412,541	\$14,526,697	\$57,797	\$14,584,495	\$0	\$14,584,495
Distribution Revenue at Proposed Rates	\$14,421,850	\$500,309	\$14,922,159	(\$1,027,889)	\$13,894,270	(\$10,721)	\$13,883,549
Other Revenue:							
Specific Service Charges	\$258,228	\$0	\$258,228	\$0	\$258,228	\$0	\$258,228
Late Payment Charges	\$139,200	\$0	\$139,200	\$0	\$139,200	\$0	\$139,200
Other Distribution Revenue	\$94,086	\$0	\$94,086	\$681	\$94,766	\$0	\$94,766
Other Income and Deductions	\$3,445,970	(\$519,951)	\$2,926,019	\$149,407	\$3,075,426	\$0	\$3,075,426
Total Revenue Offsets	\$3,937,483 ⁽⁷⁾	(\$519,951)	\$3,417,532	\$150,088	\$3,567,620	\$0	\$3,567,620
Operating Expenses:							
OM+A Expenses	\$8,327,618	\$ -	\$ 8,327,618	(\$750,000)	\$7,577,618	\$ -	\$ 7,577,618
Depreciation/Amortization	\$5,027,633	\$2,066	\$ 5,029,700	\$67,177	\$5,096,877	\$ -	\$ 5,096,877
Property taxes	\$129,180	\$ -	\$ 129,180	\$ -	\$129,180	\$ -	\$ 129,180
Other expenses		\$ -					
3 Taxes/PILs							
Taxable Income:							
Adjustments required to arrive at taxable income	(\$2,172,511) ⁽³⁾	(\$85,193)	(\$2,257,704)	(\$32,546)	(\$2,290,251)	(\$0)	(\$2,290,251)
Utility Income Taxes and Rates:							
Income taxes (not grossed up)	\$186,132	(\$23,651)	\$162,481	(\$27,014)	\$135,467	(\$10,927)	\$124,540
Income taxes (grossed up)	\$253,241		\$221,062		\$184,309		\$169,442
Federal tax (%)	15.00%	0.00%	15.00%	0.00%	15.00%	0.00%	15.00%
Provincial tax (%)	11.50%	0.00%	11.50%	0.00%	11.50%	0.00%	11.50%
Income Tax Credits							
4 Capitalization/Cost of Capital							
Capital Structure:							
Long-term debt Capitalization Ratio (%)	56.0%	0.00%	56.0%	0.00%	56.0%	0.00%	56.0%
Short-term debt Capitalization Ratio (%)	4.0% ⁽⁸⁾	0.00%	4.0% ⁽⁸⁾	0.00%	4.0% ⁽⁸⁾	0.00%	4.0% ⁽⁸⁾
Common Equity Capitalization Ratio (%)	40.0%	0.00%	40.0%	0.00%	40.0%	0.00%	40.0%
Preferred Shares Capitalization Ratio (%)							
	100.0%		100.0%		100.0%		100.0%
Cost of Capital							
Long-term debt Cost Rate (%)	3.72%	0.04%	3.76%	(0.11%)	3.65%	0.00%	3.65%
Short-term debt Cost Rate (%)	4.79%	0.00%	4.79%	0.00%	4.79%	1.44%	6.23%
Common Equity Cost Rate (%)	9.36%	0.00%	9.36%	0.00%	9.36%	(0.15%)	9.21%
Preferred Shares Cost Rate (%)							

Notes:

- General** Data inputs are required on Sheets 3. Data from Sheet 3 will automatically complete calculations on sheets 4 through 9 (Rate Base through Revenue Requirement). Sheets 4 through 9 do not require any inputs except for notes that the Applicant may wish to enter to support the results. Pale green cells are available on sheets 4 through 9 to enter both footnotes beside key cells and the related text for the notes at the bottom of each sheet.
- (1) Some Applicants may have a unique rate as a result of a lead-lag study. The default rate for 2024 cost of service applications is 7.5%, per the letter issued by the Board on June 3, 2015.
 - (2) Data in column E is for Application as originally filed. For updated revenue requirement as a result of interrogatory responses, technical or settlement conferences, etc., use column M and Adjustments in column I
 - (3) Net of addbacks and deductions to arrive at taxable income.
 - (4) Average of Gross Fixed Assets at beginning and end of the Test Year
 - (5) Average of Accumulated Depreciation at the beginning and end of the Test Year. Enter as a negative amount.
 - (6) Select option from drop-down list by clicking on cell M12 or U12. This column allows for the application update reflecting the end of discovery or Argument-in-Chief. Also, the outcome of any Settlement Process can be reflected. Beginning for 2023, two intermediate stages can be shown (e.g., Interrogatory Responses and Settlement Agreement).
 - (7) Input total revenue offsets for deriving the base revenue requirement from the service revenue requirement
 - (8) **4.0%** unless an Applicant has proposed or been approved another amount.
 - (9) The default Working Capital Allowance factor is **7.5%** (of Cost of Power plus controllable expenses), per the letter issued by the Board on June 3, 2015. Alternatively, a WCA factor based on lead-lag study with supporting rationale could be provided.



Revenue Requirement Workform (RRWF) for 2024 Filers

Rate Base and Working Capital

Line No.	Rate Base Particulars	Initial Application	Adjustments	Interrogatory Responses	Adjustments	Settlement Agreement	Adjustments	Per Board Decision
1	Gross Fixed Assets (average) ⁽²⁾	\$96,234,337	\$ -	\$96,234,337	(\$1,888,023)	\$94,346,314	\$ -	\$94,346,314
2	Accumulated Depreciation (average) ⁽²⁾	(\$22,456,566)	(\$157,149)	(\$22,613,715)	(\$17,409)	(\$22,631,124)	\$ -	(\$22,631,124)
3	Net Fixed Assets (average) ⁽²⁾	\$73,777,771	(\$157,149)	\$73,620,622	(\$1,905,432)	\$71,715,190	\$ -	\$71,715,190
4	Allowance for Working Capital ⁽¹⁾	\$3,008,960	\$48,824	\$3,057,784	\$51,985	\$3,109,769	\$99,405	\$3,209,174
5	Total Rate Base	\$76,786,731	(\$108,325)	\$76,678,406	(\$1,853,447)	\$74,824,959	\$99,405	\$74,924,364

(1) Allowance for Working Capital - Derivation

6	Controllable Expenses	\$8,456,798	\$ -	\$8,456,798	(\$750,000)	\$7,706,798	\$ -	\$7,706,798
7	Cost of Power	\$31,662,671	\$650,983	\$32,313,654	\$1,443,129	\$33,756,783	\$1,325,405	\$35,082,188
8	Working Capital Base	\$40,119,469	\$650,983	\$40,770,452	\$693,129	\$41,463,581	\$1,325,405	\$42,788,986
9	Working Capital Rate % ⁽¹⁾	7.50%	0.00%	7.50%	0.00%	7.50%	0.00%	7.50%
10	Working Capital Allowance	\$3,008,960	\$48,824	\$3,057,784	\$51,985	\$3,109,769	\$99,405	\$3,209,174

Notes

- (1) Some Applicants may have a unique rate as a result of a lead-lag study. The default rate for 2023 cost of service applications is 7.5%, per the letter issued by the Board on June 3, 2015.
- (2) Average of opening and closing balances for the year.



Revenue Requirement Workform (RRWF) for 2024 Filers

Utility Income

Line No.	Particulars	Initial Application	Adjustments	Interrogatory Responses	Adjustments	Settlement Agreement	Adjustments	Per Board Decision
Operating Revenues:								
1	Distribution Revenue (at Proposed Rates)	\$14,421,850	\$500,309	\$14,922,159	(\$1,027,889)	\$13,894,270	(\$10,721)	\$13,883,549
2	Other Revenue ⁽¹⁾	\$3,937,483	(\$519,951)	\$3,417,532	\$150,088	\$3,567,620	\$ -	\$3,567,620
3	Total Operating Revenues	\$18,359,333	(\$19,642)	\$18,339,691	(\$877,801)	\$17,461,890	(\$10,721)	\$17,451,169
Operating Expenses:								
4	OM+A Expenses	\$8,327,618	\$ -	\$8,327,618	(\$750,000)	\$7,577,618	\$ -	\$7,577,618
5	Depreciation/Amortization	\$5,027,633	\$2,066	\$5,029,700	\$67,177	\$5,096,877	\$ -	\$5,096,877
6	Property taxes	\$129,180	\$ -	\$129,180	\$ -	\$129,180	\$ -	\$129,180
7	Capital taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8	Other expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9	Subtotal (lines 4 to 8)	\$13,484,432	\$2,066	\$13,486,498	(\$682,823)	\$12,803,675	\$ -	\$12,803,675
10	Deemed Interest Expense	\$1,746,766	\$14,525	\$1,761,292	(\$88,832)	\$1,672,460	\$45,378	\$1,717,838
11	Total Expenses (lines 9 to 10)	\$15,231,198	\$16,592	\$15,247,789	(\$771,654)	\$14,476,135	\$45,378	\$14,521,513
12	Utility income before income taxes	\$3,128,135	(\$36,233)	\$3,091,902	(\$106,147)	\$2,985,755	(\$56,099)	\$2,929,656
13	Income taxes (grossed-up)	\$253,241	(\$32,178)	\$221,062	(\$36,754)	\$184,309	(\$14,866)	\$169,442
14	Utility net income	\$2,874,895	(\$4,055)	\$2,870,839	(\$69,393)	\$2,801,446	(\$41,233)	\$2,760,213

Notes

Other Revenues / Revenue Offsets

(1)	Specific Service Charges	\$258,228	\$ -	\$258,228	\$ -	\$258,228	\$ -	\$258,228
	Late Payment Charges	\$139,200	\$ -	\$139,200	\$ -	\$139,200	\$ -	\$139,200
	Other Distribution Revenue	\$94,086	\$ -	\$94,086	\$681	\$94,766	\$ -	\$94,766
	Other Income and Deductions	\$3,445,970	(\$519,951)	\$2,926,019	\$149,407	\$3,075,426	\$ -	\$3,075,426
	Total Revenue Offsets	\$3,937,483	(\$519,951)	\$3,417,532	\$150,088	\$3,567,620	\$ -	\$3,567,620



Revenue Requirement Workform (RRWF) for 2024 Filers

Taxes/PILs

Line No.	Particulars	Application	Interrogatory Responses	Settlement Agreement	Per Board Decision
<u>Determination of Taxable Income</u>					
1	Utility net income before taxes	\$2,874,895	\$2,870,840	\$2,801,446	\$2,760,214
2	Adjustments required to arrive at taxable utility income	(\$2,172,511)	(\$2,257,704)	(\$2,290,251)	(\$2,290,251)
3	Taxable income	<u>\$702,384</u>	<u>\$613,135</u>	<u>\$511,196</u>	<u>\$469,963</u>
<u>Calculation of Utility income Taxes</u>					
4	Income taxes	\$186,132	\$162,481	\$135,467	\$124,540
6	Total taxes	<u>\$186,132</u>	<u>\$162,481</u>	<u>\$135,467</u>	<u>\$124,540</u>
7	Gross-up of Income Taxes	\$67,109	\$58,582	\$48,842	\$44,902
8	Grossed-up Income Taxes	<u>\$253,241</u>	<u>\$221,062</u>	<u>\$184,309</u>	<u>\$169,442</u>
9	PILs / tax Allowance (Grossed-up Income taxes + Capital taxes)	<u>\$253,241</u>	<u>\$221,062</u>	<u>\$184,309</u>	<u>\$169,442</u>
10	Other tax Credits	\$ -	\$ -	\$ -	\$ -
<u>Tax Rates</u>					
11	Federal tax (%)	15.00%	15.00%	15.00%	15.00%
12	Provincial tax (%)	11.50%	11.50%	11.50%	11.50%
13	Total tax rate (%)	<u>26.50%</u>	<u>26.50%</u>	<u>26.50%</u>	<u>26.50%</u>

Notes



Revenue Requirement Workform (RRWF) for 2024 Filers

Capitalization/Cost of Capital

Line No.	Particulars	Capitalization Ratio		Cost Rate	Return
Initial Application					
		(%)	(\$)	(%)	(\$)
	Debt				
1	Long-term Debt	56.00%	\$43,000,570	3.72%	\$1,599,643
2	Short-term Debt	4.00%	\$3,071,469	4.79%	\$147,123
3	Total Debt	60.00%	\$46,072,039	3.79%	\$1,746,766
	Equity				
4	Common Equity	40.00%	\$30,714,693	9.36%	\$2,874,895
5	Preferred Shares	0.00%	\$ -	0.00%	\$ -
6	Total Equity	40.00%	\$30,714,693	9.36%	\$2,874,895
7	Total	100.00%	\$76,786,731	6.02%	\$4,621,661
Interrogatory Responses					
		(%)	(\$)	(%)	(\$)
	Debt				
1	Long-term Debt	56.00%	\$42,939,907	3.76%	\$1,614,376
2	Short-term Debt	4.00%	\$3,067,136	4.79%	\$146,916
3	Total Debt	60.00%	\$46,007,044	3.83%	\$1,761,292
	Equity				
4	Common Equity	40.00%	\$30,671,362	9.36%	\$2,870,840
5	Preferred Shares	0.00%	\$ -	0.00%	\$ -
6	Total Equity	40.00%	\$30,671,362	9.36%	\$2,870,840
7	Total	100.00%	\$76,678,406	6.04%	\$4,632,131
Settlement Agreement					
		(%)	(\$)	(%)	(\$)
	Debt				
8	Long-term Debt	56.00%	\$41,901,977	3.65%	\$1,529,095
9	Short-term Debt	4.00%	\$2,992,998	4.79%	\$143,365
10	Total Debt	60.00%	\$44,894,975	3.73%	\$1,672,460
	Equity				
11	Common Equity	40.00%	\$29,929,983	9.36%	\$2,801,446
12	Preferred Shares	0.00%	\$ -	0.00%	\$ -
13	Total Equity	40.00%	\$29,929,983	9.36%	\$2,801,446
14	Total	100.00%	\$74,824,959	5.98%	\$4,473,906
Per Board Decision					
		(%)	(\$)	(%)	(\$)
	Debt				
8	Long-term Debt	56.00%	\$41,957,644	3.65%	\$1,531,127
9	Short-term Debt	4.00%	\$2,996,975	6.23%	\$186,712
10	Total Debt	60.00%	\$44,954,618	3.82%	\$1,717,838
	Equity				
11	Common Equity	40.00%	\$29,969,746	9.21%	\$2,760,214
12	Preferred Shares	0.00%	\$ -	0.00%	\$ -
13	Total Equity	40.00%	\$29,969,746	9.21%	\$2,760,214
14	Total	100.00%	\$74,924,364	5.98%	\$4,478,052

Notes

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Revenue Requirement Workform (RRWF) for 2024 Filers

Revenue Deficiency/Sufficiency

Line No.	Particulars	Initial Application		Interrogatory Responses		Settlement Agreement		Per Board Decision	
		At Current Approved Rates	At Proposed Rates	At Current Approved Rates	At Proposed Rates	At Current Approved Rates	At Proposed Rates	At Current Approved Rates	At Proposed Rates
1	Revenue Deficiency from Below		\$307,694		\$395,462		(\$690,225)		(\$700,946)
2	Distribution Revenue	\$14,114,157	\$14,114,156	\$14,526,697	\$14,526,697	\$14,584,495	\$14,584,494	\$14,584,495	\$14,584,494
3	Other Operating Revenue	\$3,937,483	\$3,937,483	\$3,417,532	\$3,417,532	\$3,567,620	\$3,567,620	\$3,567,620	\$3,567,620
4	Offsets - net								
4	Total Revenue	\$18,051,640	\$18,359,333	\$17,944,229	\$18,339,691	\$18,152,115	\$17,461,890	\$18,152,115	\$17,451,169
5	Operating Expenses	\$13,484,432	\$13,484,432	\$13,486,498	\$13,486,498	\$12,803,675	\$12,803,675	\$12,803,675	\$12,803,675
6	Deemed Interest Expense	\$1,746,766	\$1,746,766	\$1,761,292	\$1,761,292	\$1,672,460	\$1,672,460	\$1,717,838	\$1,717,838
8	Total Cost and Expenses	\$15,231,198	\$15,231,198	\$15,247,789	\$15,247,789	\$14,476,135	\$14,476,135	\$14,521,513	\$14,521,513
9	Utility Income Before Income Taxes	\$2,820,442	\$3,128,135	\$2,696,440	\$3,091,902	\$3,675,980	\$2,985,755	\$3,630,602	\$2,929,656
10	Tax Adjustments to Accounting Income per 2013 PILs model	(\$2,172,511)	(\$2,172,511)	(\$2,257,704)	(\$2,257,704)	(\$2,290,251)	(\$2,290,251)	(\$2,290,251)	(\$2,290,251)
11	Taxable Income	\$647,931	\$955,624	\$438,736	\$834,198	\$1,385,729	\$695,504	\$1,340,351	\$639,405
12	Income Tax Rate	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%
13	Income Tax on Taxable Income	\$171,702	\$253,240	\$116,265	\$221,062	\$367,218	\$184,309	\$355,193	\$169,442
14	Income Tax Credits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
15	Utility Net Income	\$2,648,740	\$2,874,895	\$2,580,175	\$2,870,839	\$3,308,762	\$2,801,446	\$3,275,409	\$2,760,213
16	Utility Rate Base	\$76,786,731	\$76,786,731	\$76,678,406	\$76,678,406	\$74,824,959	\$74,824,959	\$74,924,364	\$74,924,364
17	Deemed Equity Portion of Rate Base	\$30,714,693	\$30,714,693	\$30,671,362	\$30,671,362	\$29,929,983	\$29,929,983	\$29,969,746	\$29,969,746
18	Income/(Equity Portion of Rate Base)	8.62%	9.36%	8.41%	9.36%	11.06%	9.36%	10.93%	9.21%
19	Target Return - Equity on Rate Base	9.36%	9.36%	9.36%	9.36%	9.36%	9.36%	9.21%	9.21%
20	Deficiency/Sufficiency in Return on Equity	-0.74%	0.00%	-0.95%	0.00%	1.70%	0.00%	1.72%	0.00%
21	Indicated Rate of Return	5.72%	6.02%	5.66%	6.04%	6.66%	5.98%	6.66%	5.98%
22	Requested Rate of Return on Rate Base	6.02%	6.02%	6.04%	6.04%	5.98%	5.98%	5.98%	5.98%
23	Deficiency/Sufficiency in Rate of Return	-0.29%	0.00%	-0.38%	0.00%	0.68%	0.00%	0.69%	0.00%
24	Target Return on Equity	\$2,874,895	\$2,874,895	\$2,870,840	\$2,870,840	\$2,801,446	\$2,801,446	\$2,760,214	\$2,760,214
25	Revenue Deficiency/(Sufficiency)	\$226,155	(\$0)	\$290,665	(\$0)	(\$507,315)	(\$0)	(\$515,195)	(\$0)
26	Gross Revenue Deficiency/(Sufficiency)	\$307,694 ⁽¹⁾		\$395,462 ⁽¹⁾		(\$690,225) ⁽¹⁾		(\$700,946) ⁽¹⁾	

Notes:

⁽¹⁾ Revenue Deficiency/Sufficiency divided by (1 - Tax Rate)



Revenue Requirement Workform (RRWF) for 2024 Filers

Revenue Requirement

Line No.	Particulars	Application	Interrogatory Responses	Settlement Agreement	Per Board Decision
1	OM&A Expenses	\$8,327,618	\$8,327,618	\$7,577,618	\$7,577,618
2	Amortization/Depreciation	\$5,027,633	\$5,029,700	\$5,096,877	\$5,096,877
3	Property Taxes	\$129,180	\$129,180	\$129,180	\$129,180
5	Income Taxes (Grossed up)	\$253,241	\$221,062	\$184,309	\$169,442
6	Other Expenses	\$ -			
7	Return				
	Deemed Interest Expense	\$1,746,766	\$1,761,292	\$1,672,460	\$1,717,838
	Return on Deemed Equity	\$2,874,895	\$2,870,840	\$2,801,446	\$2,760,214
8	Service Revenue Requirement (before Revenues)	<u>\$18,359,333</u>	<u>\$18,339,691</u>	<u>\$17,461,890</u>	<u>\$17,451,169</u>
9	Revenue Offsets	\$3,937,483	\$3,417,532	\$3,567,620	\$3,567,620
10	Base Revenue Requirement (excluding Transformer Ownership Allowance credit adjustment)	<u>\$14,421,850</u>	<u>\$14,922,159</u>	<u>\$13,894,270</u>	<u>\$13,883,549</u>
11	Distribution revenue	\$14,421,850	\$14,922,159	\$13,894,270	\$13,883,549
12	Other revenue	\$3,937,483	\$3,417,532	\$3,567,620	\$3,567,620
13	Total revenue	<u>\$18,359,333</u>	<u>\$18,339,691</u>	<u>\$17,461,890</u>	<u>\$17,451,169</u>
14	Difference (Total Revenue Less Distribution Revenue Requirement before Revenues)	<u>(\$0)</u> (1)	<u>(\$0)</u> (1)	<u>(\$0)</u> (1)	<u>(\$0)</u> (1)

Summary Table of Revenue Requirement and Revenue Deficiency/Sufficiency

	Application	Interrogatory Responses	Δ% (2)	Settlement Agreement	Δ% (2)	Per Board Decision	Δ% (2)
Service Revenue Requirement	\$18,359,333	\$18,339,691	###	\$17,461,890	(4.89%)	\$17,451,169	(4.95%)
Grossed-Up Revenue Deficiency/(Sufficiency)	\$307,694	\$395,462	###	(\$690,225)	#####	(\$700,946)	(327.81%)
Base Revenue Requirement (to be recovered from Distribution Rates)	\$14,421,850	\$14,922,159	###	\$13,894,270	(3.66%)	\$13,883,549	(3.73%)
Revenue Deficiency/(Sufficiency) Associated with Base Revenue Requirement	\$307,693	\$395,462	###	(\$690,225)	#####	(\$700,946)	(327.81%)

Notes

(1) Line 11 - Line 8

(2) Percentage Change Relative to Initial Application

Revenue Requirement Workform (RRWF) for 2024 Filers

Load Forecast Summary

This spreadsheet provides a summary of the customer and load forecast on which the test year revenue requirement is derived. The amounts serve as the denominators for deriving the rates to recover the test year revenue requirement for purposes of this RRWF.

The information to be input is inclusive of any adjustments to kWh and kW to reflect the impacts of CDM programs up to and including CDM programs planned to be executed in the test year. i.e., the load forecast adjustments determined in **Appendix 2-I** should be incorporated into the entries. The inputs should correspond with the summary of the Load Forecast for the Test Year in **Appendix 2-IB** and in Exhibit 3 of the application.

Appendix 2-IB is still required to be filled out, as it also provides a year-over-year variance analysis of demand growth and trends from historical actuals to the Bridge and Test Year forecasts.

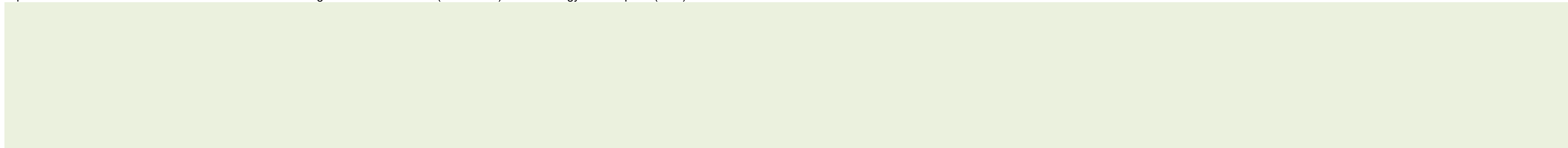
Stage in Process:

Per Board Decision

	Customer Class Input the name of each customer class.	Initial Application			Interrogatory Responses			Settlement Agreement			Per Board Decision		
		Customer / Connections Test Year average or mid-year	kWh Annual	kW/kVA ⁽¹⁾ Annual	Customer / Connections Test Year average or mid-year	kWh Annual	kW/kVA ⁽¹⁾ Annual	Customer / Connections Test Year average or mid-year	kWh Annual	kW/kVA ⁽¹⁾ Annual	Customer / Connections Test Year average or mid-year	kWh Annual	kW/kVA ⁽¹⁾ Annual
1	Residential	19,957	190,211,161		20,636	195,560,391		20,736	196,515,750	-	20,736	196,515,750	-
2	GS<50 kW	1,324	45,901,003		1,314	43,470,009		1,314	43,471,713	-	1,314	43,471,713	-
3	GS 50 to 4999 kW	80	56,653,142	152,108	87	59,687,033	156,827	87	59,688,867	156,832	87	59,688,867	156,832
4	Sentinel Lighting	147	95,254	263	149	96,591	267	149	96,591	267	149	96,591	267
5	Street Lighting	4,334	869,952	2,623	4,460	895,336	2,674	4,460	895,336	2,674	4,460	895,336	2,674
6	Unmetered Scattered Load	71	441,081		75	466,609		75	466,609	-	75	466,609	-
7	Embedded Distributor	1	935,589	2,355	1	935,589	2,361	1	935,589	2,361	1	935,589	2,361
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	Total		295,107,182	157,348		301,111,558	162,129		302,070,456	162,134			

Notes:

⁽¹⁾ Input kW or kVA for those customer classes for which billing is based on demand (kW or kVA) versus energy consumption (kWh)





Revenue Requirement Workform (RRWF) for 2024 Filers

Cost Allocation and Rate Design

This spreadsheet replaces **Appendix 2-P** and provides a summary of the results from the Cost Allocation spreadsheet, and is used in the determination of the class revenue requirement and, hence, ultimately, the determination of rates from customers in all classes to recover the revenue requirement.

Stage in Application Process: *Per Board Decision*

A) Allocated Costs

Name of Customer Class ⁽³⁾	Costs Allocated from Previous Study ⁽¹⁾	%	Allocated Class Revenue Requirement ⁽¹⁾ (7A)	%
<i>From Sheet 10. Load Forecast</i>				
1 Residential	\$ 8,064,053	79.54%	\$ 13,882,849	79.55%
2 GS<50 kW	\$ 835,151	8.24%	\$ 1,686,393	9.66%
3 GS 50 to 4999 kW	\$ 958,338	9.45%	\$ 1,584,432	9.08%
4 Sentinel Lighting	\$ 43,848	0.43%	\$ 30,632	0.18%
5 Street Lighting	\$ 194,479	1.92%	\$ 232,404	1.33%
6 Unmetered Scattered Load	\$ 21,269	0.21%	\$ 21,083	0.12%
7 Embedded Distributor	\$ 21,270	0.21%	\$ 13,376	0.08%
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Total	\$ 10,138,408	100.00%	\$ 17,451,169	100.00%
does not match Base Revenue	Service Revenue Requirement (from Sheet 9)		\$ 18,339,691.25	

- (1) Class Allocated Revenue Requirement, from Sheet O-1, Revenue to Cost || RR, row 40, from the Cost Allocation Study in this application. This excludes costs in deferral and variance accounts. For Embedded Distributors, Account 4750 - Low Voltage (LV) Costs are also excluded.
- (2) Host Distributors - Provide information on any embedded distributor(s) as a separate class, if applicable. If embedded distributors are billed in a General Service class, include the allocated costs and revenues of the embedded distributor(s) in the applicable class, and also complete Appendix 2-Q.
- (3) Customer Classes - If these differ from those in place in the previous cost allocation study, modify the customer classes to match the proposal in the current application as closely as possible.

B) Calculated Class Revenues

Name of Customer Class	Load Forecast (LF) X current approved rates (7B)	LF X current approved rates X (1+d) (7C)	LF X Proposed Rates (7D)	Miscellaneous Revenues (7E)
1 Residential	\$ 10,963,786	\$ 11,400,813	\$ 11,400,476	\$ 2,919,063
2 GS<50 kW	\$ 1,357,491	\$ 1,157,597	\$ 1,157,610	\$ 328,902
3 GS 50 to 4999 kW	\$ 1,345,621	\$ 929,455	\$ 1,050,041	\$ 238,811
4 Sentinel Lighting	\$ 23,468	\$ 43,175	\$ 29,594	\$ 7,164
5 Street Lighting	\$ 165,379	\$ 315,996	\$ 211,849	\$ 67,025
6 Unmetered Scattered Load	\$ 16,287	\$ 23,037	\$ 20,503	\$ 4,796
7 Embedded Distributor	\$ 11,516	\$ 13,476	\$ 13,475	\$ 1,860
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20				
Total	\$ 13,883,549	\$ 13,883,549	\$ 13,883,549	\$ 3,567,620

- (4) In columns 7B to 7D, LF means Load Forecast of Annual Billing Quantities (i.e., customers or connections, as applicable X 12 months, and kWh, kW or kVA as applicable. Revenue quantities should be net of the Transformer Ownership Allowance for applicable customer classes. Exclude revenues from rate adders and rate riders.
- (5) Columns 7C and 7D - Column Total should equal the Base Revenue Requirement for each.
- (6) Column 7C - The OEB-issued cost allocation model calculates "1+d" on worksheet O-1, cell C22. "d" is defined as Revenue Deficiency/Revenue at Current Rates.
- (7) Column 7E - If using the OEB-issued cost allocation model, enter Miscellaneous Revenues as it appears on worksheet O-1, row 19,

C) Rebalancing Revenue-to-Cost Ratios

Name of Customer Class	Previously Approved Ratios	Status Quo Ratios	Proposed Ratios	Policy Range
	Most Recent Year:	(7C + 7E) / (7A)	(7D + 7E) / (7A)	
	%	%	%	%
1 Residential	99.44	103.15%	103.15%	85 - 115
2 GS<50 kW	103.54	88.15%	88.15%	
3 GS 50 to 4999 kW	98.41	73.73%	81.34%	
4 Sentinel Lighting	102.71	164.33%	120.00%	
5 Street Lighting	120.00	164.81%	120.00%	
6 Unmetered Scattered Load	98.41	132.02%	120.00%	
7 Embedded Distributor	99.41	114.66%	114.65%	
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- (8) Previously Approved Revenue-to-Cost (R/C) Ratios - For most applicants, the most recent year would be the third year (at the latest) of the Price Cap IR period. For example, if the applicant rebased in 2019 with further adjustments to move within the range over two years, the most recent year would be 2022. However, the ratios in 2022 would be equal to those after the adjustment in 2021.
- (9) Status Quo Ratios - The OEB-issued cost allocation model provides the Status Quo Ratios on Worksheet O-1. The Status Quo means "Before Rebalancing".
- (10) Ratios shown in red are outside of the allowed range. Applies to both Tables C and D.

(D) Proposed Revenue-to-Cost Ratios ⁽¹¹⁾

Name of Customer Class	Test Year	Proposed Revenue-to-Cost Ratio		Policy Range
		1	2	
1 Residential	103.15%	103.15%	103.15%	85 - 115
2 GS<50 kW	88.15%	88.15%	88.15%	
3 GS 50 to 4999 kW	81.34%	81.34%	81.34%	
4 Sentinel Lighting	120.00%	120.00%	120.00%	
5 Street Lighting	120.00%	120.00%	120.00%	
6 Unmetered Scattered Load	120.00%	120.00%	120.00%	
7 Embedded Distributor	114.65%	114.65%	114.65%	
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(11) The applicant should complete Table D if it is applying for approval of a revenue-to-cost ratio in 2024 that is outside of the OEB's policy range for any customer class. Table D will show that the distributor is likely to enter into the 2025 and 2026 Price Cap IR models, as necessary. For 2025 and 2026, enter the planned revenue-to-cost ratios that will be "Change" or "No Change" in 2025 (in the current Revenue/Cost Ratio Adjustment Workform, Worksheet C1.1 'Decision - Cost Revenue Adjustment, column d), and enter TBD for class(es) that will be entered as 'Rebalance'.

Revenue Requirement Workform (RRWF) for 2024 Filers

Rate Design and Revenue Reconciliation

This sheet replaces Appendix 2-V, and provides a simplified model for calculating the standard monthly and volumetric rates based on the allocated class revenues and fixed/variable split resulting from the cost allocation study and rate design and as proposed by the applicant. However, the RRWF does not replace the rate generator model that an applicant distributor may use in support of its application. The RRWF provides a demonstrative check on the derivation of the revenue requirement and on the proposed base distribution rates to recover the revenue requirement, based on summary information from a more detailed rate generator model and other models that applicants use for cost allocation, load forecasting, taxes/PILs, etc.

Stage in Process:		Per Board Decision			Class Allocated Revenues			Fixed / Variable Splits ^{2,3}			Distribution Rates				Revenue Reconciliation		
Customer and Load Forecast					From Sheet 11. Cost Allocation and Sheet 12. Residential Rate Design			Percentage to be entered as a fraction between 0 and 1		Transformer Ownership Allowance ¹ (\$)	Monthly Service Charge ²		Volumetric Rate ³		MSC Revenues	Volumetric revenues	Revenues less Transformer Ownership Allowance
Customer Class	Volumetric Charge Determinant	Customers / Connections	kWh	kW or kVA	Total Class Revenue Requirement	Monthly Service Charge	Volumetric	Fixed	Variable		Rate	No. of decimals	Rate	No. of decimals			
From sheet 10. Load Forecast																	
1	Residential	kWh	20,736	196,515,750	\$ 11,400,476	\$ 11,400,476	\$ -	100.00%	0.00%			\$0.0000 /kWh	4	\$11,401,603.35	\$ -	\$11,401,603.35	
2	GS<50 kW	kWh	1,314	43,471,713	\$ 1,157,610	\$ 729,158	\$ 428,453	62.99%	37.01%			\$0.0099 /kWh		\$ 729,157.74	\$ 430,369.9604	\$ 1,159,527.70	
3	GS 50 to 4999 kW	kW	87	59,688,867	\$ 1,050,041	\$ 247,180	\$ 802,861	23.54%	76.46%	\$ 22,494		\$5.2627 /kW		\$ 247,179.98	\$ 825,358.6479	\$ 1,050,044.39	
4	Sentinel Lighting	kW	149	96,591	\$ 29,594	\$ 17,609	\$ 11,985	59.50%	40.50%			\$44.8511 /kW		\$ 17,609.16	\$ 11,985.3857	\$ 29,594.55	
5	Street Lighting	kW	4,460	895,336	\$ 211,849	\$ 157,464	\$ 54,385	74.33%	25.67%			\$20.3398 /kW		\$ 157,352.87	\$ 54,384.9284	\$ 211,737.80	
6	Unmetered Scattered Load	kWh	75	466,609	\$ 20,503	\$ 10,976	\$ 9,528	53.53%	46.47%			\$0.0204 /kWh		\$ 10,972.52	\$ 9,518.8306	\$ 20,491.35	
7	Embedded Distributor	kW	1	935,589	\$ 13,475	\$ 2,702	\$ 10,774	20.05%	79.95%			\$4.5625 /kW		\$ 2,701.68	\$ 10,773.6986	\$ 13,475.38	
8														\$ -	\$ -	\$ -	
9														\$ -	\$ -	\$ -	
10														\$ -	\$ -	\$ -	
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19														\$ -	\$ -	\$ -	
20														\$ -	\$ -	\$ -	
Total Transformer Ownership Allowance										\$ 22,494							
Rates recover revenue requirement																	
Total Distribution Revenues															\$ 13,886,474.52		
Base Revenue Requirement															\$ 13,894,269.90		
Difference															-\$ 7,795.38		
% Difference															-0.056%		

Notes:

- Transformer Ownership Allowance is entered as a positive amount, and only for those classes to which it applies.
- The Fixed/Variable split, for each customer class, drives the "rate generator" portion of this sheet of the RRWF. Only the "fixed" fraction is entered, as the sum of the "fixed" and "variable" portions must sum to 100%. For a distributor that may set the Monthly Service Charge, the "fixed" ratio is calculated as: [MSC x (average number of customers or connections) x 12 months] / (Class Allocated Revenue Requirement).
- The Volumetric rate is calculated as [(allocated volumetric revenue requirement for the class + transformer allowance credit for the class)/(annual estimate of the charge determinant for the test year (either kW or kVA for demand-billed customer classes, or kWh for non-demand-billed classes))]

