

BY EMAIL AND RESS

March 14, 2024

Ms. Nancy Marconi
Registrar
Ontario Energy Board
Suite 2700, 2300 Yonge Street
P.O. Box 2319
Toronto, ON M4P 1E4

Dear Ms. Marconi,

EB-2023-0031 – Hydro One Remote Communities Inc. – Draft Decision and Rate Order Comments

In accordance with the OEB letter received March 8, 2024, Hydro One Remote Communities (Hydro One Remotes) has reviewed the draft of the OEB's decision and rate order.

Based on its review, Hydro One Remotes proposes the following changes to the draft decision and rate order.

Draft Decision and Rate Order Section	Summary of Proposed Changes
2 – Context and Process (p.2)	<ul style="list-style-type: none">Update customers served from approximately 5,200 to 4,900 to reflect year-to-date actualsUpdates to the description of Hydro One Remotes' operating model
4 – Annual Adjustment Mechanism (p.5)	<ul style="list-style-type: none">Correction to the description of the Price Cap IR Adjustment Formula (i.e., Productivity factor = 0.00%)
4 – Annual Adjustment Mechanism (p.6)	<ul style="list-style-type: none">Additional language included from EB-2021-0034 Decision and Rate Order, issued March 24, 2022, p. 5
7 – Order (p.10)	<ul style="list-style-type: none">Additional language added to clarify the RRRP approved amounts in Table 5.1.

A blackline version, highlighting the proposed changes to the draft decision and order, is attached to this letter. Hydro One Remotes confirms that it has no concerns with the Tariff of Rates and Charges included in Schedule A of the draft decision and rate order.

An electronic copy of this document has been submitted using the Board's Regulatory Electronic Submission System.

Sincerely,



Elise Andrey



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

DECISION AND RATE ORDER

EB-2023-0031

HYDRO ONE REMOTE COMMUNITIES INC.

Application for rates and other charges to be effective May
1, 2024

BY DELEGATION, BEFORE:

James Sidlofsky
Senior Legal Counsel
Legal Services & Strategic Policy

Month XX, 2024

1. OVERVIEW

The Ontario Energy Board is approving changes to the rates that Hydro One Remote Communities Inc. (Hydro One Remotes) charges to distribute electricity to its customers, effective May 1, 2024.

As a result of this Decision, there will be a monthly total bill increase of \$4.91 for a residential customer consuming 750 kWh. This change does not factor in applicable taxes or the Ontario Electricity Rebate.

2. CONTEXT AND PROCESS

Hydro One Remotes filed its application on November 1, 2023 under section 78 of the *Ontario Energy Board Act, 1998* and in accordance with Chapter 3 of the OEB's [Filing Requirements for Incentive Rate-Setting Applications](#) (Filing Requirements). The application was based on the Price Cap Incentive Rate-setting (Price Cap IR) option, with a four-year term.¹

The Price Cap IR option is one of three incentive rate-setting mechanisms (IRM) approved by the OEB.² It involves the setting of rates through a cost of service application in the first year and mechanistic price cap adjustments which may be approved through IRM applications in each of the ensuing adjustment years.

The OEB follows a standardized and streamlined process for processing IRM applications filed under Price Cap IR. In each adjustment year of a Price Cap IR term, the OEB prepares a Rate Generator Model that includes, as a placeholder, information from the distributor's past proceedings and annual reporting requirements. A distributor will then review, complete, and include the model with its application, and may update the model during the proceeding to make any necessary corrections or to incorporate new rate-setting parameters as they become available. The Rate Generator Model prepared by the OEB for distributors filing IRM applications does not accommodate Hydro One Remotes' unique circumstances. Hydro One Remotes has therefore used its own model, using its 2023-approved rates as the basis for calculating 2024 rates.

Hydro One Remotes serves approximately 4,900 residential and commercial electricity customers in 17 geographically isolated communities and 7 transmission grid connected communities in Northern Ontario.

Hydro One Remotes is exempt from the OEB's *Retail Settlement Code* (RSC) pursuant to Schedule 3 of its distribution licence³, and is therefore not obligated to engage in financial settlements between retailers and consumers as required by the RSC. Under its current operating model, Hydro One Remotes operates on a full cost recovery or net income neutral basis. Most of Hydro One Remotes' customers pay rates that are funded by the RRRP and are set well below the cost to serve. These rates are subsidized by government funded (Standard A) customers, capital contributions from Indigenous Services Canada (ISC) and through the RRRP.⁴

¹ EB-2022-0041, Decision and Rate Order for Hydro One Remotes' rebasing application.

² Each of these options is explained in the OEB's [Handbook for Utility Rate Applications](#).

³ ED-2003-0037, Electricity Distribution Licence

⁴ Application Evidence, Exhibit A, Tab 4, Schedule 1, EB-2023-0031

As a result of this unique structure, many of the standard issues that apply to other distributors do not apply in this case.

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

DRAFT

3. DECISION OUTLINE

Each of the following issues is addressed in this Decision, together with the OEB's findings.

- Annual Adjustment Mechanism
- Rural or Remote Electricity Rate Protection

Instructions for implementing Hydro One Remotes' new rates and charges are set out in the final section of this Decision.

This Decision does not address rates and charges approved by the OEB in prior proceedings, such as specific service charges⁵ and loss factors, which are out of the scope of an IRM proceeding and for which no further approvals are required to continue to include them on the distributor's Tariff of Rates and Charges.

⁵ Certain service charges are subject to annual inflationary adjustments to be determined by the OEB through a generic order. For example, the Decision and Order EB-2023-0193, issued September 26, 2023 established the adjustment for energy retailer service charges, effective January 1, 2024; and the Decision and Order EB-2023-0194, issued September 26, 2023, established the 2024 Wireline Pole Attachment Charge, effective January 1, 2024.

4. ANNUAL ADJUSTMENT MECHANISM

Hydro One Remotes has applied to change its rates, effective May 1, 2024, based on a mechanistic rate adjustment using the OEB-approved **inflation minus X-factor** formula applicable to IRM applications. The adjustment applies to distribution rates (fixed and variable) uniformly across all customer classes.⁶

The components of the Price Cap adjustment formula applicable to Hydro One Remotes are set out in the table below. Inserting these components into the formula results in a 4.80% increase to Hydro One Remotes rates: **4.80% = 4.80% - (0.00% + 0.00%)**.

Table 4.1: Price Cap IR Adjustment Formula

Components		Amount
Inflation factor ⁷		4.80%
Less: X-factor	Productivity factor ⁸	0.00%
	Stretch factor (0.00% to 0.60%) ⁹	0.00%

An inflation factor of 4.80% applies to all IRM applications for the 2024 rate year. The X-factor is the sum of the productivity factor and the stretch factor. It is a productivity offset that varies among different groupings of distributors. Subtracting the X-factor from inflation ensures that rates decline in real, constant-dollar terms, providing distributors with a tangible incentive to improve efficiency or else experience declining net income. The productivity component of the X-factor is based on industry conditions over a historical study period and applies to all IRM applications for the 2024 rate year. The stretch factor component of the X-factor is one of five stretch factor groupings established by the OEB, ranging from 0.00% to 0.60%. The stretch factor assigned to any distributor is based on the distributor's total cost performance as benchmarked against other distributors in Ontario. The stretch factor assigned to Hydro One Remotes is 0.00%, resulting in a rate adjustment of 4.80%.

⁶ The adjustment does not apply to delivery rates: rate riders, rate adders, low voltage service charges, retail transmission service rates, wholesale market service rate, smart metering entity charges, rural or remote electricity rate protection charge, standard supply service – administrative charge, transformation and primary metering allowances, loss factors, specific service charges (other than the Wireline Pole Attachment charge), and the microFIT charge.

⁷ [OEB Letter, 2024 Inflation Parameters, issued June 29, 2023](#)

⁸ Report of the Ontario Energy Board – “Rate Setting Parameters and Benchmarking under the Renewed Regulatory Framework for Ontario’s Electricity Distributors” EB-2010-0379, December 4, 2013

⁹ Report to the Ontario Energy Board – “Empirical Research in Support of Incentive Rate-Setting: 2022 Benchmarking Update”, prepared by Pacific Economics Group LLC., July 2023

Hydro One Remotes is excluded from the OEB's benchmarking analysis because of its unique circumstances. As noted in prior OEB decisions, Hydro One Remotes is unique in terms of its operating characteristics and cost recovery due to the Rural or Remote Electricity Rate Protection (RRRP) program. Any surplus it achieves from efficiency gains is recorded in the RRRP variance account and returned to RRRP ratepayers of Ontario. The imposition of a stretch factor greater than 0% serves only to lower customer rates and increase the amount paid by RRRP ratepayers. The assignment of a higher stretch factor would not provide the intended incentive to the distributor or benefit to its customers¹.

Findings

Hydro One Remotes' request for a 4.80% rate adjustment is in accordance with the annually updated parameters set by the OEB. The adjustment is approved, and Hydro One Remotes' new rates shall be effective May 1, 2024.

¹ EB-2021-0034, Decision and Rate Order, Page 5
Draft Decision and Rate Order

5. RURAL OR REMOTE ELECTRICITY RATE PROTECTION (RRRP)

Hydro One Remotes has applied to adjust its RRRP annual amount, using the OEB-approved inflation factor of 4.80% for the 2024 year¹⁰, as well as a continuation of RRRP funding for Wataynikaneyap Power Limited Partnership (WPLP) related flow-through costs as approved by the OEB on November 30, 2023.¹¹

Hydro One Remotes is unique in terms of its operating characteristics and cost recovery due to the RRRP program. Any excess or deficiency in RRRP revenues necessary to break even is added to, or drawn from, the RRRP Variance Account (RRRPVA).

WPLP's transmission connection costs are a direct flow-through cost for Hydro One Remotes, which are funded through the RRRP. The cost recovery framework will charge the cost of the transmission facilities to Hydro One Remotes as a direct expense, where any subsequent revisions to WPLP's transmission connection costs will be recovered as a flow-through cost in the RRRP.

During the course of the proceeding, Hydro One Remotes updated the application evidence to reflect WPLP's approved transmission costs for 2024.¹²

Findings

Hydro One Remotes' request for an adjustment to its RRRP annual amount using the OEB-approved inflation factor of 4.80%, is in accordance with the parameters set by the OEB on April 27, 2023.¹³ The OEB also approves the updated RRRP amounts based on WPLP's approved transmission costs for 2024.

Table 5.1 2024 RRRP Amounts (\$)

Description	2023 OEB-Approved	2024 Amount
Annual RRRP - Operating Subsidy	45,985	48,192
Annual RRRP - WPLP Subsidy	54,020	119,237 ¹⁴
Total Annual RRRP	100,005	167,429

¹⁰ EB-2022-0041, Decision and Order, Settlement Proposal, April 27, 2023.

¹¹ EB-2023-0168, Decision and Order, November 30, 2023.

¹² *Ibid.*

¹³ EB-2022-0041, Decision and Order, April 27, 2023.

¹⁴ EB-2023-0168, Decision and Order, November 30, 2023.

Recovery of balance of RRRPVA	1,946	1,946 ¹⁵
Total RRRP Level for 2024	101,951	169,375

¹⁵ EB-2022-0041, [Settlement Proposal](#), pg. 8

6. IMPLEMENTATION

This Decision is accompanied by a rate model, and a Tariff of Rates and Charges (Schedule A).

Model entries were reviewed in order to ensure that they are in accordance with Hydro One Remotes' last cost of service decision, and the 2023 OEB-approved Tariff of Rates and Charges.

The rate model was adjusted, where applicable, to correct any discrepancies.

In the *Report of the Board: Review of Electricity Distribution Cost Allocation Policy*,¹⁶ the OEB indicated that it will review the default province-wide microFIT charge annually to ensure it continues to reflect actual costs in accordance with the established methodology. On November 29, 2023, the OEB issued a letter advising electricity distributors that the microFIT charge shall remain at \$4.55 for the duration of the 2024 rate year (May 1, 2024 to April 30, 2025).¹⁷

¹⁶ EB-2010-0219, Report of the Board "Review of Electricity Distribution Cost Allocation Policy", March 31, 2011

¹⁷ OEB Letter, "Review of Fixed Monthly Charge for microFIT Generator Service Classification", issued November 29, 2023

7. ORDER

THE ONTARIO ENERGY BOARD ORDERS THAT

1. The Tariff of Rates and Charges set out in Schedule A of this Decision and Rate Order is approved effective May 1, 2024 for electricity consumed or estimated to have been consumed on and after such date. Hydro One Remote Communities Inc. shall notify its customers of the rate changes no later than the delivery of the first bill reflecting the new rates.
2. The total annual RRRP amount for 2024 set out in Table 5.1 is approved at \$167,429 for the year of which Annual RRRP – Operating Subsidy is \$48,192, effective May 1, 2024, and Annual RRRP – WPLP Subsidy is \$119,237, effective January 1, 2024.

DATED at Toronto, Month, Date, 2024

ONTARIO ENERGY BOARD

Nancy Marconi
Registrar

SCHEDULE A
DECISION AND RATE ORDER
HYDRO ONE REMOTE COMMUNITIES INC.
TARIFF OF RATES AND CHARGES
EB-2023-0031
MONTH XX, 2024

Hydro One Remote Communities Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2024

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

EB-2023-0031

NON STANDARD A YEAR ROUND RESIDENTIAL SERVICE CLASSIFICATION – R2

This classification refers to a residential service that is the principal residence of the customer. This classification may include additional buildings served through the same meter, provided they are not rental income units. To be classed as year round residential, all of the following criteria must be met:

- Occupants must state that this is their principal residence for purposes of the Income Tax Act;
- The occupant must live in this residence for at least 8 months of the year;
- The address of this residence must appear on the occupant's electric bill, driver's licence, credit card invoice, property tax bill, etc.;
- Occupants who are eligible to vote in Provincial or Federal elections must be enumerated for this purpose at the address of this residence.

Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

MONTHLY RATES AND CHARGES

Service Charge	\$	23.53
Electricity Rate - First 1,000 kWh	\$/kWh	0.1107
Electricity Rate - Next 1,500 kWh	\$/kWh	0.1477
Electricity Rate - All Additional kWh	\$/kWh	0.2225

Hydro One Remote Communities Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2024

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

EB-2023-0031

NON STANDARD A SEASONAL RESIDENTIAL SERVICE CLASSIFICATION – R4

This classification is comprised of any residential service not meeting the year-round residential criteria. As such, the seasonal residential class includes cottages, chalets, and camps. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

MONTHLY RATES AND CHARGES

Service Charge	\$	39.75
Electricity Rate - First 1,000 kWh	\$/kWh	0.1107
Electricity Rate - Next 1,500 kWh	\$/kWh	0.1477
Electricity Rate - All Additional kWh	\$/kWh	0.2225

Hydro One Remote Communities Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2024

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

EB-2023-0031

NON STANDARD A GENERAL SERVICE SINGLE PHASE SERVICE CLASSIFICATION – G1

This classification is applicable to any service that does not fit the description of the year-round residential or seasonal residential. Generally, it is comprised of commercial, administrative, recreational, and auxiliary services. It includes combination of services where a variety of uses are made of the service by the owner of one property, and all multiple services except residential. This classification is applicable to General Service Single Phase customers. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

MONTHLY RATES AND CHARGES

Service Charge	\$	39.99
Electricity Rate - First 6,000 kWh	\$/kWh	0.1240
Electricity Rate - Next 7,000 kWh	\$/kWh	0.1645
Electricity Rate - All Additional kWh	\$/kWh	0.2225

Hydro One Remote Communities Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2024

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

EB-2023-0031

NON STANDARD A GENERAL SERVICE THREE PHASE SERVICE CLASSIFICATION – G3

This classification is applicable to any service that does not fit the description of the year-round residential or seasonal residential. Generally, it is comprised of commercial, administrative, recreational, and auxiliary services. It includes combination of services where a variety of uses are made of the service by the owner of one property, and all multiple services except residential. This classification is applicable to General Service Three Phase customers. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

MONTHLY RATES AND CHARGES

Service Charge	\$	50.06
Electricity Rate - First 25,000 kWh	\$/kWh	0.1240
Electricity Rate - Next 15,000 kWh	\$/kWh	0.1645
Electricity Rate - All Additional kWh	\$/kWh	0.2225

Hydro One Remote Communities Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date May 1, 2024
This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2023-0031

STREET LIGHTING SERVICE CLASSIFICATION

The energy consumption for street lights is estimated based on Remotes' profile for street lighting load, which provides the amount of time each month that the street lights are operating. Streetlight charges include:

- An energy charge based on installed load, at a rate approved annually (Dollars per kWh x # of fixtures x billing);
- A pole rental charge approved annually, when the light is attached to a Remotes' pole.

Remotes must approve the location of new lighting installations on its poles and the streetlight owner must enter into an agreement to use such poles. Remotes will make the electrical service connection of all streetlights to the distribution system. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

MONTHLY RATES AND CHARGES

Electricity Rate	\$/kWh	0.1230
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Hydro One Remote Communities Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2024

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

EB-2023-0031

STANDARD A RESIDENTIAL ROAD/RAIL ACCESS SERVICE CLASSIFICATION

Standard A rates are applicable to all accounts paid directly or indirectly out of Federal and/or Provincial government revenue, subject to the following exceptions:

- Canada Post Corporation, Hydro One Inc. or a subsidiary of Hydro One Inc.
- social housing
- a recreational or sports facility
- a radio, television or cable television facility
- a library

Any Standard A account may be reclassified as General Service, Residential Year-Round or Residential-Seasonal at any time. To reclassify a Standard A account, a letter from the accountable Federal and/or Provincial Government agency must be provided to Remotes stating that the account does not receive any direct and/or indirect funding of a continuous nature. An alternative to this letter would be a declaration from a Director of the organization stating that the organization receives no funding. This declaration must be accompanied by an audited statement, which includes the funding source. An example of direct funding is an MTO account paid directly by MTO. An example of indirect funding is a First Nation School account paid by a First Nation through funding by Aboriginal Affairs and Northern Development Canada. Further servicing details are available in the distributor's Conditions of Service.

This classification is applicable to residential customers in communities that are accessible by a year-round road or by rail.

APPLICATION

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

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

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

MONTHLY RATES AND CHARGES

Electricity Rate - First 250 kWh	\$/kWh	0.7287
Electricity Rate - All Additional kWh	\$/kWh	0.8326

Hydro One Remote Communities Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2024

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

EB-2023-0031

STANDARD A RESIDENTIAL AIR ACCESS SERVICE CLASSIFICATION

Standard A rates are applicable to all accounts paid directly or indirectly out of Federal and/or Provincial government revenue, subject to the following exceptions:

- Canada Post Corporation, Hydro One Inc. or a subsidiary of Hydro One Inc.
- social housing
- a recreational or sports facility
- a radio, television or cable television facility
- a library

Any Standard A account may be reclassified as General Service, Residential Year-Round or Residential-Seasonal at any time. To reclassify a Standard A account, a letter from the accountable Federal and/or Provincial Government agency must be provided to Remotes stating that the account does not receive any direct and/or indirect funding of a continuous nature. An alternative to this letter would be a declaration from a Director of the organization stating that the organization receives no funding. This declaration must be accompanied by an audited statement, which includes the funding source. An example of direct funding is an MTO account paid directly by MTO. An example of indirect funding is a First Nation School account paid by a First Nation through funding by Indian and Northern Affairs Canada. Further servicing details are available in the distributor's Conditions of Service.

This classification is applicable to residential customers in communities that are not accessible by a year-round road or by rail.

APPLICATION

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

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

MONTHLY RATES AND CHARGES

Electricity Rate - First 250 kWh	\$/kWh	1.1002
Electricity Rate - All Additional kWh	\$/kWh	1.2040

Hydro One Remote Communities Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2024

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

EB-2023-0031

STANDARD A GENERAL SERVICE ROAD/RAIL ACCESS SERVICE CLASSIFICATION

Standard A rates are applicable to all accounts paid directly or indirectly out of Federal and/or Provincial government revenue, subject to the following exceptions:

- Canada Post Corporation, Hydro One Inc. or a subsidiary of Hydro One Inc.
- social housing
- a recreational or sports facility
- a radio, television or cable television facility
- a library

Any Standard A account may be reclassified as General Service, Residential Year-Round or Residential-Seasonal at any time. To reclassify a Standard A account, a letter from the accountable Federal and/or Provincial Government agency must be provided to Remotes stating that the account does not receive any direct and/or indirect funding of a continuous nature. An alternative to this letter would be a declaration from a Director of the organization stating that the organization receives no funding. This declaration must be accompanied by an audited statement, which includes the funding source. An example of direct funding is an MTO account paid directly by MTO. An example of indirect funding is a First Nation School account paid by a First Nation through funding by Indian and Northern Affairs Canada. Further servicing details are available in the distributor's Conditions of Service.

This classification is applicable to all non-residential Standard A customers in communities that are accessible by a year-round road or by rail.

APPLICATION

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

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MONTHLY RATES AND CHARGES

Electricity Rate	\$/kWh	0.8326
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Hydro One Remote Communities Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2024

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EB-2023-0031

STANDARD A GENERAL SERVICE AIR ACCESS SERVICE CLASSIFICATION

Standard A rates are applicable to all accounts paid directly or indirectly out of Federal and/or Provincial government revenue, subject to the following exceptions:

- Canada Post Corporation, Hydro One Inc. or a subsidiary of Hydro One Inc.
- social housing
- a recreational or sports facility
- a radio, television or cable television facility
- a library

Any Standard A account may be reclassified as General Service, Residential Year-Round or Residential-Seasonal at any time. To reclassify a Standard A account, a letter from the accountable Federal and/or Provincial Government agency must be provided to Remotes stating that the account does not receive any direct and/or indirect funding of a continuous nature. An alternative to this letter would be a declaration from a Director of the organization stating that the organization receives no funding. This declaration must be accompanied by an audited statement, which includes the funding source. An example of direct funding is an MTO account paid directly by MTO. An example of indirect funding is a First Nation School account paid by a First Nation through funding by Indian and Northern Affairs Canada. Further servicing details are available in the distributor's Conditions of Service.

This classification is applicable to all non-residential Standard A customers in communities that are not accessible by a year-round road or by rail.

APPLICATION

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

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

MONTHLY RATES AND CHARGES

Electricity Rate	\$/kWh	1.2040
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Hydro One Remote Communities Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2024

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

EB-2023-0031

STANDARD A GRID CONNECTED SERVICE CLASSIFICATION

This classification is applicable to all Standard A customers in communities that are connected to the grid and are not accessible by a year-round road or by rail.

APPLICATION

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

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

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

MONTHLY RATES AND CHARGES

Electricity Rate	\$/kWh	0.3772
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Hydro One Remote Communities Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date May 1, 2024
This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2023-0031

microFIT SERVICE CLASSIFICATION

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

APPLICATION

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

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

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

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	4.55
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Hydro One Remote Communities Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2024

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

EB-2023-0031

SPECIFIC SERVICE CHARGES

APPLICATION

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

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

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

Customer Administration

Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Returned cheque (plus bank charges)	\$	15.00

Non-Payment of Account

Late payment - per month	%	1.50
Late payment - per month	%	19.56
Reconnection – if in community	\$	65.00