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File No. 92437.19

January 23, 2025

BY RESS

Ms. Nancy Marconi
Ontario Energy Board
2300 Yonge Street, 27th floor
P.O. Box 2319
Toronto, ON M4P 1E4

Dear Ms. Marconi:

**Re: Welland Hydro-Electric System Corp (“WHESC”)
Application for May 1, 2025 Electricity Distribution Rates
Ontario Energy Board (“OEB”) File No. EB-2024-0058 (“Proceeding”)**

Pursuant to Procedural Order No. 3 issued on January 16, 2025, please find the enclosed Settlement Proposal for the above-noted Proceeding

Yours truly,

BORDEN LADNER GERVAIS LLP

A handwritten signature in black ink, appearing to read 'Colm Boyle', is written over a light blue horizontal line.

Colm Boyle

JV/CB

IN THE MATTER OF the *Ontario Energy Board Act*,
1998, S.O. 1998, c. 15, (Schedule B);

AND IN THE MATTER OF an application by Welland
Hydro-Electric System Corp. for an order approving just and
reasonable rates and other charges for electricity distribution
beginning May 1, 2025.

WELLAND HYDRO-ELECTRIC SYSTEM CORP.

SETTLEMENT PROPOSAL

JANUARY 23, 2025

**Welland Hydro-Electric System Corp.
EB-2024-0058
Settlement Proposal**

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LIVE EXCEL MODELS

In addition to the Appendices listed above, the following live excel models have been filed together with and form an integral part of this Settlement Proposal:

- WHESC_2025_Chapter2_Appendices_Settlement_2025_01_23
- WHESC_2025_Cost_Allocation_Model_Settlement_2025_01_23
- WHESC_2025_DVA_Continuity_Schedule_Settlement_2025_01_23
- WHESC_2025_Load_Forecast_Model_Settlement_2025_01_23
- WHESC_2025_Load_Profile_Model_Settlement_2025_01_23
- WHESC_2025_Revenue_Requirement_Workform_Settlement_2025_01_23
- WHESC_2025_RTSR_Workform_Settlement_2025_01_23
- WHESC_2025_Tariff_Schedule_and_Bill_Impact_Model_Settlement_2025_01_23
- WHESC_2025_Test_Year_Income_Tax_PILs_Model_Settlement_2025_01_23
- WHESC_2025_Benchmarking_Model_Settlement_2025_01_23

**Welland Hydro-Electric System Corp.
("WHESC")
EB-2024-0058
Settlement Proposal**

Filed with OEB: January 23, 2025

SUMMARY

In reaching this complete settlement, the Parties (as defined below) have been guided by the *Filing Requirements For Electricity Distribution Rate Applications - 2023 Edition for 2024 Rate Applications, Chapter 2 Cost of Service, December 15, 2022* ("Filing Requirements"), the approved issues list attached as Schedule A to the Ontario Energy Board's (the "OEB") Decision on Issues List of October 28, 2024 ("Approved Issues List") and the Report of the OEB titled *Renewed Regulatory Framework for Electricity Distributors: A Performance-Based Approach* dated October 18, 2012 ("RRFE").

Capitalized terms used in this summary but not otherwise defined herein have the meaning ascribed to such terms elsewhere in this Settlement Proposal.

This Settlement Proposal reflects a complete settlement of the issues in this proceeding. Table A is a summary of the settlement on the issues in the Approved Issues List.

Table A – Issues List Summary

Issue	Status	Supporting Parties	Parties taking no position
1.1 Capital and In-Service Additions	Complete Settlement	All	None
1.2 Rate Base and Depreciation	Complete Settlement	All	None
2.1 OM&A	Complete Settlement	All	None
2.2 Shared Service Cost Allocation Methodology	Complete Settlement	All	None
3.1 Cost of Capital and Capital Structure	Complete Settlement	All	None
3.2 PILs	Complete Settlement	All	None
3.3 Other Revenue	Complete Settlement	All	None
3.4 Impacts of Accounting Changes	Complete Settlement	All	None
3.5 Revenue Requirement Determination	Complete Settlement	All	None
4.1 Load Forecast	Complete Settlement	All	None
5.1 Cost Allocation	Complete Settlement	All	None
5.2 Rate Design, including fixed/variable splits	Complete Settlement	All	None

5.3	Retail Transmission Service Rates and Low Volage Service Rates	Complete Settlement	All	None
5.4	Loss Factor	Complete Settlement	All	None
5.5	Specific Service Charges, Retail Service Charges	Complete Settlement	All	None
5.6	Rate Mitigation	Complete Settlement	All	None
6.1	Deferral and Variance Accounts	Complete Settlement	All	None
7.1	Effective Date	Complete Settlement	All	None
7.2	Responding to all Relevant OEB Directions from Previous Proceedings	Complete Settlement	All	None
7.3	IESO for Ratepayer Protection under O.Reg.330/09	Complete Settlement	All	None

As a result of this Settlement Proposal, WHESC has made changes to the Revenue Requirement as depicted below in Table B.

Table B: Revenue Requirement Summary

Category	Item	Original Application	Interrogatory Response	Change	Settlement Proposal	Change	Total Change
Cost of Capital	Regulated Return on Rate Base	\$2,609,932	\$2,594,644	-\$15,288	\$2,563,935	-\$30,709	-\$45,997
	Regulated Rate of Return	5.66%	5.63%	-0.03%	5.57%	-0.06%	-0.09%
Rate Base and Capex	2025 Net Capital Additions	\$4,815,413	\$4,815,413	\$0	\$4,535,413	-\$280,000	-\$280,000
	2025 Average Net Fixed Assets	\$42,034,971	\$42,034,971	\$0	\$41,898,424	-\$136,547	-\$136,547
	Cost of Power	\$45,016,203	\$44,843,811	-\$172,392	\$46,020,255	\$1,176,444	\$1,004,052
	Working Capital	\$53,839,862	\$53,667,469	-\$172,393	\$54,705,914	\$1,038,445	\$866,052
	Working Capital Allowance Rate	7.50%	7.50%	0.00%	7.50%	0.00%	0.00%
	Working Capital Allowance	\$4,037,990	\$4,025,060	-\$12,929	\$4,102,944	\$77,883	\$64,954
	Rate Base	\$46,072,961	\$46,060,032	-\$12,929	\$46,001,368	-\$58,664	-\$71,593
Operating Expenses	Amortization Expense	\$2,095,996	\$2,095,996	\$0	\$2,089,090	-\$6,906	-\$6,906
	Grossed-up PILS	\$315,602	\$318,088	\$2,486	\$322,981	\$4,893	\$7,379
	OM&A	\$8,823,658	\$8,727,514	-\$96,144	\$8,589,515	-\$137,999	-\$234,143
	Property Taxes	\$0	\$96,144	\$96,144	\$96,144	\$0	\$96,144
Revenue Requirement	Service Revenue Requirement	\$13,845,188	\$13,832,386	-\$12,802	\$13,661,665	-\$170,721	-\$183,523
	Less: Other Revenues	\$938,603	\$950,597	\$11,994	\$961,481	\$10,884	\$22,878
	Base Revenue Requirement	\$12,906,585	\$12,881,789	-\$24,796	\$12,700,184	-\$181,605	-\$206,401
	Revenue Deficiency / (Sufficiency)	\$189,836	\$165,040	-\$24,796	-\$232,679	-\$397,719	-\$422,515

The Bill Impacts as a result of this Settlement Proposal are set out in Appendix D and summarized in Table C.

Table C: Summary of Bill Impacts

RATE CLASS	Units	Sub-Total						Total	
		A		B		C		Total Bill	
		\$	%	\$	%	\$	%	\$	%
Residential Service Classification - RPP	kwh	\$ (3.53)	-10.9%	\$ (6.38)	-16.7%	\$ (4.68)	-8.6%	\$ 4.70	-3.5%
General Service Less Than 50 KW Service Classification - RPP	kwh	\$ (7.00)	-11.8%	\$ (14.81)	-19.9%	\$ (10.86)	-9.7%	\$ 10.92	-3.4%
General Service 50 to 4,999 kW Service Classification - Non-RPP (Other)	kw	\$ (18.02)	-3.2%	\$ (95.41)	-15.6%	\$ (52.03)	-5.2%	\$ 80.04	-1.7%
Unmetered Scattered Load Service Classification - RPP	kwh	\$ (0.88)	-6.5%	\$ (1.47)	-10.0%	\$ (1.17)	-6.7%	\$ 1.17	-3.5%
Sentinel Lighting Service Classification - RPP	kw	\$ (0.15)	-1.9%	\$ (0.58)	-6.9%	\$ (0.39)	-3.8%	\$ 0.39	-1.7%
Street Lighting Service Classification - Non-RPP (Other)	kw	\$ (0.16)	-20.3%	\$ (0.22)	-24.7%	\$ (0.19)	-16.8%	\$ 0.22	-6.6%

The impact of the Settlement Proposal with regards to capital expenditures and OM&A expenses results in an estimated efficiency assessment of 37.18% below predicted costs using the PEG forecasting model provided by the OEB as can be observed in Table D.

Table D: Summary of Cost Benchmarking Results

Year	Status	Total Cost	% Difference from Predicted	3-Year Average Performance	Efficiency Assessment
2022	Actuals	\$12,993,461	-35.70%		1
2023	Actuals	\$14,445,324	-38.88%		1
2024 Bridge Year	Forecast	\$15,755,141	-36.31%	-36.96%	1
2025 Test Year	Forecast	\$16,934,452	-37.18%	-37.46%	1

This Settlement Proposal also incorporates the Regulated Price Plan (“RPP”) pricing from the OEB’s Regulated Price Plan Price Report for November 1, 2024 to October 31, 2025 (released October 18, 2024). This Settlement Proposal also incorporates the updated 2025 Cost of Capital Parameters which were issued by the OEB on October 31, 2024. The Revenue Requirement in Table B incorporates all of the settled issues including the RPP and Cost of Capital Updates. For information purposes only, Table E illustrates the revenue requirement on initial application and upon settlement respectively.

Table E: Revenue Requirement Summary (Application/Interrogatory Responses/Settlement Agreement updates)

Revenue Requirement

Line No.	Particulars	Application		Interrogatory Responses		Settlement Agreement
1	OM&A Expenses	\$8,823,658		\$8,727,514		\$8,589,515
2	Amortization/Depreciation	\$2,095,996		\$2,095,996		\$2,089,090
3	Property Taxes	\$ -		\$96,144		\$96,144
5	Income Taxes (Grossed up)	\$315,602		\$318,088		\$322,981
6	Other Expenses	\$ -				
7	Return					
	Deemed Interest Expense	\$912,604		\$890,423		\$861,884
	Return on Deemed Equity	\$1,697,328		\$1,704,221		\$1,702,051
8	Service Revenue Requirement (before Revenues)	\$13,845,188		\$13,832,386		\$13,661,665
9	Revenue Offsets	\$938,603		\$950,597		\$961,481
10	Base Revenue Requirement (excluding Transformer Ownership Allowance credit adjustment)	\$12,906,586		\$12,881,790		\$12,700,184
11	Distribution revenue	\$12,906,586		\$12,881,790		\$12,700,184
12	Other revenue	\$938,603		\$950,597		\$961,481
13	Total revenue	\$13,845,188		\$13,832,386		\$13,661,665
14	Difference (Total Revenue Less Distribution Revenue Requirement before Revenues)	\$ -	(1)	\$0	(1)	\$ -

This Settlement Proposal is the culmination of extensive discussion and consideration by the Parties which represent an array of interests affected by WHESC's Application for electricity distribution rates. Based on the foregoing, and the evidence and rationale provided below, the Parties agree that this Settlement Proposal is appropriate and recommend its acceptance by the OEB. Refer to Appendix E for the proposed Draft Tariff of Rates and Charges resulting if this Settlement Proposal is accepted by the OEB.

BACKGROUND

WHESC filed a Cost of Service application with the OEB on August 23, 2024 under section 78 of the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, (Schedule B) (the “**Act**”), seeking approval for changes to the rates that WHESC charges for electricity distribution, to be effective May 1, 2025 (OEB Docket Number EB-2024-0058) (the “**Application**”).

The OEB issued and published a Notice of Hearing dated September 19, 2024, and Procedural Order (“PO”) No. 1 on October 9, 2024. The OEB granted the following parties intervenor status and cost eligibility (“**Intervenors**”):

The Coalition of Concerned Manufacturers and Businesses of Canada (“**CCMBC**”)
School Energy Coalition (“**SEC**”); and
Vulnerable Energy Consumers Coalition (“**VECC**”).

WHESC and the Intervenors are collectively referred to below as the “Parties”.

On October 18, 2024, pursuant to PO No. 1, OEB Staff submitted a proposed Issues List as agreed to by the Parties. OEB Staff also advised the OEB that “parties may wish to propose additional matters for inclusion on the Issues List after the interrogatory responses are received.”

On October 28, 2024, the OEB issued its Decision on the Issues List, approving the list submitted by OEB Staff and appended the approved issues list as Schedule A to this decision (“**Approved Issues List**”). This Settlement Proposal is filed with the OEB in connection with the Application and is organized in accordance with the Approved Issues List.

PO No. 1 scheduled the Settlement Conference for December 4 to 6, 2024. WHESC filed its Interrogatory Responses with the OEB on November 21, 2024, pursuant to which WHESC updated several models and submitted them to the OEB as Excel documents.

A Settlement Conference was convened between December 4 to 5, 2024 in accordance with the OEB’s *Rules of Practice and Procedure* (the “**Rules**”) and the OEB’s *Practice Direction on Settlement Conferences* (the “**Practice Direction**”).

Andrew McLaren acted as facilitator for the Settlement Conference which lasted for two days. WHESC and all Intervenors participated in the Settlement Conference.

OEB staff also participated in the Settlement Conference. The role adopted by OEB staff is set out in the Practice Direction (p. 5). Although OEB staff is not a party to this Settlement Proposal, as noted in the Practice Direction, OEB staff who did participate in the Settlement Conference are bound by the same confidentiality requirements that apply to the Parties to the proceeding.

This document is called a “Settlement Proposal” because it is a proposal by the Parties to the OEB to settle the issues in this proceeding. It is termed a proposal as between the Parties and the OEB. However, as between the Parties, and subject only to the OEB’s approval of this Settlement Proposal, this document is intended to be a legal agreement, creating mutual obligations, and binding and enforceable in accordance with its terms. As set forth later in this Preamble, this agreement is subject to a condition subsequent, that if it is not accepted by the OEB in its entirety, then unless amended

by the Parties, it is null and void and of no further effect. In entering into this Agreement, the Parties understand and agree that, pursuant to the Act, the OEB has exclusive jurisdiction with respect to the interpretation and enforcement of the terms hereof.

The Parties acknowledge that the Settlement Conference is privileged and confidential in accordance with the Practice Direction. The Parties understand that confidentiality in that context does not have the same meaning as confidentiality in the OEB's *Practice Direction on Confidential Filings* and the rules of that latter document do not apply. Instead, in the Settlement Conference, and in this Agreement, the Parties have interpreted "confidential" to mean that the documents and other information provided during the course of the Settlement Conference, the discussion of each issue, the offers and counter-offers, and the negotiations leading to the settlement – or not – of each issue during the Settlement Conference are strictly privileged and without prejudice. None of the foregoing is admissible as evidence in this proceeding, or otherwise, with one exception, the need to resolve a subsequent dispute over the interpretation of any provision of this Settlement Proposal. Further, the Parties shall not disclose those documents or other information to persons who were not attendees at the Settlement Conference. However, the Parties agree that "attendees" is deemed to include, in this context, persons who were not in attendance via video conference at the Settlement Conference but were a) any persons or entities that the Parties engage to assist them with the Settlement Conference, and b) any persons or entities from whom they seek instructions with respect to the negotiations; in each case provided that any such persons or entities have agreed to be bound by the same confidentiality provisions.

This Settlement Proposal provides a brief description of each of the settled and partially settled issues, as applicable, together with references to the evidence. The Parties agree that references to the "evidence" in this Settlement Proposal shall, unless the context otherwise requires, include (a) additional information included by the Parties in this Settlement Proposal; (b) the Appendices to this document; and (c) the evidence filed concurrently with this Settlement Proposal titled "Responses to Pre-Settlement Clarification Questions" ("Clarification Responses"). The supporting Parties for each settled issue, as applicable, agree that the evidence in respect of that settled or partially settled issue, as applicable, is sufficient in the context of the overall settlement to support the proposed settlement, and the sum of the evidence in this proceeding provides an appropriate evidentiary record to support acceptance by the OEB of this Settlement Proposal.

There are Appendices to this Settlement Proposal which provide further support for the proposed settlement. The Parties acknowledge that the Appendices were prepared by WHESC. While the Intervenor has reviewed the Appendices, the Intervenor is relying on the accuracy of those Appendices and the underlying evidence in entering into this Settlement Proposal.

Outlined below are the final positions of the Parties following the Settlement Conference. For ease of reference, this Settlement Proposal follows the format of the final Approved Issues List for the Application attached to the Decision on Issues List dated October 28, 2024.

The Parties are pleased to advise the OEB that they have reached a complete agreement with respect to the settlement of all of the issues in this proceeding. Specifically:

<p>“Complete Settlement” means an issue for which complete settlement was reached by all Parties, and if this Settlement Proposal is accepted by the OEB, none of the Parties (including Parties who take no position on that issue) will adduce any evidence or argument during the oral hearing in respect of the specific issue.</p>	<p># issues settled: ALL</p>
<p>“Partial Settlement” means an issue for which there is partial settlement, as WHESC and the Intervenors who take any position on the issue were able to agree on some, but not all, aspects of the particular issue. If this Settlement Proposal is accepted by the OEB, the Parties (including Parties who take no position on the Partial Settlement) will only adduce evidence and argument during the hearing on the portions of the issue for which no agreement has been reached.</p>	<p># issues partially settled: None</p>
<p>“No Settlement” means an issue for which no settlement was reached. WHESC and the Intervenors who take a position on the issue will adduce evidence and/or argument at the hearing on the issue.</p>	<p># issues not settled: None</p>

According to the Practice Direction (p. 2), the Parties must consider whether a Settlement Proposal should include an appropriate adjustment mechanism for any settled issue that may be affected by external factors. These adjustments are specifically set out in the text of the Settlement Proposal.

The Parties have settled the issues as a package and none of the parts of this Settlement Proposal are severable. If the OEB does not accept this Settlement Proposal in its entirety, then there is no settlement (unless the Parties agree in writing that any part(s) of this Settlement Proposal that the OEB does accept may continue as a valid settlement without inclusion of any part(s) that the OEB does not accept).

In the event that the OEB directs the Parties to make reasonable efforts to revise the Settlement Proposal, the Parties agree to use reasonable efforts to discuss any potential revisions, but no Party will be obligated to accept any proposed revision. The Parties agree that all of the Parties who took a position on a particular issue must agree with any revised Settlement Proposal as it relates to that issue, or decide to take no position on the issue, prior to its resubmission to the OEB.

Unless stated otherwise, the settlement of any particular issue in this proceeding and the positions of the Parties in this Settlement Proposal are without prejudice to the rights of Parties to raise the same issue and/or to take any position thereon in any other proceeding, whether or not WHESC is a party to such proceeding.

Where in this Settlement Proposal, the Parties “accept” the evidence of WHESC, or the Parties or any of them “agree” to a revised term or condition, including a revised budget or forecast, then unless the Settlement Proposal expressly states to the contrary, the words “for the purpose of settlement of the issues herein” shall be deemed to qualify that acceptance or agreement.

1. Capital Spending and Rate Base

1.1 Are the proposed capital expenditures and in-service additions appropriate?

Complete Settlement: Subject to the adjustments expressly noted in this Settlement Proposal, the Parties accept that the 2024 and 2025 in-service additions and capital expenditures are appropriate.

For the 2025 Test Year, the Parties agree to the following adjustments:

- i) WHESC shall reduce its net in-service additions by \$280,000 in the following categories, as summarized in Table 1.1A below:
 - a) System Renewal – A total of \$130,000 of high voltage cable replacement at MS5 shall be deferred to 2028.
 - b) System Renewal – A total of \$30,000 of protection system upgrades at MS7 shall be deferred to 2026.
 - c) General Plant – The purchase of a reel trailer unit TR-35 in the amount of \$85,000 shall be deferred to 2026.
 - d) General Plant – The purchase of replacement fault finding equipment in the amount of \$35,000 shall be deferred to 2026.

The Parties agree WHESC shall update its Asset Condition Assessment in respect of the health index results for its entire fleet of power transformers. Based on the results of this update, WHESC shall deploy the purchased 4 MVA transformer at the location with the poorest health index result, and where compatibility exists for such replacement.

For clarity, any adjustments to capital expenditures are made on an envelope basis and WHESC retains the right to manage its business as it sees fit. The deferrals listed above are incremental to WHESC's in-service additions forecasted in future years. The adjustments set out above are assumptions used to make changes to other parameters (e.g., depreciation / tax) necessary for calculating revenue requirement.

The Parties accept the evidence of WHESC that the rationale for the level and pacing of planned capital expenditures as adjusted for the Bridge Year and the Test Year in this Settlement Proposal appropriately meet the four performance outcomes established for electricity distributors: Customer Focus, Operational Effectiveness, Public Policy Responsiveness, and Financial Performance.

WHESC acknowledges that the costs and revenues for control room services were discussed during the Settlement Conference. WHESC shall review its process for clearly tracking costs and revenue for control room services prior to the next cost of service application and address any identified deficiencies.

Table 1.1A
Summary of Capital Additions/Expenditures

2024 Bridge Year

Category	Original Application	Interrogatory Response	Change	Settlement Proposal	Change	Total Change
System Access	\$2,329	2,329	\$0	2,329	\$0	\$0
System Renewal	\$2,405	\$2,405	\$0	\$2,405	\$0	\$0
System Service	\$160	\$160	\$0	\$160	\$0	\$0
General Plant	\$535	\$535	\$0	\$535	\$0	\$0
Total CAPEX	\$5,429	\$5,429	\$0	\$5,429	\$0	\$0
Capital Contributions	-\$1,720	-\$1,720	\$0	-\$1,720	\$0	\$0
Net CAPEX	\$3,709	\$3,709	\$0	\$3,709	\$0	\$0

2025 Test Year

Category	Original Application	Interrogatory Response	Change	Settlement Proposal	Change	Total Change
System Access	\$1,577	1,577	\$0	1,577	\$0	\$0
System Renewal	\$2,884	\$2,884	\$0	\$2,724	-\$160	-\$160
System Service	\$242	\$242	\$0	\$242	\$0	\$0
General Plant	\$955	\$955	\$0	\$835	-\$120	-\$120
Total CAPEX	\$5,658	\$5,658	\$0	\$5,378	-\$280	-\$280
Capital Contributions	-\$974	-\$974	\$0	-\$974	\$0	\$0
Net CAPEX	\$4,683	\$4,683	\$0	\$4,403	-\$280	-\$280

Table 1.1B
2024 Bridge Year and 2025 Test Year Capital Expenditures and In-Service Additions

2024 Bridge Year In-Service Additions

	Original Application	Interrogatory Response	Change	Settlement Proposal	Change	Total Change
Net In-Service Additions	\$3,709	3,709	\$0	\$3,709	\$0	\$0

2025 Test Year In-Service Additions

	Original Application	Interrogatory Response	Change	Settlement Proposal	Change	Total Change
Net In-Service Additions	\$4,815	4,815	\$0	\$4,535	-\$280	-\$280

Evidence:

Application:

- Exhibit 1
 - 1.1 Application
 - 1.2 Application Summary and Business Plan
 - 1.2.3 Rate Base and Distribution System Plan
 - Appendix 1-A WHESC Business Plan
- Exhibit 2
 - 2.1 Rate Base
 - 2.2 Fixed Asset Continuity Schedule
 - 2.4 Depreciation, Amortization and Depletion
 - 2.5 Allowance for Working Capital
 - 2.6 Distribution System Plan
 - Appendix 2-E Distribution System Plan

IRRs: 1-CCMBC-1, 1-SEC-2, 2-STAFF-5, 2-STAFF-6, 2-STAFF-7, 2-STAFF-8, 2-STAFF-9, 2-STAFF-10, 2-STAFF-11, 2-STAFF-12, 2-STAFF-13, 2-STAFF-14, 2-STAFF-15, 2-STAFF-16, 2-STAFF-17, 2-STAFF-18, 2-STAFF-19, 2-STAFF-20, 2-STAFF-21, 2-STAFF-22, 2-STAFF-23, 2-STAFF-24, 2-STAFF-25, 2-STAFF-26, 2-STAFF-27, 2-CCMBC-3, 2-CCMBC-4, 2-SEC-4, 2-SEC-5, 2-SEC-6, 2-SEC-7, 2-SEC-8, 2-SEC-9, 2-SEC-10, 2-SEC-11, 2-SEC-12, 2-SEC-13, 2-VECC-3, 2-VECC-4, 2-VECC-5, 2-VECC-6, 2-VECC-7, 2-VECC-8, 2-VECC-9, 2-VECC-10

Appendices to this Settlement Proposal: N/A

Settlement Models:

WHESC_2025_Chapter2_Appendices_Settlement_2025_01_23
WHESC_2025_Benchmarking Model_Settlement_2025_01_23

Clarification Responses: STAFF-79 (Question 1), STAFF-82 (Question 4), SEC-31, SEC-32, SEC-33, SEC-34, SEC-35, SEC-36

Supporting Parties: All

Parties Taking No Position: None.

1.2 Are the proposed rate base and depreciation amounts appropriate?

Complete Settlement: The Parties accept that the updated rate base and depreciation amounts, adjusted to reflect other changes in the Settlement Proposal are appropriate.

Changes in rate base and depreciation in the Settlement Proposal resulted from settlement on all issues that were flowed through the depreciation and rate base calculations.

The Parties agree that the working capital calculations have been appropriately determined in accordance with OEB policies and practices. WHESC utilizes the OEB's default allowance for working capital, which is set at 7.5% of the sum of the cost of power and OM&A under section 2.2.5 of the 2024 Filing Requirements, as shown in Table 1.2B below

**Table 1.2A
Total Depreciation**

2024 Depreciation

OEB Account	OEB Account Description	Original Application	Adjustments	Interrogatory Response	Adjustments	Settlement Proposal
1611	Computer Software (Formally known as Account 1925)	\$104,874	\$0	\$104,874	\$0	\$104,874
1612	Land Rights (Formally known as Account 1906)	\$640	\$0	\$640	\$0	\$640
1808	Buildings	\$1,495	\$0	\$1,495	\$0	\$1,495
1815	Transformer Station Equipment >50 kV	\$14,857	\$0	\$14,857	\$0	\$14,857
1820	Distribution Station Equipment <50 kV	\$128,368	\$0	\$128,368	\$0	\$128,368
1830	Poles, Towers & Fixtures	\$329,675	\$0	\$329,675	\$0	\$329,675
1835	Overhead Conductors & Devices	\$194,129	\$0	\$194,129	\$0	\$194,129
1840	Underground Conduit	\$58,106	\$0	\$58,106	\$0	\$58,106
1845	Underground Conductors & Devices	\$337,946	\$0	\$337,946	\$0	\$337,946
1850	Line Transformers	\$240,988	\$0	\$240,988	\$0	\$240,988
1855	Services (Overhead & Underground)	\$29,624	\$0	\$29,624	\$0	\$29,624
1860	Meters	\$208,734	\$0	\$208,734	\$0	\$208,734
1908	Buildings & Fixtures	\$104,053	\$0	\$104,053	\$0	\$104,053
1915	Office Furniture & Equipment (10 years)	\$1,000	\$0	\$1,000	\$0	\$1,000
1920	Computer Equip.-Hardware(Post Mar. 19/07)	\$42,929	\$0	\$42,929	\$0	\$42,929
1930	Transportation Equipment	\$189,091	\$0	\$189,091	\$0	\$189,091
1940	Tools, Shop & Garage Equipment	\$9,938	\$0	\$9,938	\$0	\$9,938
1945	Measurement & Testing Equipment	\$3,539	\$0	\$3,539	\$0	\$3,539
1955	Communications Equipment	\$11,592	\$0	\$11,592	\$0	\$11,592
1960	Miscellaneous Equipment	\$11,128	\$0	\$11,128	\$0	\$11,128
1980	System Supervisor Equipment	\$63,123	\$0	\$63,123	\$0	\$63,123
2440	Deferred Revenue ⁵	-\$167,749	\$0	-\$167,749	\$0	-\$167,749
	Total	\$1,918,080	\$0	\$1,918,080	\$0	\$1,918,080

2025 Depreciation

OEB Account	OEB Account Description	Original Application	Adjustments	Interrogatory Response	Adjustments	Settlement Proposal
1611	Computer Software (Formally known as Account 1925)	\$39,838	\$0	\$39,838	\$0	\$39,838
1612	Land Rights (Formally known as Account 1906)	\$640	\$0	\$640	\$0	\$640
1808	Buildings	\$1,495	\$0	\$1,495	\$0	\$1,495
1815	Transformer Station Equipment >50 kV	\$13,523	\$0	\$13,523	\$0	\$13,523
1820	Distribution Station Equipment <50 kV	\$133,622	\$0	\$133,622	-\$3,031	\$130,591
1830	Poles, Towers & Fixtures	\$355,079	\$0	\$355,079	\$0	\$355,079
1835	Overhead Conductors & Devices	\$206,260	\$0	\$206,260	\$0	\$206,260
1840	Underground Conduit	\$59,206	\$0	\$59,206	\$0	\$59,206
1845	Underground Conductors & Devices	\$381,640	\$0	\$381,640	\$0	\$381,640
1850	Line Transformers	\$264,048	\$0	\$264,048	\$0	\$264,048
1855	Services (Overhead & Underground)	\$30,766	\$0	\$30,766	\$0	\$30,766
1860	Meters	\$130,162	\$0	\$130,162	\$0	\$130,162
1908	Buildings & Fixtures	\$115,442	\$0	\$115,442	\$0	\$115,442
1915	Office Furniture & Equipment (10 years)	\$4,500	\$0	\$4,500	\$0	\$4,500
1920	Computer Equip.-Hardware(Post Mar. 19/07)	\$41,179	\$0	\$41,179	\$0	\$41,179
1930	Transportation Equipment	\$203,597	\$0	\$203,597	-\$2,125	\$201,472
1940	Tools, Shop & Garage Equipment	\$10,876	\$0	\$10,876	\$0	\$10,876
1945	Measurement & Testing Equipment	\$8,580	\$0	\$8,580	-\$1,750	\$6,830
1955	Communications Equipment	\$11,072	\$0	\$11,072	\$0	\$11,072
1960	Miscellaneous Equipment	\$11,128	\$0	\$11,128	\$0	\$11,128
1980	System Supervisor Equipment	\$73,343	\$0	\$73,343	\$0	\$73,343
2440	Deferred Revenue ⁵	-\$204,589	\$0	-\$204,589	\$0	-\$204,589
	Total	\$1,891,407	\$0	\$1,891,407	-\$6,906	\$1,884,501

Table 1.2B
Rate Base

Category	Item	Original Application	Interrogatory Response	Change	Settlement Proposal	Change	Total Change
Average Net Fixed Assets	Opening Cost	\$82,482,690	\$82,482,690	\$0	\$82,482,690	\$0	\$0
	Closing Cost	\$87,298,103	\$87,298,103	\$0	\$87,018,103	-\$280,000	-\$280,000
	Average Cost	\$84,890,396	\$84,890,396	\$0	\$84,750,396	-\$140,000	-\$140,000
	Opening Accumulated Depreciation	-\$41,909,721	-\$41,909,721	\$0	-\$41,909,721	\$0	\$0
	Closing Accumulated Depreciation	-\$43,801,128	-\$43,801,128	\$0	-\$43,794,222	\$6,906	\$6,906
	Average Depreciation	-\$42,855,424	-\$42,855,424	\$0	-\$42,851,971	\$3,453	\$3,453
	Average Net Fixed Assets	\$42,034,972	\$42,034,972	\$0	\$41,898,425	-\$136,547	-\$136,547
Working Capital Allowance	OM&A	\$8,823,658	\$8,727,514	-\$96,144	\$8,589,515	-\$137,999	-\$234,143
	Property Tax	\$0	\$96,144	\$96,144	\$96,144	\$0	\$96,144
	Cost of Power	\$45,016,203	\$44,843,811	-\$172,393	\$46,020,255	\$1,176,444	\$1,004,051
	Total Working Capital	\$53,839,862	\$53,667,469	-\$172,393	\$54,705,914	\$1,038,445	\$866,052
	Working Capital Allowance Rate	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%
	Working Capital Allowance	\$4,037,990	\$4,025,060	-\$12,929	\$4,102,944	\$77,883	\$64,954
Rate Base	Rate Base	\$46,072,961	\$46,060,032	-\$12,929	\$46,001,368	-\$58,664	-\$71,593

Evidence:

Application:

- Exhibit 1
 - 1.1 Application
 - 1.2 Application Summary and Business Plan
 - 1.2.3 Rate Base and Distribution System Plan
- Exhibit 2
 - 2.1 Rate Base
 - 2.2 Fixed Asset Continuity Schedule
 - 2.4 Depreciation, Amortization and Depletion
 - 2.5 Allowance for Working Capital
 - 2.9.1 Capitalization Policy
 - 2.9.2 Overhead Costs

IRRs: 1-STAFF-3, 2-SEC-4, 2-SEC-5, 2-SEC-8, 2-VECC-5

Appendices to this Settlement Proposal: N/A

Settlement Models:

WHESC_2025_Chapter2_Appendices_Settlement_2025_01_23

Clarification Responses: SEC-32, SEC-35, SEC-36

Supporting Parties: All

Parties Taking No Position: None.

2. OM&A

2.1 Are the proposed OM&A expenditures appropriate?

Complete Settlement: The Parties agree that WHESC will reduce its OM&A expenses in the Test Year by \$180,000 and that the total planned OM&A expenses of \$8,685,658 (including property tax of \$96,144) in the 2025 Test Year is appropriate. The parties agree that \$42,000 for cloud computing implementation costs, which represents a \$210,000 spend amortized over the rate term, is to be added to the Test Year OM&A budget of \$8,823,658 prior to the \$180,000 reduction. The parties agree that WHESC will not use the DVA to account for incremental cloud computing implementation costs. The Parties also agree that WHESC will manage its OM&A on an envelope basis and that areas of spending may change as is necessary and appropriate. WHESC has applied the reduction in the tables throughout this settlement document and the live Excel models as an envelope adjustment.

The Parties agree the use of accrual-based accounting for the recovery of OPEBs and the manner in which to address the transition impact of the change from cash to accrual based accounting for OPEBs as discussed in section 3.4 is appropriate.

The Parties agree that this Settlement Proposal does not preclude WHESC from seeking rate recovery of amounts related to the Final Notice of Amendment to the Distribution System Code issued on December 23, 2024 regarding Amendments to Facilitate the Connection of Housing Developments and Residential Customers (EB-2024-0092). The Parties acknowledge that the forecasted impact of these amendments will have a material financial impact to WHESC.

As shown in Table 2.1A below, total 2025 settlement test year OM&A expenses have increased by 26.9% compared to December 31, 2017 actuals, representing a compound annual growth rate of approximately 3.0% per year. OM&A expenses with variances are summarized in Table 2.1B.

WHESC confirms that this level of spending is sufficient to maintain a safe and reliable distribution system.

Table 2.1A
Appendix 2-JA
Summary of OM&A Expenses

	2017 Last Rebasing Year OEB Approved	2017 Last Rebasing Year Actuals	2018 Actuals	2019 Actuals	2020 Actuals	2021 Actuals	2022 Actuals	2023 Actuals	2024 Bridge Year	2025 Test Year
Reporting Basis										
Operations	\$ 1,498,740	\$ 1,492,815	\$ 1,311,161	\$1,330,026	\$1,529,537	\$1,729,778	\$1,659,436	\$ 1,815,317	\$ 1,649,749	\$ 1,933,748
Maintenance	\$ 1,815,576	\$ 1,885,768	\$ 2,086,551	\$2,270,810	\$1,990,642	\$1,931,915	\$2,107,765	\$ 2,010,190	\$ 2,525,383	\$ 2,583,692
SubTotal	\$ 3,314,316	\$ 3,378,583	\$ 3,397,713	\$3,600,837	\$3,520,179	\$3,661,692	\$3,767,201	\$ 3,825,507	\$ 4,175,132	\$ 4,517,440
%Change (year over year)		1.9%	0.6%	6.0%	-2.2%	4.0%	2.9%	1.5%	9.1%	8.2%
%Change (Test Year vs Last Rebasing Year - Actual)										33.7%
Billing and Collecting	\$ 1,467,344	\$ 1,428,794	\$ 1,399,519	\$1,320,953	\$1,500,139	\$1,393,265	\$1,491,435	\$ 1,474,496	\$ 1,640,375	\$ 1,736,954
Community Relations	\$ 144,123	\$ 136,007	\$ 164,682	\$ 153,684	\$ 60,039	\$ 37,440	\$ 48,883	\$ 53,068	\$ 60,367	\$ 61,322
Administrative and General	\$ 1,874,217	\$ 1,822,928	\$ 1,834,169	\$1,860,395	\$1,739,477	\$1,692,055	\$1,775,977	\$ 1,885,199	\$ 2,214,905	\$ 2,273,798
SubTotal	\$ 3,485,684	\$ 3,387,730	\$ 3,398,370	\$3,335,032	\$3,299,655	\$3,122,760	\$3,316,295	\$ 3,412,764	\$ 3,915,647	\$ 4,072,075
%Change (year over year)		-2.8%	0.3%	-1.9%	-1.1%	-5.4%	6.2%	2.9%	14.7%	4.0%
%Change (Test Year vs Last Rebasing Year - Actual)										20.2%
Total	\$ 6,800,000	\$ 6,766,313	\$ 6,796,083	\$6,935,869	\$6,819,834	\$6,784,453	\$7,083,496	\$ 7,238,271	\$ 8,090,780	\$ 8,589,515
%Change (year over year)		-0.5%	0.4%	2.1%	-1.7%	-0.5%	4.4%	2.2%	11.8%	6.2%
	2017 Last Rebasing Year OEB Approved	2017 Last Rebasing Year Actuals	2018 Actuals	2019 Actuals	2020 Actuals	2021 Actuals	2022 Actuals	2023 Actuals	2024 Bridge Year	2025 Test Year
Operations ⁴	\$ 1,498,740	\$ 1,492,815	\$ 1,311,161	\$1,330,026	\$1,529,537	\$1,729,778	\$1,659,436	\$ 1,815,317	\$ 1,649,749	\$ 1,933,748
Maintenance ⁵	\$ 1,815,576	\$ 1,885,768	\$ 2,086,551	\$2,270,810	\$1,990,642	\$1,931,915	\$2,107,765	\$ 2,010,190	\$ 2,525,383	\$ 2,583,692
Billing and Collecting ⁶	\$ 1,467,344	\$ 1,428,794	\$ 1,399,519	\$1,320,953	\$1,500,139	\$1,393,265	\$1,491,435	\$ 1,474,496	\$ 1,640,375	\$ 1,736,954
Community Relations ⁷	\$ 144,123	\$ 136,007	\$ 164,682	\$ 153,684	\$ 60,039	\$ 37,440	\$ 48,883	\$ 53,068	\$ 60,367	\$ 61,322
Administrative and General ⁸	\$ 1,874,217	\$ 1,822,928	\$ 1,834,169	\$1,860,395	\$1,739,477	\$1,692,055	\$1,775,977	\$ 1,885,199	\$ 2,214,905	\$ 2,273,798
Total	\$ 6,800,000	\$ 6,766,313	\$ 6,796,083	\$6,935,869	\$6,819,834	\$6,784,453	\$7,083,496	\$ 7,238,271	\$ 8,090,780	\$ 8,589,515
%Change (year over year)		-0.5%	0.4%	2.1%	-1.7%	-0.5%	4.4%	2.2%	11.8%	6.2%

Table 2.1B
Summary of OM&A Expenses with Variance

Item	Original Application	Interrogatory Response	Change	Pre-Settlement	Change	Settlement Proposal	Change	Total Change
Operations	\$2,035,874	\$1,972,569	-\$63,306	\$1,972,569	\$0	\$1,933,748	-\$38,821	-\$102,126
Maintenance	\$2,669,176	\$2,644,870	-\$24,305	\$2,644,870	\$0	\$2,583,692	-\$61,178	-\$85,484
Billing and Collecting	\$1,765,877	\$1,762,661	-\$3,215	\$1,762,661	\$0	\$1,736,954	-\$25,707	-\$28,922
Community Relations	\$62,438	\$61,322	-\$1,115	\$61,322	\$0	\$61,322	\$0	-\$1,116
Administrative and General	\$2,290,294	\$2,286,091	-\$4,203	\$2,328,091	\$42,000	\$2,273,798	-\$54,293	-\$16,496
Total OM&A Excl. Property Tax	\$8,823,658	\$8,727,514	-\$96,144	\$8,769,514	\$42,000	\$8,589,514	-\$180,000	-\$234,144
Property Tax	\$0	\$96,144	\$96,144	\$96,144	\$0	\$96,144	\$0	\$96,144
Total OM&A Incl. Property Tax	\$8,823,658	\$8,823,658	\$0	\$8,865,658	\$42,000	\$8,685,658	-\$180,000	-\$138,000

Evidence:

Application:

- Exhibit 1
 - 1.1 Application
 - 1.2.4 Operations, Maintenance, and Administration Expenses
 - Appendix 1-A WHESC Business Plan
- Exhibit 4
 - 4.1 Overview
 - 4.2 Summary and Cost Drivers
 - 4.3 Program Delivery and Variance Analysis
 - 4.3.1 Workforce Planning and Employee Compensation

IRRs: 1-SEC-3, 1-VECC-2, 4-STAFF-38, 4-STAFF-39, 4-STAFF-40, 4-STAFF-41, 4-STAFF-42, 4-STAFF-43, 4-STAFF-44, 4-STAFF-45, 4-STAFF-46, 4-STAFF-47, 4-STAFF-48, 4-STAFF-49, 4-STAFF-50, 4-STAFF-51, 4-CCMBC-5, 4-CCMBC-6, 4-SEC-16, 4-SEC-17, 4-SEC-18, 4-SEC-19, 4-SEC-20, 4-SEC-21, 4-SEC-22, 4-VECC-18, 4-VECC-19, 4-VECC-20, 4-VECC-21, 4-VECC-22, 4-VECC-23, 4-VECC-24, 4-VECC-25

Appendices to this Settlement Proposal: N/A

Settlement Models:

WHESC_2025_Chapter2_Appendices_Settlement_2025_01_23
WHESC_2025_Benchmarking Model_Settlement_2025_01_23

Clarification Responses: STAFF-80 (Question 2), STAFF-84 (Question 6), SEC-38

Supporting Parties: All

Parties Taking No Position: None.

2.2 Is the proposed shared services cost allocation methodology and the quantum appropriate?

Complete Settlement: The Parties agree that WHESC's proposed shared services cost allocation methodology and quantum are appropriate.

Evidence:

Application:

- Exhibit 4
 - 4.3.2 Shared Services and Corporate Cost Allocation
- Exhibit 6
 - 6.3.3 Revenue from Affiliate Transactions

IRRs: 4-SEC-20, 4-VECC-23, 6-STAFF-56

Appendices to this Settlement Proposal: N/A

Settlement Models:

WHESC_2025_Chapter2_Appendices_Settlement_2025_01_23
WHESC_2025_Revenue_Requirement_Workform_Settlement_2025_01_23

Clarification Responses: N/A

Supporting Parties: All

Parties Taking No Position: None.

3. Cost of Capital, PILs, and Revenue Requirement

3.1 Is the proposed cost of capital (interest on debt, return on equity) and capital structure appropriate?

Complete Settlement: Subject to the adjustments expressly noted in this Settlement Proposal, the Parties agree that the proposed cost of capital and capital structure are appropriate. The Parties accept that the cost of capital calculations have been appropriately determined in accordance with OEB policies and practices as shown in Tables 3.1A and 3.1B below.

For the purposes of settlement, the Parties agree to the following adjustments:

- a) WHESC intends to secure a new loan on January 1, 2025, as shown in line 5 of table 3.1A below. The Parties agree that WHESC shall use a deemed long-term fixed interest rate of 3.493% for this loan for the purposes of calculating revenue requirement in this Settlement Proposal.

The Parties agree that WHESC will comply with any orders or directions from the OEB resulting from the Cost of Capital Generic Proceeding that are applicable to WHESC. The Parties agree that WHESC shall: (a) use the interim cost of capital parameters and the deferral and variance accounts from the OEB letter dated October 31, 2024 from EB-2024-0063; and (b) shall use the interim deemed short term debt rate and deferral and variance account established in the OEB letter dated July 26, 2024 to capture the revenue requirement impact from the changes to the Deemed Short-term Debt Rate described therein.

**Table 3.1A
Appendix 2-OB**

			Year	2025						
Row	Description	Lender	Affiliated or Third-Party Debt?	Fixed or Variable-Rate?	Start Date	Term (years)	Principal (\$)	Rate (%) ²	Interest (\$) ¹	Additional Comments, if any
1	Long Term Note Payable	TD Securities	Third-Party	Fixed Rate	20-Dec-19	10	\$ 13,500,000	0.02805	\$ 378,675.00	
2	Long Term Note Payable	TD Securities	Third-Party	Fixed Rate	30-Jan-19	10	\$ 1,500,000	0.0362	\$ 54,300.00	
3	Long Term Note Payable	TD Securities	Third-Party	Fixed Rate	26-May-20	15	\$ 3,500,000	0.01972	\$ 69,020.00	
4	Long Term Note Payable	TD Securities	Third-Party	Fixed Rate	14-Apr-23	15	\$ 2,500,000	0.04493	\$ 112,325.00	
5	Forecasted Long Term Note Payable	TBD	Third-Party	Fixed Rate	1-Jan-25	15	\$ 2,500,000	0.03493	\$ 87,325.00	
6									\$ -	
Total							\$ 23,500,000	2.99%	\$ 701,645.00	

Table 3.1B
Cost of Capital

Capitalization/Cost of Capital

Line No.	Particulars	Capitalization Ratio		Cost Rate	Return
		Initial Application			
		(%)	(\$)	(%)	(\$)
	Debt				
1	Long-term Debt	56.00%	\$25,800,858	3.09%	\$797,790
2	Short-term Debt	4.00%	\$1,842,918	6.23%	\$114,814
3	Total Debt	60.00%	\$27,643,777	3.30%	\$912,604
	Equity				
4	Common Equity	40.00%	\$18,429,184	9.21%	\$1,697,328
5	Preferred Shares	0.00%	\$ -	0.00%	\$ -
6	Total Equity	40.00%	\$18,429,184	9.21%	\$1,697,328
7	Total	100.00%	\$46,072,961	5.66%	\$2,609,932
		Interrogatory Responses			
		(%)	(\$)	(%)	(\$)
	Debt				
1	Long-term Debt	56.00%	\$25,793,618	3.09%	\$797,566
2	Short-term Debt	4.00%	\$1,842,401	5.04%	\$92,857
3	Total Debt	60.00%	\$27,636,019	3.22%	\$890,423
	Equity				
4	Common Equity	40.00%	\$18,424,013	9.25%	\$1,704,221
5	Preferred Shares	0.00%	\$ -	0.00%	\$ -
6	Total Equity	40.00%	\$18,424,013	9.25%	\$1,704,221
7	Total	100.00%	\$46,060,032	5.63%	\$2,594,644
		Settlement Agreement			
		(%)	(\$)	(%)	(\$)
	Debt				
8	Long-term Debt	56.00%	\$25,760,766	2.99%	\$769,145
9	Short-term Debt	4.00%	\$1,840,055	5.04%	\$92,739
10	Total Debt	60.00%	\$27,600,821	3.12%	\$861,884
	Equity				
11	Common Equity	40.00%	\$18,400,547	9.25%	\$1,702,051
12	Preferred Shares	0.00%	\$ -	0.00%	\$ -
13	Total Equity	40.00%	\$18,400,547	9.25%	\$1,702,051
14	Total	100.00%	\$46,001,368	5.57%	\$2,563,935

Evidence:

Application:

- Exhibit 5
 - 5.1 Capital Structure
 - 5.2 Cost of Capital

IRRs: 5-STAFF-52, 5-STAFF-53, 5-STAFF-54, 5-STAFF-55, 5-SEC-23, 5-SEC-24, 5-VECC-26, 5-VECC-27, 5-VECC-28

Appendices to this Settlement Proposal: N/A

Settlement Models:

WHESC_2025_Chapter2_Appendices_Settlement_2025_01_23
WHESC_2025_Revenue_Requirement_Workform_Settlement_2025_01_23

Clarification Responses: N/A

Supporting Parties: All

Parties Taking No Position: None.

3.2 Is the proposed PILs (or Tax) amount appropriate?

Complete Settlement: The Parties agree that the proposed PILs, as adjusted for other changes in the Settlement Proposal are appropriate. PILs have increased in the settlement proposal because of the reduction of capital additions and OM&A expenses, which increases taxable income. A summary of the updated PILs calculation is presented in Table 3.2A below.

The Parties further agree that WHESC’s proposal for the Accelerated Investment Incentive Program (“**AIIIP**”) set out in section 6.2.1.7 of Exhibit 6 of the Application is appropriate.

**Table 3.2A
Grossed-Up PILs**

Category	Item	Original Application	Interrogatory Response	Change	Settlement Proposal	Change	Total Change
Grossed Up PILS	Income Taxes (Not grossed up)	\$231,968	\$233,794	\$1,827	\$237,391	\$3,597	\$5,424
	Income Taxes (Grossed up)	\$315,602	\$318,088	\$2,485	\$322,981	\$4,894	\$7,379

Evidence:

Application:

- Exhibit 6
 - 6.2 Taxes or Payments in Lieu of Taxes (PILs) and Property Taxes
 - 6.2.1 Income Taxes or PILs
- Exhibit 9
 - 9.1 Disposition of Deferral and Variance Accounts

IRRs: 6-STAFF-59, 6-STAFF-60, 9-STAFF-71

Appendices to this Settlement Proposal: N/A

Settlement Models:

WHESC_2025_Test_Year_Income_Tax_PILs_Model_Settlement_2025_01_23
WHESC_2025_Revenue_Requirement_Workform_Settlement_2025_01_23

Clarification Responses: STAFF-86 (Question 8)

Supporting Parties: All

Parties Taking No Position: None.

3.3 Is the proposed Other Revenue forecast appropriate?

Complete Settlement: The Parties accept that the Other Revenue forecast, as adjusted for other changes in the Settlement Proposal, are appropriate. A summary of the updated calculation for Other Revenue is presented in Table 3.3A.

The following updates were made to the Other Revenue forecast:

- a) Accounts 4375 and 4380 were amended to include revenue and expense related to the operation of 4 MicroFit installations owned by WHESC.
- b) In accordance with 8-Staff-69, WHESC will maintain the current MicroFit charge of \$11. The allocation of the related revenue has been amended from Account 4082 to Account 4235 in the other revenue forecast.

Table 3.3A
Other Revenue

Other Revenue	Account	Original Application	Interrogatory Response	Change	Settlement Proposal	Change	Total Change
Specific Service Charges	4235	\$186,755	\$186,103	-\$652	\$200,095	\$13,992	\$13,340
Late Payment Charges	4225	\$106,410	\$106,410	\$0	\$106,410	\$0	\$0
Other Revenue	4082, 4084, 4086, 4210, 4245	\$534,338	\$546,332	\$11,994	\$532,340	-\$13,992	-\$1,998
Other Income or Deductions	4355, 4360, 4375, 4380, 4390, 4405	\$111,100	\$111,752	\$652	\$122,636	\$10,884	\$11,536
Total Other Revenue		\$938,603	\$950,597	\$11,994	\$961,481	\$10,884	\$22,879

Evidence:

Application:

- Exhibit 6
 - 6.3 Other Revenue

IRRs: 6-STAFF-56, 6-STAFF-57, 6-STAFF-58, 6-CCMBC-7, 6-CCMBC-8, 6-CCMBC-9, 6-CCMBC-10, 6-SEC-25, 6-SEC-26, 6-VECC-29

Appendices to this Settlement Proposal: N/A

Settlement Models:

WHESC_2025_Chapter2_Appendices_Settlement_2025_01_23
WHESC_2025_Revenue_Requirement_Workform_Settlement_2025_01_23

Clarification Responses: VECC-42

Supporting Parties: All

Parties Taking No Position: None.

3.4 Have all impacts of any changes in accounting standards, policies, estimates and adjustments been properly identified and recorded, and is the rate-making treatment of each of these impacts appropriate?

Complete Settlement: The Parties accept that all impacts of any changes in accounting standards, policies, estimates and adjustments have been properly identified and recorded, and the rate-making treatment of each of these impacts is appropriate.

The Parties agree that WHESC's proposal to change its accounting for OPEB costs in rates from a cash accounting basis to an accrual accounting basis is appropriate and has been appropriately reflected in rates; see section 6.1 for new deferral and variance accounts related to the transition.

Evidence:

Application:

- Exhibit 1
 - 1.8.6 Existing Accounting Orders

IRRs: N/A

Appendices to this Settlement Proposal: N/A

Settlement Models: N/A

Clarification Responses: N/A

Supporting Parties: All

Parties Taking No Position: None.

3.5 Is the proposed calculation of the Revenue Requirement appropriate?

Complete Settlement: The Parties accept that the proposed Revenue Requirement has been accurately determined based on the elements of this Settlement Proposal. A summary of the adjusted Base Revenue Requirement of \$12,700,184 is presented in Table 3.5A. Table 3.5B identifies the agreed upon elements for the cost of power.

Table 3.5A
Revenue Deficiency/Sufficiency

Category	Item	Original Application	Interrogatory Response	Change	Settlement Proposal	Change	Total Change
Service Revenue Requirement	OM&A	\$8,823,658	\$8,727,514	-\$96,144	\$8,589,515	-\$137,999	-\$234,143
	Property Taxes	\$0	\$96,144	\$96,144	\$96,144	\$0	\$96,144
	Amortization Expense	\$2,095,996	\$2,095,996	\$0	\$2,089,090	-\$6,906	-\$6,906
	Regulated Return on Rate Base	\$2,609,932	\$2,594,644	-\$15,288	\$2,563,935	-\$30,709	-\$45,997
	Grossed Up PILS	\$315,602	\$318,088	\$2,485	\$322,981	\$4,894	\$7,379
	Service Revenue Requirement	\$13,845,188	\$13,832,386	-\$12,802	\$13,661,665	-\$170,721	-\$183,523
Revenue Offsets	Other Revenues	\$938,603	\$950,597	\$11,994	\$961,481	\$10,884	\$22,879
Base Revenue Requirement	Base Revenue Requirement	\$12,906,585	\$12,881,789	-\$24,796	\$12,700,184	-\$181,605	-\$206,401
Revenue Deficiency / (Sufficiency)	Distribution Revenue at Current Rates	\$12,716,749	\$12,716,749	\$0	\$12,932,863	\$216,113	\$216,113
	Revenue Deficiency / (Sufficiency)	\$189,836	\$165,040	-\$24,796	-\$232,679	-\$397,718	-\$422,514

Table 3.5B
Cost of Power

Cost of Power	Original Application	Interrogatory Response	Change	Settlement Proposal	Change	Total Change
4705 - Power Purchased	\$31,855,038	\$29,585,925	-\$2,269,113	\$30,084,497	\$498,572	-\$1,770,541
4707 - Global Adjustment	\$9,219,026	\$8,589,320	-\$629,706	\$9,057,671	\$468,351	-\$161,354
4708 - Charges WMS	\$2,318,111	\$2,318,111	\$0	\$2,419,212	\$101,100	\$101,100
4714 - Charges NW	\$4,708,818	\$4,808,752	\$99,934	\$4,890,784	\$82,032	\$181,967
4716 - Charges CN	\$3,330,132	\$3,503,392	\$173,260	\$3,565,667	\$62,275	\$235,535
4751 - IESO SME	\$130,977	\$130,977	\$0	\$132,675	\$1,698	\$1,698
Misc A/R or A/P	-\$6,545,897	-\$4,092,666	\$2,453,231	-\$4,130,251	-\$37,585	\$2,415,646
Total	\$45,016,203	\$44,843,811	-\$172,393	\$46,020,255	\$1,176,444	\$1,004,051

Evidence:

Application:

- Exhibit 1
 - 1.2.1 Revenue Requirement
- Exhibit 6
 - 6.0 Overview
 - 6.1 Revenue Requirement Work Form

IRRs: 1-STAFF-1

Appendices to this Settlement Proposal: N/A

Settlement Models:

WHESC_2025_Chapter2_Appendices_Settlement_2025_01_23
WHESC_2025_Revenue_Requirement_Workform_Settlement_2025_01_23

Clarification Responses: N/A

Supporting Parties: All

Parties Taking No Position: None.

4. Load Forecast

4.1 Is the proposed load forecast methodologies and the resulting load forecasts appropriate?

Complete Settlement: Subject to the adjustments expressly noted in this Settlement Proposal, the Parties agree that the load forecast methodologies and the resulting load forecasts are appropriate, as updated in the excel models appended to this Settlement Proposal.

For the purposes of settlement, the following updates were made to the load forecast:

- a) The forecasted number of customer connections used in Table 4.1A is based on data from a historical period of January 2020 to September 2024.
- b) The kW and kWh used in Table 4.1A is based on data from a historical period of January 2014 to September 2024.

The billing determinants are reproduced below as Table 4.1A:

Table 4.1A
Billing Determinants

Rate Class	Item	Application	Interrogatory Response	Change	Settlement Proposal	Change	Total Change
Residential	Customers	24,119	24,119	0	24,448	329	329
	kWh	187,443,401	187,443,401	0	189,353,709	1,910,308	1,910,308
GS<50 kW	Customers	1,869	1,869	0	1,876	7	7
	kWh	56,382,524	56,382,524	0	56,401,817	19,293	19,293
GS 50 to 4999 kW	Customers	137	137	0	146	9	9
	kW	369,205	369,205	0	382,998	13793	13793
Unmetered Scattered Load	Connections	189	189	0	186	-3	-3
	kWh	804,273	804,273	0	791,275	-12998	-12998
Sentinel Lighting	Connections	311	311	0	322	11	11
	kW	1055	1055	0	1086	31	31
Street Lighting	Connections	7,464	7,464	0	7,374	-90	-90
	kW	4,147	4,147	0	4,127	-20	-20

Evidence:

Application:

- Exhibit 1
 - 1.2.2 Load Forecast Summary
- Exhibit 3
 - 3 Customer and Load Forecast

IRRS: 3-STAFF-33, 3-STAFF-34, 3-STAFF-35, 3-STAFF-36, 3-STAFF-37, 3-SEC-14, 3-SEC-15, 3-VECC-11, 3-VECC-12, 3-VECC-13, 3-VECC-14, 3-VECC-15, 3-VECC-16, 3-VECC-17

Appendices to this Settlement Proposal: N/A

Settlement Models:

WHESC_2025_Load_Forecast_Model_Settlement_2025_01_23

Clarification Responses: STAFF-83 (Question 5), SEC-37, VECC-40, VECC-41

Supporting Parties: All

Parties Taking No Position: None.

5. Cost Allocation, Rate Design, and Other Charges

5.1 Are the proposed cost allocation methodology, allocations, and revenue-to cost ratios, appropriate?

Complete Settlement: Subject to the adjustments expressly noted in this Settlement Proposal, the Parties agree that WHESC's proposals on cost allocation methodology, allocations, and revenue-to-cost ratios are appropriate.

For the purposes of settlement, the Parties agreed that the cost allocation methodology shall be updated in accordance with VECC-43 and VECC-44.

The revenue-to-cost ratios are reproduced below in Table 5.1A.

Table 5.1A
Revenue to Cost Ratios

Rate Class	Revenue to Cost Ratios Resulting from Cost Allocation Model	Proposed Revenue to Cost Ratio	OEB Target Low	OEB Target High
Residential	102.87%	102.84%	85%	115%
GS<50 kW	97.24%	97.24%	80%	120%
GS 50 to 4999 kW	89.70%	89.70%	80%	120%
Sentinel Lighting	72.91%	80.00%	80%	120%
Street Lighting	100.34%	100.34%	80%	120%
Unmetered Scattered Load	98.62%	98.62%	80%	120%

Evidence:

Application:

- Exhibit 1
 - 1.2.6 Cost Allocation and Rate Design
- Exhibit 7
 - 7 Cost Allocation

IRRs: 7-STAFF-62, 7-STAFF-63, 7-STAFF-64, 7-STAFF-65, 7-STAFF-66, 7-VECC-30, 7-VECC-31, 7-VECC-32, 7-VECC-33, 7-VECC-34, 7-VECC-35

Appendices to this Settlement Proposal: N/A

Settlement Models:

WHESC_2025_Cost_Allocation_Model_Settlement_2025_01_23
WHESC_2025_Revenue_Requirement_Workform_Settlement_2025_01_23

Clarification Responses: VECC-43, VECC-44, VECC-46

Supporting Parties: All

Parties Taking No Position: None.

5.2 Is the proposed rate design, including fixed/variable splits, appropriate?

Complete Settlement: The Parties accept that WHESC's proposal for rate design, including fixed/variable splits, is appropriate.

The fixed-variable splits and the resultant proposed fixed and variable charges are reproduced below in Tables 5.2A and 5.2B.

**Table 5.2A
Fixed Variable Split**

Rate Class	Allocated Base Revenue Requirement	Percentage from Fixed	Percentage from Variable	Fixed Component of Revenue Requirement	Variable Component of Revenue Requirement	Transformer Allowance
Residential	\$9,317,006	100.00%	0.00%	\$9,317,006	\$0	\$ -
GS<50 kW	\$1,413,226	58.84%	41.16%	\$831,593	\$581,633	\$7,256
GS 50 to 4999 kW	\$1,831,641	32.17%	67.83%	\$589,198	\$1,242,444	\$112,902
Sentinel Lighting	\$31,129	61.32%	38.68%	\$19,089	\$12,041	\$ -
Street Lighting	\$73,896	83.49%	16.51%	\$61,696	\$12,200	\$ -
Unmetered Scattered Load	\$33,286	81.09%	18.91%	\$26,991	\$6,294	\$ -
Total	\$12,700,184			\$10,845,572	\$1,854,612	\$120,157

**Table 5.2B
Proposed Distribution Rates**

Rate Class	Variable Billing Unit	Proposed Monthly Charge	Proposed Variable Rate
Residential	kWh	\$31.76	\$0.0000
GS<50 kW	kWh	\$36.94	\$0.0104
GS 50 to 4999 kW	kW	\$336.30	\$3.5388
Sentinel Lighting	kW	\$4.94	\$11.0842
Street Lighting	kW	\$0.70	\$2.9562
Unmetered Scattered Load	kWh	\$12.10	\$0.0080

Evidence:

Application:

- Exhibit 1
 - 1.2.6 Cost Allocation and Rate Design
- Exhibit 8
 - 8 Rate Design
 - 8.1 Fixed/Variable Portion

IRRs: 8-STAFF-67

Appendices to this Settlement Proposal: N/A

Settlement Models:

WHESC_2025_Revenue_Requirement_Workform_Settlement_2025_01_23
WHESC_2025_Tariff_Schedule_and_Bill_Impact_Model_Settlement_2025_01_23

Clarification Responses: N/A

Supporting Parties: All

Parties Taking No Position: None.

5.3 Are the proposed Retail Transmission Service Rates (“RTSR”) and Low Voltage Service Rates appropriate?

Complete Settlement: Subject to the adjustments expressly noted in this Settlement Proposal, the Parties agree that the proposed RTSR and Low Voltage Rates are appropriate.

The RTSR have been reproduced below in Table 5.3A.

Table 5.3A
Retail Transmission Service Rates (RTSR)

Rate Class	Billing Units	Line and Transformation Connection Service Rate	Network Service Rate
Residential	kWh	\$0.0095	\$0.0134
GS<50 kW	kWh	\$0.0080	\$0.0118
GS 50 to 4999 kW	kW	\$3.1388	\$4.0033
Sentinel Lighting	kW	\$2.5880	\$3.7481
Street Lighting	kW	\$2.5822	\$3.7399
Unmetered Scattered Load	kWh	\$0.0080	\$0.0118

Evidence:

Application:

- Exhibit 8
 - 8.2 Retail Transmission Rates
 - 8.6 Low Voltage Service Rates

IRRs: 8-STAFF-68, 8-VECC-36

Appendices to this Settlement Proposal: N/A

Settlement Models:

WHESC_2025_RTSR_Workform_Settlement_2025_01_23

Clarification Responses: N/A

Supporting Parties: All

Parties Taking No Position: None.

5.4 Are the proposed loss factors appropriate?

Complete Settlement: The Parties agree that WHESC's proposed loss factors are appropriate.

The loss factor calculation is reproduced below as Table 5.4:

Table 5.4
Loss Factor - Appendix 2R

		Historical Years					5-Year Average
		2019	2020	2021	2022	2023	
	Losses Within Distributor's System						
A(1)	"Wholesale" kWh delivered to distributor (higher value)	358,980,520	353,173,001	357,391,017	366,492,304	361,339,442	359,475,257
A(2)	"Wholesale" kWh delivered to distributor (lower value)	357,623,317	351,787,708	356,006,049	365,077,870	359,901,079	358,079,205
A(2)	Wholesale Market Participant	2,951,366	2,876,633	2,862,715	2,780,069	2,786,323	2,851,421
A(2)	Directly connected generation	22,847,159	24,031,647	23,629,191	23,327,869	22,496,002	23,266,374
B	Portion of "Wholesale" kWh delivered to distributor for its Large Use Customer(s)	-	-	-	-	-	-
C	Net "Wholesale" kWh delivered to distributor = A(2) - B	383,421,842	378,695,988	382,497,955	391,185,809	385,183,404	384,197,000
D	"Retail" kWh delivered by distributor	370,608,216	364,637,107	368,482,783	377,130,671	370,827,913	370,337,338
E	Portion of "Retail" kWh delivered by distributor to its Large Use Customer(s)	-	-	-	-	-	-
F	Net "Retail" kWh delivered by distributor = D - E	370,608,216	364,637,107	368,482,783	377,130,671	370,827,913	370,337,338
G	Loss Factor in Distributor's system = C / F	1.0346	1.0386	1.0380	1.0373	1.0387	1.0374
	Losses Upstream of Distributor's System						
H	Supply Facilities Loss Factor	1.0038	1.0039	1.0039	1.0039	1.0040	1.0039
	Total Losses						
I	Total Loss Factor = G x H	1.0385	1.0426	1.0421	1.0413	1.0429	1.0415

Evidence:

Application:

- Exhibit 8
 - 8.8 Loss Adjustment Factors

IRRs: 8-VECC-38

Appendices to this Settlement Proposal: N/A

Settlement Models:

WHESC_2025_Chapter2_Appendices_Settlement_2025_01_23

Clarification Responses: N/A

Supporting Parties: All

Parties Taking No Position: None.

5.5 Are the Specific Service Charges and Retail Service Charges appropriate?

Complete Settlement: Subject to the adjustments expressly noted in this Settlement Proposal, the Parties agree that WHESC's proposed Specific Service Charges and Retail Service Charges are appropriate as shown in the Tariff Schedule and Bill Impacts Model.

The Parties agree the Specific Service charge for MicroFIT monthly service charge has been appropriately updated in accordance with 8-Staff-69.

Evidence:

Application:

- Exhibit 8
 - 8.3 Retail Service Charges
 - 8.5 Specific Service Charges

IRRs: 8-STAFF-69, 8-SEC-27, 8-VECC-37

Appendices to this Settlement Proposal: N/A

Settlement Models: N/A

Clarification Responses: VECC-45

Supporting Parties: All

Parties Taking No Position: None.

5.6 Are rate mitigation proposals required and appropriate?

Complete Settlement: The Parties agree that no rate mitigation is necessary.

Evidence:

Application:

- Exhibit 8
 - 8.12 Rate Mitigation

IRRs: N/A

Appendices to this Settlement Proposal: N/A

Settlement Models: N/A

Clarification Responses: N/A

Supporting Parties: All

Parties Taking No Position: None.

6. Accounting

6.1 Are the proposals for deferral and variance accounts, including the balances in the existing accounts and their disposition, requests for new accounts, requests for discontinuation of accounts, and the continuation of existing accounts, appropriate?

Complete Settlement: Subject to the adjustments expressly noted in this Settlement Proposal, the Parties agree that WHESC's proposals for deferral and variance accounts, including the balances in the existing accounts and their disposition, requests for discontinuation of accounts, and the continuation of existing accounts, are appropriate.

For the purposes of settlement, the Parties agrees to the following:

- a) WHESC shall write off the balance in Account 1508 – OPEB Actuarial Gains or Losses to Other Comprehensive Income in accordance with 4-Staff-50(f).
- b) Despite the treatment of AIIP in section 3.2 above, WHESC shall continue to keep open Account 1592 – PILs and Tax Variance for 2006 and Subsequent Years – CCA Changes for the purposes of tracking any material changes in law but WHESC is not otherwise obligated to record any amounts in this account.
- c) WHESC will not use Account 1508 – Other Regulatory Assets, Sub-Account GOCA Variance account during the rebasing period from 2025 to 2029. Anticipated impacts associated with Bill 93 have been included in OM&A for the 2025 Test Year.
- d) WHESC will not use Account 1511 – Incremental Cloud Computing Implementation Costs during this rebasing period from 2025 to 2029. Anticipated cloud computing implementation costs have been amortized over the period and captured in OM&A.

Table 6.1A sets out the Deferral and Variance Account balances as updated to reflect this Settlement Proposal. Table 6.1B details which Deferral and Variance Accounts will continue or be discontinued as of May 1, 2025.

Table 6.1A
Deferral and Variance Account Balances

Account Description	USoA	Principal	Interest to 31-Dec-23	Total	Projected Interest	Total Claim	Disposition Method
Group 1 Accounts							
Smart Metering Entity Charge Variance Account	1551	-\$48,138	-\$110	-\$48,248	-\$3,183	-\$51,430	Rate Rider for Group 1
RSVA - Wholesale Market Service Charge	1580	-\$439,708	-\$16,614	-\$456,322	-\$29,072	-\$485,394	Rate Rider for Group 1
Variance WMS – Sub-account CBR Class B	1580	\$58,565	-\$365	\$58,200	\$3,872	\$62,073	Rate Rider for Group 1
RSVA - Retail Transmission Network Charge	1584	\$200,500	\$5,390	\$205,890	\$13,256	\$219,146	Rate Rider for Group 1
RSVA - Retail Transmission Connection Charge	1586	\$153,741	\$3,159	\$156,900	\$10,165	\$167,065	Rate Rider for Group 1
RSVA - Power (excluding Global Adjustment)	1588	-\$115,322	-\$2,103	-\$117,425	-\$7,625	-\$125,050	Rate Rider for Group 1
RSVA - Global Adjustment	1589	-\$32,813	-\$6,619	-\$39,432	-\$2,169	-\$41,601	Rate Rider for Group 1
DVA Regulatory Balances (2019)	1595	\$0	-\$407	-\$407	\$0	\$0	
DVA Regulatory Balances (2020)	1595	\$0	-\$13,598	-\$13,598	\$0	-\$13,598	Rate Rider for Group 1
DVA Regulatory Balances (2021)	1595	\$9,362	\$672	\$10,033	\$0	\$0	
DVA Regulatory Balances (2022)	1595	-\$2,613	-\$6,643	-\$9,256	\$0	\$0	
DVA Regulatory Balances (2023)	1595	\$54,640	\$2,641	\$57,281	\$0	\$0	
Group 1 total (including Account 1589)		-\$161,787	-\$34,597	-\$196,384	-\$14,756	-\$268,790	
Group 1 total (excluding Account 1589)		-\$128,974	-\$27,978	-\$156,952	-\$12,586	-\$227,189	

Account Description	USoA	Principal	Interest to 31-Dec-23	Total	Projected Interest	Total Claim	Disposition Method
Group 2 Accounts							
Pole Attachment	1508	-\$747,849	-\$42,375	-\$790,224	-\$44,213	-\$834,437	Rate Rider for Group 2
Retail Service Charge Incremental Revenue	1508	-\$52,484	-\$2,578	-\$55,062	-\$3,011	-\$58,073	Rate Rider for Group 2
Green Button Initiative	1508	\$67,826	\$3,074	\$70,900	\$4,484	\$75,384	Rate Rider for Group 2
OEB Cost Assessment	1508	\$32,868	\$4,793	\$37,661	\$2,173	\$39,834	Rate Rider for Group 2
OPEB Actuarial Gains or Losses	1508	-\$444,687	\$0	-\$444,687	\$0	\$0	
Subtotal		-\$1,144,326	-\$37,087	-\$1,181,413	-\$40,566	-\$777,292	
PILs and Tax Variance for 2006 and Subsequent Years- CCA Changes	1592	-\$494,087	-\$32,617	-\$526,704	-\$32,667	-\$559,371	Rate Rider for Group 2
Group 2 Total (including 1592)		-\$1,638,413	-\$69,704	-\$1,708,117	-\$73,234	-\$1,336,664	
Meter Cost Deferral (MIST Meters)	1557	\$202,151	\$13,546	\$215,696	\$12,771	\$228,468	Rate Rider for Account 1557
Group 2 Total		-\$1,436,262	-\$56,158	-\$1,492,421	-\$60,463	-\$1,108,196	

Table 6.1B
Deferral and Variance Accounts to Continue/Discontinue/New as of May 1, 2025

Account Description	Account	Continue / Discontinue
Group 1		
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
RSVA Global Adjustment	1589	Continue
Disposition and Recovery/Refund of Regulatory Balance (2019)	1595	Discontinue
Disposition and Recovery/Refund of Regulatory Balance (2020)	1595	Discontinue
Disposition and Recovery/Refund of Regulatory Balance (2021)	1595	Continue
Disposition and Recovery/Refund of Regulatory Balance (2022)	1595	Continue
Disposition and Recovery/Refund of Regulatory Balance (2023)	1595	Continue

Account Description	Account	Continue / Discontinue
Group 2		
Pole Attachment	1508	Discontinue
Retail Service Charge Incremental Revenue	1508	Discontinue
Green Button Initiative	1508	Discontinue
OEB Cost Assessment	1508	Discontinue
OPEB Actuarial Gains or Losses	1508	Discontinue
Getting Ontario Connected Act	1508	Discontinue
Cloud Computing Implementation Costs	1511	Discontinue
PILs and Tax Variance for 2006 and Subsequent Years- CCA Changes	1592	Continue
Meter Cost Deferral (MIST Meters)	1557	Discontinue

Evidence:

Application:

- Exhibit 1
 - 1.2.7 Deferral and Variance Accounts
- Exhibit 9
 - 9 Deferral and Variance Accounts

IRRs: 9-STAFF-70, 9-STAFF-72, 9-STAFF-73, 9-STAFF-74, 9-STAFF-75, 9-STAFF-76, 9-STAFF-77, 9-STAFF-78, 9-SEC-28, 9-SEC-29, 9-SEC-30, 9-VECC-39

Appendices to this Settlement Proposal: N/A

Settlement Models:

WHESC_2025_DVA_Continuity_Schedule_Settlement_2025_01_23
WHESC_2025_Tariff_Schedule_and_Bill_Impact_Model_Settlement_2025_01_23

Clarification Responses: STAFF-84 (Question 6), STAFF-87 (Question 9), STAFF-88 (Question 10), STAFF-89 (Question 11)

Supporting Parties: All

Parties Taking No Position: None.

7. Other

7.1 Is the proposed effective date appropriate?

Complete Settlement: The Parties agree that the effective date for 2025 rates shall be May 1, 2025.

Evidence:

Application:

- Exhibit 1
 - 1.3.9 Requested Effective Date of Rate Order

IRRs: N/A

Appendices to this Settlement Proposal: N/A

Settlement Models: N/A

Clarification Responses: N/A

Supporting Parties: All

Parties Taking No Position: None.

7.2 Has the applicant responded appropriately to all relevant OEB directions from previous proceedings?

Complete Settlement: The Parties agree that WHESC has responded appropriately to all relevant OEB directions from previous rate proceedings.

Evidence:

Application:

- Exhibit 1
 - 1.3.11 OEB Directions from Previous Decisions and/or Orders

IRRs: N/A

Appendices to this Settlement Proposal: N/A

Settlement Models: N/A

Clarification Responses: N/A

Supporting Parties: All

Parties Taking No Position: None.

7.3 Is the proposal to obtain payment from the IESO for Ratepayer Protection under O.Reg.330/09 for Renewable Generation Connection Rate Protection (RGCRP) for the period 2025 to 2030 appropriate?

Complete Settlement: The Parties agree that the proposal to obtain payment from the IESO for Ratepayer Protection under O. Reg. 330/09 for Renewable Generation Connection Rate Protection (RGCRP) for the period 2025 to 2030 is appropriate.

Evidence:

Application:

- Exhibit 2
 - 2.10 Costs of Eligible Investments for the Connection of Qualifying Generation Facilities

IRRs: 2-STAFF-28, 2-STAFF-29, 2-STAFF-30, 2-STAFF-31, 2-STAFF-32

Appendices to this Settlement Proposal: N/A

Settlement Models:

WHESC_2025_Chapter2_Appendices_Settlement_2025_01_23

Clarification Responses: N/A

Supporting Parties: All

Parties Taking No Position: None.

8. Appendices

Appendix A – Updated 2025 Revenue Requirement Work Form



Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2025 Filers



Version 1.10

Utility Name	Welland Hydro-Electric System Corp.
Service Territory	Welland, Ontario
Assigned EB Number	EB-2024-0058
Name and Title	Jennifer Dionne, Director of Finance & Regulatory
Phone Number	905-732-1381 Ext 235
Email Address	jdionne@wellandhydro.com
Test Year	2025
Bridge Year	2024
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.

Commencing with 2023 rate applications, 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)

This Workbook Model is protected by copyright and is being made available to you solely for the purpose of filing your application. You may use and copy this model for that purpose, and provide a copy of this model to any person that is advising or assisting you in that regard. Except as indicated above, any copying, reproduction, publication, sale, adaptation, translation, modification, reverse engineering or other use or dissemination of this model without the express written consent of the Ontario Energy Board is prohibited. If you provide a copy of this model to a person that is advising or assisting you in preparing the application or reviewing your draft rate order, you must ensure that the person understands and agrees to the restrictions noted above.

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 2025 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 2025 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)	\$ 84,890,396		\$ 84,890,396	(\$140,000)	\$ 84,750,396		\$ 84,750,396
Accumulated Depreciation (average)	(\$42,855,424) ⁽⁸⁾		\$ (42,855,424)	\$3,453	\$ (42,851,971)		\$ (42,851,971)
Allowance for Working Capital:							
Controllable Expenses	\$8,823,658		\$ 8,823,658	(\$137,999)	\$ 8,685,659		\$ 8,685,659
Cost of Power	\$45,016,203	(\$172,393)	\$ 44,843,811	\$1,176,444	\$ 46,020,255		\$ 46,020,255
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	\$12,716,749	\$0	\$12,716,749	\$216,113	\$12,932,863	\$0	\$12,932,863
Distribution Revenue at Proposed Rates	\$12,906,586	(\$24,796)	\$12,881,790	(\$181,606)	\$12,700,184	\$0	\$12,700,184
Other Revenue:							
Specific Service Charges	\$186,755	(\$652)	\$186,103	\$13,992	\$200,095	\$0	\$200,095
Late Payment Charges	\$106,410	\$0	\$106,410	\$0	\$106,410	\$0	\$106,410
Other Distribution Revenue	\$534,338	\$11,994	\$546,332	(\$13,992)	\$532,340	\$0	\$532,340
Other Income and Deductions	\$111,100	\$652	\$111,752	\$10,884	\$122,636	\$0	\$122,636
Total Revenue Offsets	\$938,603 ⁽⁷⁾	\$11,994	\$950,597	\$10,884	\$961,481	\$0	\$961,481
Operating Expenses:							
OM+A Expenses	\$8,823,658	(\$96,144)	\$ 8,727,514	(\$137,999)	\$8,589,515		\$ 8,589,515
Depreciation/Amortization	\$2,095,996	\$ -	\$ 2,095,996	(\$6,906)	\$2,089,090		\$ 2,089,090
Property taxes	\$ -	\$96,144	\$ 96,144	\$ -	\$96,144		\$ 96,144
Other expenses		\$ -					
3 Taxes/PILs							
Taxable Income:							
Adjustments required to arrive at taxable income	(\$821,978) ⁽⁸⁾	\$0	(\$821,978)	\$15,744	(\$806,234)	\$0	(\$806,234)
Utility Income Taxes and Rates:							
Income taxes (not grossed up)	\$231,968	\$1,827	\$233,794	\$3,597	\$237,391	\$0	\$237,391
Income taxes (grossed up)	\$315,602		\$318,088		\$322,981		\$322,981
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 (%)	3.09%	0.00%	3.09%	(0.11%)	2.99%	0.00%	2.99%
Short-term debt Cost Rate (%)	6.23%	(1.19%)	5.04%	0.00%	5.04%	0.00%	5.04%
Common Equity Cost Rate (%)	9.21%	0.04%	9.25%	0.00%	9.25%	0.00%	9.25%
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 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 2025 Filers

Rate Base and Working Capital

Rate Base									
Line No.	Particulars		Initial Application	Adjustments	Interrogatory Responses	Adjustments	Settlement Agreement	Adjustments	Per Board Decision
1	Gross Fixed Assets (average) ⁽²⁾		\$84,890,396	\$ -	\$84,890,396	(\$140,000)	\$84,750,396	\$ -	\$84,750,396
2	Accumulated Depreciation (average) ⁽²⁾		(\$42,855,424)	\$ -	(\$42,855,424)	\$3,453	(\$42,851,971)	\$ -	(\$42,851,971)
3	Net Fixed Assets (average) ⁽²⁾		\$42,034,971	\$ -	\$42,034,971	(\$136,547)	\$41,898,424	\$ -	\$41,898,424
4	Allowance for Working Capital ⁽¹⁾		\$4,037,990	(\$12,929)	\$4,025,060	\$77,883	\$4,102,944	\$ -	\$4,102,944
5	Total Rate Base		\$46,072,961	(\$12,929)	\$46,060,032	(\$58,664)	\$46,001,368	\$ -	\$46,001,368

(1) Allowance for Working Capital - Derivation

6	Controllable Expenses	\$8,823,658	\$ -	\$8,823,658	(\$137,999)	\$8,685,659	\$ -	\$8,685,659
7	Cost of Power	\$45,016,203	(\$172,393)	\$44,843,811	\$1,176,444	\$46,020,255	\$ -	\$46,020,255
8	Working Capital Base	\$53,839,862	(\$172,393)	\$53,667,469	\$1,038,445	\$54,705,914	\$ -	\$54,705,914
9	Working Capital Rate % ⁽¹⁾	7.50%	0.00%	7.50%	0.00%	7.50%	0.00%	7.50%
10	Working Capital Allowance	\$4,037,990	(\$12,929)	\$4,025,060	\$77,883	\$4,102,944	\$ -	\$4,102,944

Notes

- (1) Some Applicants may have a unique rate as a result of a lead-lag study. The default rate for 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 2025 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)	\$12,906,586	(\$24,796)	\$12,881,790	(\$181,606)	\$12,700,184	\$ -	\$12,700,184
2	Other Revenue ⁽¹⁾	\$938,603	\$11,994	\$950,597	\$10,884	\$961,481	\$ -	\$961,481
3	Total Operating Revenues	\$13,845,188	(\$12,802)	\$13,832,386	(\$170,721)	\$13,661,665	\$ -	\$13,661,665
Operating Expenses:								
4	OM+A Expenses	\$8,823,658	(\$96,144)	\$8,727,514	(\$137,999)	\$8,589,515	\$ -	\$8,589,515
5	Depreciation/Amortization	\$2,095,996	\$ -	\$2,095,996	(\$6,906)	\$2,089,090	\$ -	\$2,089,090
6	Property taxes	\$ -	\$96,144	\$96,144	\$ -	\$96,144	\$ -	\$96,144
7	Capital taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8	Other expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9	Subtotal (lines 4 to 8)	\$10,919,654	\$0	\$10,919,654	(\$144,905)	\$10,774,749	\$ -	\$10,774,749
10	Deemed Interest Expense	\$912,604	(\$22,181)	\$890,423	(\$28,539)	\$861,884	\$ -	\$861,884
11	Total Expenses (lines 9 to 10)	\$11,832,258	(\$22,181)	\$11,810,078	(\$173,445)	\$11,636,633	\$ -	\$11,636,633
12	Utility income before income taxes	\$2,012,930	\$9,379	\$2,022,309	\$2,723	\$2,025,032	\$ -	\$2,025,032
13	Income taxes (grossed-up)	\$315,602	\$2,485	\$318,088	\$4,894	\$322,981	\$ -	\$322,981
14	Utility net income	\$1,697,328	\$6,893	\$1,704,221	(\$2,171)	\$1,702,051	\$ -	\$1,702,051

Notes

Other Revenues / Revenue Offsets

(1)	Specific Service Charges	\$186,755	(\$652)	\$186,103	\$13,992	\$200,095	\$ -	\$200,095
	Late Payment Charges	\$106,410	\$ -	\$106,410	\$ -	\$106,410	\$ -	\$106,410
	Other Distribution Revenue	\$534,338	\$11,994	\$546,332	(\$13,992)	\$532,340	\$ -	\$532,340
	Other Income and Deductions	\$111,100	\$652	\$111,752	\$10,884	\$122,636	\$ -	\$122,636
	Total Revenue Offsets	\$938,603	\$11,994	\$950,597	\$10,884	\$961,481	\$ -	\$961,481



Revenue Requirement Workform (RRWF) for 2025 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	\$1,697,328	\$1,704,221	\$1,702,051	\$1,702,051
2	Adjustments required to arrive at taxable utility income	(\$821,978)	(\$821,978)	(\$806,234)	(\$806,234)
3	Taxable income	<u>\$875,350</u>	<u>\$882,243</u>	<u>\$895,816</u>	<u>\$895,816</u>
<u>Calculation of Utility Income Taxes</u>					
4	Income taxes	<u>\$231,968</u>	<u>\$233,794</u>	<u>\$237,391</u>	<u>\$237,391</u>
6	Total taxes	<u>\$231,968</u>	<u>\$233,794</u>	<u>\$237,391</u>	<u>\$237,391</u>
7	Gross-up of Income Taxes	<u>\$83,635</u>	<u>\$84,293</u>	<u>\$85,590</u>	<u>\$85,590</u>
8	Grossed-up Income Taxes	<u>\$315,602</u>	<u>\$318,088</u>	<u>\$322,981</u>	<u>\$322,981</u>
9	PILs / tax Allowance (Grossed-up Income taxes + Capital taxes)	<u>\$315,602</u>	<u>\$318,088</u>	<u>\$322,981</u>	<u>\$322,981</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



Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2025 Filers

Capitalization/Cost of Capital

Line No.	Particulars	Capitalization Ratio		Cost Rate		Return	
Initial Application							
		(%)		(\$)		(%)	(\$)
	Debt						
1	Long-term Debt	56.00%		\$25,800,858	3.09%		\$797,790
2	Short-term Debt	4.00%		\$1,842,918	6.23%		\$114,814
3	Total Debt	60.00%		\$27,643,777	3.30%		\$912,604
Equity							
4	Common Equity	40.00%		\$18,429,184	9.21%		\$1,697,328
5	Preferred Shares	0.00%		\$ -	0.00%		\$ -
6	Total Equity	40.00%		\$18,429,184	9.21%		\$1,697,328
7	Total	100.00%		\$46,072,961	5.66%		\$2,609,932
Interrogatory Responses							
		(%)		(\$)		(%)	(\$)
	Debt						
1	Long-term Debt	56.00%		\$25,793,618	3.09%		\$797,566
2	Short-term Debt	4.00%		\$1,842,401	5.04%		\$92,857
3	Total Debt	60.00%		\$27,636,019	3.22%		\$890,423
Equity							
4	Common Equity	40.00%		\$18,424,013	9.25%		\$1,704,221
5	Preferred Shares	0.00%		\$ -	0.00%		\$ -
6	Total Equity	40.00%		\$18,424,013	9.25%		\$1,704,221
7	Total	100.00%		\$46,060,032	5.63%		\$2,594,644
Settlement Agreement							
		(%)		(\$)		(%)	(\$)
	Debt						
8	Long-term Debt	56.00%		\$25,760,766	2.99%		\$769,145
9	Short-term Debt	4.00%		\$1,840,055	5.04%		\$92,739
10	Total Debt	60.00%		\$27,600,821	3.12%		\$861,884
Equity							
11	Common Equity	40.00%		\$18,400,547	9.25%		\$1,702,051
12	Preferred Shares	0.00%		\$ -	0.00%		\$ -
13	Total Equity	40.00%		\$18,400,547	9.25%		\$1,702,051
14	Total	100.00%		\$46,001,368	5.57%		\$2,563,935
Per Board Decision							
		(%)		(\$)		(%)	(\$)
	Debt						
8	Long-term Debt	56.00%		\$25,760,766	2.99%		\$769,145
9	Short-term Debt	4.00%		\$1,840,055	5.04%		\$92,739
10	Total Debt	60.00%		\$27,600,821	3.12%		\$861,884
Equity							
11	Common Equity	40.00%		\$18,400,547	9.25%		\$1,702,051
12	Preferred Shares	0.00%		\$ -	0.00%		\$ -
13	Total Equity	40.00%		\$18,400,547	9.25%		\$1,702,051
14	Total	100.00%		\$46,001,368	5.57%		\$2,563,935

Notes



Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2025 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		\$189,836		\$165,040		(\$232,679)		(\$232,679)
2	Distribution Revenue	\$12,716,749	\$12,716,749	\$12,716,749	\$12,716,749	\$12,932,863	\$12,932,863	\$12,932,863	\$12,932,863
3	Other Operating Revenue Offsets - net	\$938,603	\$938,603	\$950,597	\$950,597	\$961,481	\$961,481	\$961,481	\$961,481
4	Total Revenue	\$13,655,352	\$13,845,188	\$13,667,346	\$13,832,386	\$13,894,344	\$13,661,665	\$13,894,344	\$13,661,665
5	Operating Expenses	\$10,919,654	\$10,919,654	\$10,919,654	\$10,919,654	\$10,774,749	\$10,774,749	\$10,774,749	\$10,774,749
6	Deemed Interest Expense	\$912,604	\$912,604	\$890,423	\$890,423	\$861,884	\$861,884	\$861,884	\$861,884
8	Total Cost and Expenses	\$11,832,258	\$11,832,258	\$11,810,078	\$11,810,078	\$11,636,633	\$11,636,633	\$11,636,633	\$11,636,633
9	Utility Income Before Income Taxes	\$1,823,094	\$2,012,930	\$1,857,269	\$2,022,309	\$2,257,711	\$2,025,032	\$2,257,711	\$2,025,032
10	Tax Adjustments to Accounting Income per 2013 PILs model	(\$821,978)	(\$821,978)	(\$821,978)	(\$821,978)	(\$806,234)	(\$806,234)	(\$806,234)	(\$806,234)
11	Taxable Income	\$1,001,116	\$1,190,952	\$1,035,290	\$1,200,330	\$1,451,477	\$1,218,798	\$1,451,477	\$1,218,798
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	\$265,296	\$315,602	\$274,352	\$318,088	\$384,641	\$322,981	\$384,641	\$322,981
14	Income Tax Credits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
15	Utility Net Income	\$1,557,798	\$1,697,328	\$1,582,917	\$1,704,221	\$1,873,070	\$1,702,051	\$1,873,070	\$1,702,051
16	Utility Rate Base	\$46,072,961	\$46,072,961	\$46,060,032	\$46,060,032	\$46,001,368	\$46,001,368	\$46,001,368	\$46,001,368
17	Deemed Equity Portion of Rate Base	\$18,429,184	\$18,429,184	\$18,424,013	\$18,424,013	\$18,400,547	\$18,400,547	\$18,400,547	\$18,400,547
18	Income/(Equity Portion of Rate Base)	8.45%	9.21%	8.59%	9.25%	10.18%	9.25%	10.18%	9.25%
19	Target Return - Equity on Rate Base	9.21%	9.21%	9.25%	9.25%	9.25%	9.25%	9.25%	9.25%
20	Deficiency/Sufficiency in Return on Equity	-0.76%	0.00%	-0.66%	0.00%	0.93%	0.00%	0.93%	0.00%
21	Indicated Rate of Return	5.36%	5.66%	5.37%	5.63%	5.95%	5.57%	5.95%	5.57%
22	Requested Rate of Return on Rate Base	5.66%	5.66%	5.63%	5.63%	5.57%	5.57%	5.57%	5.57%
23	Deficiency/Sufficiency in Rate of Return	-0.30%	0.00%	-0.26%	0.00%	0.37%	0.00%	0.37%	0.00%
24	Target Return on Equity	\$1,697,328	\$1,697,328	\$1,704,221	\$1,704,221	\$1,702,051	\$1,702,051	\$1,702,051	\$1,702,051
25	Revenue Deficiency/(Sufficiency)	\$139,530	\$ -	\$121,304	\$0	(\$171,019)	\$ -	(\$171,019)	\$ -
26	Gross Revenue Deficiency/(Sufficiency)	\$189,836 ⁽¹⁾		\$165,040 ⁽¹⁾		(\$232,679) ⁽¹⁾		(\$232,679) ⁽¹⁾	

Notes:

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



Revenue Requirement Workform (RRWF) for 2025 Filers

Revenue Requirement

Line No.	Particulars	Application	Interrogatory Responses	Settlement Agreement	Per Board Decision
1	OM&A Expenses	\$8,823,658	\$8,727,514	\$8,589,515	\$8,589,515
2	Amortization/Depreciation	\$2,095,996	\$2,095,996	\$2,089,090	\$2,089,090
3	Property Taxes	\$ -	\$96,144	\$96,144	\$96,144
5	Income Taxes (Grossed up)	\$315,602	\$318,088	\$322,981	\$322,981
6	Other Expenses	\$ -			
7	Return				
	Deemed Interest Expense	\$912,604	\$890,423	\$861,884	\$861,884
	Return on Deemed Equity	\$1,697,328	\$1,704,221	\$1,702,051	\$1,702,051
8	Service Revenue Requirement (before Revenues)	\$13,845,188	\$13,832,386	\$13,661,665	\$13,661,665
9	Revenue Offsets	\$938,603	\$950,597	\$961,481	\$961,481
10	Base Revenue Requirement (excluding Transformer Ownership Allowance credit adjustment)	\$12,906,586	\$12,881,790	\$12,700,184	\$12,700,184
11	Distribution revenue	\$12,906,586	\$12,881,790	\$12,700,184	\$12,700,184
12	Other revenue	\$938,603	\$950,597	\$961,481	\$961,481
13	Total revenue	\$13,845,188	\$13,832,386	\$13,661,665	\$13,661,665
14	Difference (Total Revenue Less Distribution Revenue Requirement before Revenues)	\$ - ⁽¹⁾	\$0 ⁽¹⁾	\$ - ⁽¹⁾	\$ - ⁽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	\$13,845,188	\$13,832,386	(0.09%)	\$13,661,665	(1.33%)	\$13,661,665	(1.33%)
Grossed-Up Revenue							
Deficiency/(Sufficiency)	\$189,836	\$165,040	(13.06%)	(\$232,679)	(222.57%)	(\$232,679)	(222.57%)
Base Revenue Requirement (to be recovered from Distribution Rates)	\$12,906,586	\$12,881,790	(0.19%)	\$12,700,184	(1.60%)	\$12,700,184	(1.60%)
Revenue Deficiency/(Sufficiency) Associated with Base Revenue Requirement	\$189,836	\$165,040	(13.06%)	(\$232,679)	(222.57%)	(\$232,679)	(222.57%)

Notes

⁽¹⁾ Line 11 - Line 8

⁽²⁾ Percentage Change Relative to Initial Application



Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2025 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 2-4** should be incorporated into the entries. The inputs should correspond with the summary of the Load Forecast for the Test Year in **Appendix 2-1B** and in Exhibit 3 of the application.

Appendix 2-1B 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:

Settlement Agreement

Customer Class		Initial Application			Interrogatory Responses			Settlement Agreement			Per Board Decision		
Input the name of each customer class.		Customer / Connections	kWh	kW/kVA ⁽¹⁾	Customer / Connections	kWh	kW/kVA ⁽¹⁾	Customer / Connections	kWh	kW/kVA ⁽¹⁾	Customer / Connections	kWh	kW/kVA ⁽¹⁾
		Test Year average or mid-year	Annual	Annual	Test Year average or mid-year	Annual	Annual	Test Year average or mid-year	Annual	Annual	Test Year average or mid-year	Annual	Annual
1	Residential	24,119	187,443,401		24,119	187,443,401		24,448	189,353,709				
2	General Service Less Than 50 kW	1,869	56,382,524		1,869	56,382,524		1,876	56,401,817				
3	General Service 50 to 4,999 kW	137	134,534,275	369,205	137	134,534,275	369,205	146	142,730,278	382,998			
4	Sentinel Lighting	311	382,432	1,055	311	382,432	1,055	322	395,360	1,086			
5	Street Lighting	7,464	1,478,639	4,147	7,464	1,478,639	4,147	7,374	1,460,711	4,127			
6	Unmetered Scattered Load	189	804,273		189	804,273		186	791,275				
7													
8													
9													
10													
11													
12													
13													
14													
15													
16													
17													
18													
19													
20													
Total			381,025,544	374,407		381,025,544	374,407		391,133,151	388,211			

Notes:

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



Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2025 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: **Settlement Agreement**

A) Allocated Costs

Name of Customer Class ⁽³⁾	Costs Allocated from Previous Study ⁽¹⁾	%	Allocated Class Revenue Requirement ⁽¹⁾ (7A)	%
From Sheet 10. Load Forecast				
1 Residential	\$ 6,920,267	67.75%	\$ 9,751,592	71.38%
2 General Service Less Than 50 kW	\$ 1,242,072	12.16%	\$ 1,553,891	11.37%
3 General Service 50 to 4,999 kW	\$ 1,906,552	18.67%	\$ 2,187,423	16.01%
4 Sentinel Lighting	\$ 51,580	0.50%	\$ 43,722	0.32%
5 Street Lighting	\$ 59,255	0.58%	\$ 87,983	0.64%
6 Unmetered Scattered Load	\$ 34,433	0.34%	\$ 37,054	0.27%
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
Total	\$ 10,214,159	100.00%	\$ 13,661,665	100.00%
Service Revenue Requirement (from Sheet 9)			\$ 13,661,665.04	

- (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	LF X current approved rates X (1+d)	LF X Proposed Rates	Miscellaneous Revenues
		(7B)	(7C)	(7D)	(7E)
1	Residential	\$ 9,490,861	\$ 9,320,108	\$ 9,317,006	\$ 711,742
2	General Service Less Than 50 kW	\$ 1,439,118	\$ 1,413,226	\$ 1,413,226	\$ 97,852
3	General Service 50 to 4,999 kW	\$ 1,865,199	\$ 1,831,641	\$ 1,831,641	\$ 130,400
4	Sentinel Lighting	\$ 28,541	\$ 28,027	\$ 31,129	\$ 3,849
5	Street Lighting	\$ 75,250	\$ 73,896	\$ 73,896	\$ 14,383
6	Unmetered Scattered Load	\$ 33,896	\$ 33,286	\$ 33,286	\$ 3,255
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
Total		\$ 12,932,863	\$ 12,700,184	\$ 12,700,184	\$ 961,481

- (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.
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.
- (6)
- (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)	
		2017			
		%	%	%	%
1	Residential	104.20%	102.87%	102.84%	85 - 115
2	General Service Less Than 50 kW	96.40%	97.24%	97.24%	80 - 120
3	General Service 50 to 4,999 kW	86.60%	89.70%	89.70%	80 - 120
4	Sentinel Lighting	86.60%	72.91%	80.00%	80 - 120
5	Street Lighting	120.00%	100.34%	100.34%	80 - 120
6	Unmetered Scattered Load	120.00%	98.62%	98.62%	80 - 120
7					
8					
9					
10					
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19					
20					

- (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 2020 with further adjustments to move within the range over two years, the Most Recent Year would be 2023. However, the ratios in 2023 would be equal to those after the adjustment in 2022.
- (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		Proposed Revenue-to-Cost Ratio			Policy Range
	Test Year	Price Cap IR Period			
	2025	2026	2027		
1	Residential	102.84%	102.84%	102.84%	85 - 115
2	General Service Less Than 50 kW	97.24%	97.24%	97.24%	80 - 120
3	General Service 50 to 4,999 kW	89.70%	89.70%	89.70%	80 - 120
4	Sentinel Lighting	80.00%	80.00%	80.00%	80 - 120
5	Street Lighting	100.34%	100.34%	100.34%	80 - 120
6	Unmetered Scattered Load	98.62%	98.62%	98.62%	80 - 120
7					
8					
9					
10					
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20					

(11) The applicant should complete Table D if it is applying for approval of a revenue-to-cost ratio in 2025 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 2026 and 2027 Price Cap IR models, as necessary. For 2026 and 2027, enter the planned revenue-to-cost ratios that will be "Change" or "No Change" in 2026 (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'.



Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2025 Filers

New Rate Design Policy For Residential Customers

Please complete the following tables.

A Data Inputs (from Sheet 10. Load Forecast)

Test Year Billing Determinants for Residential Class	
Customers	24,448
kWh	189,353,709

Proposed Residential Class Specific Revenue Requirement ¹	\$ 9,317,005.68
--	-----------------

Residential Base Rates on Current Tariff	
Monthly Fixed Charge (\$)	
Distribution Volumetric Rate (\$/kWh)	

B Current Fixed/Variable Split

	Base Rates	Billing Determinants	Revenue	% of Total Revenue
Fixed		24,448		
Variable		189,353,709		
TOTAL	-	-		-

C Calculating Test Year Base Rates

Number of Remaining Rate Design Policy Transition Years ²	0
--	---

	Test Year Revenue @ Current F/V Split	Test Year Base Rates @ Current F/V Split	Reconciliation - Test Year Base Rates @ Current F/V Split
Fixed			
Variable			

TOTAL		-	
-------	--	---	--

	New F/V Split	Revenue @ new F/V Split	Final Adjusted Base Rates	Revenue Reconciliation @ Adjusted Rates
Fixed				
Variable				
TOTAL	-	\$ -	-	

Checks ³	
Change in Fixed Rate	
Difference Between Revenues @ Proposed Rates and Class Specific Revenue Requirement	

Notes:

- ¹ The final residential class specific revenue requirement, excluding allocated Miscellaneous Revenues, as shown on Sheet 11. Cost Allocation, should be used (i.e. the revenue requirement after any proposed adjustments to R/C ratios).
- ² The distributor should enter the number of years remaining before the transition to fully fixed rates is completed. The change in residential rate design is almost complete and distributors should have either 0 or 1 year remaining. If the distributor has fully transitioned to fixed rates put "0" in cell D40. If the distributor has proposed an additional transition year because the change in the residential rate design will result in the fixed charge increasing by more than \$4/year, put "1" in cell D40.
- ³ Change in fixed rate due to rate design policy should be less than \$4. The difference between the proposed class revenue requirement and the revenue at calculated base rates should be minimal (i.e. should be reasonably considered as a rounding error)

Revenue Requirement Workform (RRWF) for 2025 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:		Settlement Agreement				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											
Customer Class	Volumetric Charge Determinant	Customers / Connections	kWh	kW or kVA	Total Class Revenue Requirement	Monthly Service Charge	Volumetric	Fixed	Variable	Transformer Ownership Allowance ¹ (\$)	Monthly Service Charge ²		Volumetric Rate ³		MSC Revenues	Volumetric revenues	Distribution Revenues less Transformer Ownership Allowance		
From sheet 10. Load Forecast											Rate	No. of decimals	Rate	No. of decimals					
1 Residential	kWh	24,448	189,353,709	-	\$ 9,317,006	\$ 9,317,006	\$ -	100.00%	0.00%		\$31.76	2	\$0.0000 /kWh	4	\$ 9,317,766.17	\$ -	\$ 9,317,766.17		
2 General Service Less Than 50 kW	kWh	1,876	56,401,817	-	\$ 1,413,226	\$ 831,593	\$ 581,633	58.84%	41.16%	\$ 7,256	\$36.94		\$0.0104 /kWh		\$ 831,593.28	\$ 586,578.8997	\$ 1,410,916.68		
3 General Service 50 to 4,999 kW	kW	146	142,730,278	382,998	\$ 1,831,641	\$ 589,198	\$ 1,242,444	32.17%	67.83%	\$ 112,902	\$336.30		\$3.5388 /kW		\$ 589,197.60	\$ 1,355,352.1881	\$ 1,831,648.19		
4 Sentinel Lighting	kW	322	395,360	1,086	\$ 31,129	\$ 19,089	\$ 12,041	61.32%	38.68%		\$4.94		\$11.0842 /kW		\$ 19,085.35	\$ 12,040.5699	\$ 31,125.92		
5 Street Lighting	kW	7,374	1,460,711	4,127	\$ 73,896	\$ 61,696	\$ 12,200	83.49%	16.51%		\$0.70		\$2.9562 /kW		\$ 61,941.22	\$ 12,200.2355	\$ 74,141.45		
6 Unmetered Scattered Load	kWh	186	791,275	-	\$ 33,286	\$ 26,991	\$ 6,294	81.09%	18.91%		\$12.10		\$0.0080 /kWh		\$ 26,995.39	\$ 6,330.2007	\$ 33,325.59		
7		-	-	-											\$ -	\$ -	\$ -		
8		-	-	-											\$ -	\$ -	\$ -		
9		-	-	-											\$ -	\$ -	\$ -		
10		-	-	-											\$ -	\$ -	\$ -		
11		-	-	-											\$ -	\$ -	\$ -		
12		-	-	-											\$ -	\$ -	\$ -		
13		-	-	-											\$ -	\$ -	\$ -		
14		-	-	-											\$ -	\$ -	\$ -		
15		-	-	-											\$ -	\$ -	\$ -		
16		-	-	-											\$ -	\$ -	\$ -		
17		-	-	-											\$ -	\$ -	\$ -		
18		-	-	-											\$ -	\$ -	\$ -		
19		-	-	-											\$ -	\$ -	\$ -		
20		-	-	-											\$ -	\$ -	\$ -		
Total Transformer Ownership Allowance											\$ 120,157						Total Distribution Revenues	\$	12,698,924.00
												Rates recover revenue requirement					Base Revenue Requirement	\$	12,700,183.74
																	Difference	\$	(1,259.74)
																	% Difference		-0.010%

Notes:

¹ Transformer Ownership Allowance is entered as a positive amount, and only for those classes to which it applies.

² 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).

³ 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))]



Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2025 Filers

Tracking Form

The first row shown, labelled "Original Application", summarizes key statistics based on the data inputs into the RRWF. After the original application filing, the applicant provides key changes in capital and operating expenses, load forecasts, cost of capital, etc., as revised through the processing of the application. This could be due to revisions or responses to interrogatories. The last row shown is the most current estimate of the cost of service data reflecting the original application and any updates provided by the applicant distributor (for updated evidence, responses to interrogatories, undertakings, etc.)

Please ensure a Reference (Column B) and/or Item Description (Column C) is entered. Please note that unused rows will automatically be hidden and the PRINT AREA set when the PRINT BUTTON on Sheet 1 is activated.

⁽¹⁾ Short reference to evidence material (interrogatory response, undertaking, exhibit number, Board Decision, Code, Guideline, Report of the Board, etc.)

⁽²⁾ Short description of change, issue, etc.

Summary of Proposed Changes

Reference ⁽¹⁾	Item / Description ⁽²⁾	Cost of Capital		Rate Base and Capital Expenditures			Operating Expenses			Revenue Requirement			
		Regulated Return on Capital	Regulated Rate of Return	Rate Base	Working Capital	Working Capital Allowance (\$)	Amortization / Depreciation	Taxes/PILs	OM&A	Service Revenue Requirement	Other Revenues	Base Revenue Requirement	Grossed up Revenue Deficiency / Sufficiency
	Original Application	\$ 2,609,932	5.66%	\$ 46,072,961	\$ 53,839,862	\$ 4,037,990	\$ 2,095,996	\$ 315,602	\$ 8,823,658	\$ 13,845,188	\$ 938,603	\$ 12,906,586	\$ 189,836
1-Staff-1	Updated Cost of Capital Parameters	\$ 2,594,644	5.63%	\$ 46,060,032	\$ 53,839,862	\$ 4,037,990	\$ 2,095,996	\$ 318,088	\$ 8,823,658	\$ 13,820,392	\$ 938,603	\$ 12,881,790	\$ 165,040

Appendix B - Appendix 2-AB: Capital Expenditure Summary

TO BE UPDATED AT THE DRAFT RATE ORDER STAGE

Appendix 2-AB

Table 2 - Capital Expenditure Summary from Chapter 5 Consolidated Distribution System Plan Filing Requirements

First year of Forecast Period:
2025

CATEGORY	Historical Period (previous plan¹ & actual)																					Forecast Period (planned)							
	2017			2018			2019			2020			2021			2022			2023			2024			2025	2026	2027	2028	2029
	Plan	Actual	Var	Plan	Actual	Var	Plan	Actual	Var	Plan	Actual	Var	Plan	Actual	Var	Plan	Actual	Var	Plan	Actual	Var	Plan	Actual to Oct. 31	Var					
	\$ '000		%	\$ '000		%	\$ '000		%	\$ '000		%	\$ '000		%	\$ '000		%	\$ '000		%	\$ '000		%					
	System Access	140	76	-45.7%	250	424	69.6%	250	474	89.7%	190	1,548	714.7%	150	1,043	595.7%	715	1,063	48.6%	490	2,143	337.4%	2,329	1,803	-22.6%	1,577	1,624	1,672	1,724
System Renewal	1,735	1,788	3.1%	1,495	1,418	-5.2%	1,775	1,936	9.1%	1,920	2,272	18.3%	1,770	2,246	26.9%	2,185	2,614	19.7%	2,200	2,328	5.8%	2,405	1,912	-20.5%	2,724	3,147	2,795	3,372	3,315
System Service	80	29	-64.4%	260	113	-56.7%	35	103	194.3%	35	79	125.1%	35	267	663.1%	210	313	49.0%	220	141	-35.9%	160	135	-15.6%	242	499	482	364	272
General Plant	155	358	130.9%	305	563	84.7%	400	1,201	200.2%	295	314	6.5%	525	455	-13.3%	205	122	-40.5%	460	278	-39.6%	535	434	-18.9%	835	618	581	226	271
TOTAL EXPENDITURE	2,110	2,251	6.7%	2,310	2,517	9.0%	2,460	3,714	51.0%	2,440	4,213	72.7%	2,480	4,012	61.8%	3,315	4,112	24.0%	3,370	4,891	45.1%	5,429	4,284	-21.1%	5,378	5,888	5,530	5,686	5,633
Capital Contributions	-	(38)	--	-	(171)	--	-	(342)	--	-	(1,122)	--	-	(712)	--	(50)	(637)	1174.3%	(50)	(1,219)	2338.6%	(1,720)	(630)	-63.4%	(974)	(1,004)	(1,034)	(1,065)	(1,097)
NET CAPITAL EXPENDITURES	2,110	2,212	4.9%	2,310	2,347	1.6%	2,460	3,372	37.1%	2,440	3,091	26.7%	2,480	3,300	33.1%	3,265	3,475	6.4%	3,320	3,671	10.6%	3,709	3,654	-1.5%	4,403	4,884	4,496	4,621	4,536
System O&M	\$ 3,314	\$ 3,379	1.9%	\$ 3,380	\$ 3,398	0.5%	\$ 3,671	\$ 3,601	-1.9%	\$ 3,759	\$ 3,520	-6.4%	\$ 3,960	\$ 3,662	-7.5%	\$ 3,879	\$ 3,767	-2.9%	\$ 4,054	\$ 3,826	-5.6%	\$ 4,175	\$ 3,218	-22.9%	\$ 4,517	\$ 4,696	\$ 4,864	\$ 4,976	\$ 5,125

Notes to the Table:

1. Historical "previous plan" data is not required unless a plan has previously been filed. However, use the last OEB-approved, at least on a Total (Capital) Expenditure basis for the last cost of service rebasing year, and the applicant should include their planned budget in each subsequent historical year up to and including the Bridge Year.

2. Indicate the number of months of 'actual' data included in the last year of the Historical Period (normally a 'bridge' year):

3. System O&M contains the following accounts: 5005, 5010, 5012, 5014, 5015, 5016, 5017, 5020, 5025, 5030, 5035, 5040, 5045, 5050, 5055, 5060, 5065, 5070, 5075, 5085, 5090, 5095, 5096, 5105, 5110, 5112, 5114, 5120, 5125, 5130, 5135, 5145, 5150, 5155, 5160, 5165, 5170, 5172, 5175, 5178, 5195

Explanatory Notes on Variances (complete only if applicable)
Notes on shifts in forecast vs. historical budgets by category
Notes on year over year Plan vs. Actual variances for Total Expenditures
Notes on Plan vs. Actual variance trends for individual expenditure categories

Appendix C - Updated Appendix 2-BA: 2025 Fixed Asset Continuity Schedules

Appendix 2-BA
Fixed Asset Continuity Schedule ¹

Notes:

- 1) all historical years back to its last rebasing; or 2) at least three years of historical actuals, in addition to Bridge Year and Test Year forecasts. If this is the first application where the applicant is rebasing under MIFRS, contact OEB staff for further guidance on the appropriate fixed asset continuity schedules to complete (i.e. applicable years and accounting standard for each schedule).
- 2 The "CCA Class" for fixed assets should generally agree with the CCA Class used for tax purposes in Tax Returns. Fixed Assets sub-components may be used where the underlying asset components are classified under multiple CCA Classes for tax purposes. If an applicant uses any different classes from those shown in the table, an explanation should be provided. (also see note 3).
- 3 The table may need to be customized for a utility's asset categories or for any new asset accounts announced or authorized by the OEB.
- 4 The additions in column (E) must not include construction work in progress (CWIP).
- Effective on the date of IFRS adoption, customer contributions will no longer be recorded in Account 1995 Contributions & Grants, but will be recorded in Account 2440, Deferred Revenues.
- 5 Amortization of deferred revenue will be removed from the depreciation expense shown on this fixed asset continuity schedule as it should be included as income in Appendix 2-H Other Revenues.
- 6 The applicant must ensure that all asset disposals have been clearly identified in the Chapter 2 Appendices for all historic, bridge and test years. Where a distributor for general financial reporting purposes under IFRS has accounted for the amount of gain or loss on the retirement of assets in a pool of like assets as a charge or credit to income, for reporting and rate application filings, the distributor shall reclassify such gains and losses as depreciation expense, and disclose the amount separately.
- 7 This account includes the amount recorded under finance leases for plant leased from others and used by the utility in its utility operations.
- 8 The applicant must establish the continuity of historical cost for gross assets and accumulated depreciation by asset class by ensuring that the opening balance in the year agrees to the closing balance in the prior year.

Accounting Standard	MIFRS
Year	2017

CCA Class ²	OEB Account ³	Description ³	Cost				Accumulated Depreciation				Net Book Value
			Opening Balance ⁵	Additions ⁴	Disposals ⁶	Closing Balance	Opening Balance ⁵	Additions	Disposals ⁶	Closing Balance	
	1609	Capital Contributions Paid				\$ -				\$ -	\$ -
12	1611	Computer Software (Formally known as Account 1925)	\$ 966,997	\$ 126,550		\$ 1,093,547	-\$ 677,845	-\$ 104,090		-\$ 781,935	\$ 311,612
CEC	1612	Land Rights (Formally known as Account 1906)	\$ 70,296			\$ 70,296	-\$ 62,192	-\$ 640		-\$ 62,832	\$ 7,464
N/A	1805	Land	\$ 158,686			\$ 158,686	-\$ 1,236			-\$ 1,236	\$ 157,450
47	1808	Buildings	\$ 96,568			\$ 96,568	-\$ 63,698	-\$ 1,236		-\$ 64,934	\$ 31,634
13	1810	Leasehold Improvements				\$ -				\$ -	\$ -
47	1815	Transformer Station Equipment >50 kV	\$ 467,359			\$ 467,359	-\$ 97,274	-\$ 14,857		-\$ 112,131	\$ 355,228
47	1820	Distribution Station Equipment <50 kV	\$ 4,491,261	\$ 3,000	-\$ 269,283	\$ 4,224,978	-\$ 2,681,728	-\$ 89,556	\$ 257,079	-\$ 2,514,206	\$ 1,710,772
47	1825	Storage Battery Equipment				\$ -				\$ -	\$ -
47	1830	Poles, Towers & Fixtures	\$ 9,991,568	\$ 600,349		\$ 10,591,918	-\$ 1,775,470	-\$ 194,473		-\$ 1,969,943	\$ 8,621,974
47	1835	Overhead Conductors & Devices	\$ 13,762,667	\$ 180,579		\$ 13,943,246	-\$ 8,824,327	-\$ 143,136		-\$ 8,967,463	\$ 4,975,783
47	1840	Underground Conduit	\$ 1,542,830	\$ 462,310		\$ 2,005,139	-\$ 220,036	-\$ 34,211		-\$ 254,247	\$ 1,750,892
47	1845	Underground Conductors & Devices	\$ 11,436,604	\$ 243,987		\$ 11,680,592	-\$ 7,793,353	-\$ 188,584		-\$ 7,981,937	\$ 3,698,655
47	1850	Line Transformers	\$ 7,198,277	\$ 357,028	-\$ 18,989	\$ 7,536,316	-\$ 3,622,017	-\$ 129,138	\$ 14,779	-\$ 3,736,376	\$ 3,799,940
47	1855	Services (Overhead & Underground)	\$ 855,562	\$ 10,720		\$ 866,282	-\$ 196,154	-\$ 20,339		-\$ 216,492	\$ 649,789
47	1860	Meters	\$ 3,071,875	\$ 73,499	-\$ 53,113	\$ 3,092,261	-\$ 1,357,767	-\$ 204,560	\$ 33,862	-\$ 1,528,466	\$ 1,563,795
47	1860	Meters (Smart Meters)				\$ -				\$ -	\$ -
N/A	1905	Land				\$ -				\$ -	\$ -
47	1908	Buildings & Fixtures	\$ 2,635,551	\$ 93,230		\$ 2,728,781	-\$ 1,309,433	-\$ 67,598		-\$ 1,377,031	\$ 1,351,750
13	1910	Leasehold Improvements				\$ -				\$ -	\$ -
8	1915	Office Furniture & Equipment (10 years)	\$ 90,445			\$ 90,445	-\$ 78,382	-\$ 3,896		-\$ 82,278	\$ 8,167
8	1915	Office Furniture & Equipment (5 years)				\$ -				\$ -	\$ -
10	1920	Computer Equipment - Hardware				\$ -				\$ -	\$ -
45	1920	Computer Equip.-Hardware(Post Mar. 22/04)				\$ -				\$ -	\$ -
50	1920	Computer Equip.-Hardware(Post Mar. 19/07)	\$ 234,822	\$ 13,810		\$ 248,633	-\$ 123,003	-\$ 53,089		-\$ 176,091	\$ 72,541
10	1930	Transportation Equipment	\$ 2,178,574	\$ 73,276	-\$ 254,812	\$ 1,997,038	-\$ 1,030,124	-\$ 109,892	\$ 254,812	-\$ 885,204	\$ 1,111,834
8	1935	Stores Equipment	\$ 30,023			\$ 30,023	-\$ 30,023			-\$ 30,023	\$ 0
8	1940	Tools, Shop & Garage Equipment	\$ 100,814	\$ 50,994		\$ 151,808	-\$ 76,557	-\$ 8,128		-\$ 84,685	\$ 67,123
8	1945	Measurement & Testing Equipment	\$ 20,451			\$ 20,451	-\$ 16,819	-\$ 771		-\$ 17,590	\$ 2,861
8	1950	Power Operated Equipment				\$ -				\$ -	\$ -
8	1955	Communications Equipment	\$ 298,231			\$ 298,231	-\$ 188,991	-\$ 28,678		-\$ 217,669	\$ 80,563
8	1955	Communication Equipment (Smart Meters)				\$ -				\$ -	\$ -
8	1960	Miscellaneous Equipment	\$ 315,235			\$ 315,235	-\$ 126,063	-\$ 11,128		-\$ 137,191	\$ 178,045
47	1970	Load Management Controls Customer Premises				\$ -				\$ -	\$ -
47	1975	Load Management Controls Utility Premises				\$ -				\$ -	\$ -
47	1980	System Supervisor Equipment	\$ 779,964	\$ 28,500		\$ 808,464	-\$ 606,349	-\$ 43,771		-\$ 650,120	\$ 158,343
47	1985	Miscellaneous Fixed Assets				\$ -				\$ -	\$ -
47	1990	Other Tangible Property				\$ -				\$ -	\$ -
47	1995	Contributions & Grants	-\$ 718,435	-\$ 36,018		\$ 754,453	\$ 30,349	\$ 22,644		\$ 52,993	-\$ 701,460
47	2440	Deferred Revenue ⁵				\$ -				\$ -	\$ -
	2005	Property Under Finance Lease ⁷				\$ -				\$ -	\$ -
		Sub-Total	\$ 60,076,227	\$ 2,281,816	-\$ 596,198	\$ 61,761,845	-\$ 30,928,494	-\$ 1,429,125	\$ 560,532	-\$ 31,797,087	\$ 29,964,758
		Less Socialized Renewable Energy Generation Investments (input as negative)				\$ -				\$ -	\$ -
		Less Other Non Rate-Regulated Utility Assets (input as negative)				\$ -				\$ -	\$ -
		Total PP&E for Rate Base Purposes	\$ 60,076,227	\$ 2,281,816	-\$ 596,198	\$ 61,761,845	-\$ 30,928,494	-\$ 1,429,125	\$ 560,532	-\$ 31,797,087	\$ 29,964,758
		Construction Work In Progress	\$ 69,322	-\$ 69,322		\$ -				\$ -	\$ -
		Total PP&E	\$ 60,145,549	\$ 2,212,494	-\$ 596,198	\$ 61,761,845	-\$ 30,928,494	-\$ 1,429,125	\$ 560,532	-\$ 31,797,087	\$ 29,964,758
		Depreciation Expense adi. from gain or loss on the retirement of assets (pool of like assets), if applicable ⁸									

		Total	-\$ 1,429,125
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10		Transportation	Less: Fully Allocated Depreciation
8		Stores Equipment	Transportation
47		Deferred Revenue	Stores Equipment
			Deferred Revenue
			Net Depreciation
			-\$ 1,429,125

Accounting Standard	MIFRS
Year	2018

CCA Class ²	OEB Account ³	Description ³	Cost				Accumulated Depreciation					Net Book Value
			Opening Balance ⁶	Additions ⁴	Disposals ⁶	Closing Balance	Opening Balance ⁸	Additions	Disposals ⁶	Closing Balance		
	1609	Capital Contributions Paid	\$ -			\$ -	\$ -			\$ -	\$ -	
12	1611	Computer Software (Formally known as Account 1925)	\$ 1,093,547			\$ 1,093,547	\$ 781,935	\$ 145,613		\$ 927,548	\$ 165,999	
CEC	1612	Land Rights (Formally known as Account 1906)	\$ 70,296			\$ 70,296	\$ 62,832	\$ 640		\$ 63,472	\$ 6,824	
N/A	1805	Land	\$ 158,686			\$ 158,686	\$ 1,236			\$ 1,236	\$ 157,450	
47	1808	Buildings	\$ 96,568			\$ 96,568	\$ 64,934	\$ 1,236		\$ 66,169	\$ 30,399	
13	1810	Leasehold Improvements	\$ -			\$ -	\$ -			\$ -	\$ -	
47	1815	Transformer Station Equipment >50 kV	\$ 467,359			\$ 467,359	\$ 112,131	\$ 14,857		\$ 126,987	\$ 340,371	
47	1820	Distribution Station Equipment <50 kV	\$ 4,224,978	\$ 228,181		\$ 4,453,159	\$ 2,514,206	\$ 87,030		\$ 2,601,236	\$ 1,851,923	
47	1825	Storage Battery Equipment	\$ -			\$ -	\$ -			\$ -	\$ -	
47	1830	Poles, Towers & Fixtures	\$ 10,591,918	\$ 707,453		\$ 11,299,371	\$ 1,969,943	\$ 207,697		\$ 2,177,640	\$ 9,121,731	
47	1835	Overhead Conductors & Devices	\$ 13,943,246	\$ 81,248		\$ 14,024,494	\$ 8,967,463	\$ 145,808		\$ 9,113,271	\$ 4,911,223	
47	1840	Underground Conduit	\$ 2,005,139	\$ 73,039		\$ 2,078,178	\$ 254,247	\$ 39,564		\$ 293,811	\$ 1,784,367	
47	1845	Underground Conductors & Devices	\$ 11,680,592	\$ 242,240		\$ 11,922,832	\$ 7,981,937	\$ 196,687		\$ 8,178,624	\$ 3,744,208	
47	1850	Line Transformers	\$ 7,536,316	\$ 303,002	\$ 42,184	\$ 7,797,133	\$ 3,736,376	\$ 137,726	\$ 28,377	\$ 3,845,725	\$ 3,951,408	
47	1855	Services (Overhead & Underground)	\$ 866,282	\$ 47,970		\$ 914,252	\$ 216,492	\$ 21,072		\$ 237,565	\$ 676,687	
47	1860	Meters	\$ 3,092,261	\$ 100,332	\$ 9,672	\$ 3,182,921	\$ 1,528,466	\$ 209,611	\$ 5,326	\$ 1,732,750	\$ 1,450,171	
47	1860	Meters (Smart Meters)	\$ -			\$ -	\$ -			\$ -	\$ -	
N/A	1905	Land	\$ -			\$ -	\$ -			\$ -	\$ -	
47	1908	Buildings & Fixtures	\$ 2,728,781	\$ 107,804		\$ 2,836,585	\$ 1,377,031	\$ 70,622		\$ 1,447,653	\$ 1,388,932	
13	1910	Leasehold Improvements	\$ -			\$ -	\$ -			\$ -	\$ -	
8	1915	Office Furniture & Equipment (10 years)	\$ 90,445			\$ 90,445	\$ 82,278	\$ 2,243		\$ 84,522	\$ 5,924	
8	1915	Office Furniture & Equipment (5 years)	\$ -			\$ -	\$ -			\$ -	\$ -	
10	1920	Computer Equipment - Hardware	\$ -			\$ -	\$ -			\$ -	\$ -	
45	1920	Computer Equip.-Hardware(Post Mar. 22/04)	\$ -			\$ -	\$ -			\$ -	\$ -	
50	1920	Computer Equip.-Hardware(Post Mar. 19/07)	\$ 248,633			\$ 248,633	\$ 176,091	\$ 43,468		\$ 219,559	\$ 29,074	
10	1930	Transportation Equipment	\$ 1,997,038	\$ 220,016	\$ 209,354	\$ 2,007,700	\$ 885,204	\$ 125,550	\$ 206,990	\$ 803,765	\$ 1,203,936	
8	1935	Stores Equipment	\$ 30,023			\$ 30,023	\$ 30,023			\$ 30,023	\$ 0	
8	1940	Tools, Shop & Garage Equipment	\$ 151,808		\$ 2,941	\$ 148,867	\$ 84,685	\$ 9,235	\$ 2,765	\$ 91,155	\$ 57,712	
8	1945	Measurement & Testing Equipment	\$ 20,451	\$ 20,374		\$ 40,825	\$ 17,590	\$ 1,708		\$ 19,298	\$ 21,527	
8	1950	Power Operated Equipment	\$ -			\$ -	\$ -			\$ -	\$ -	
8	1955	Communications Equipment	\$ 298,231			\$ 298,231	\$ 217,669	\$ 16,613		\$ 234,282	\$ 63,949	
8	1955	Communication Equipment (Smart Meters)	\$ -			\$ -	\$ -			\$ -	\$ -	
8	1960	Miscellaneous Equipment	\$ 315,235			\$ 315,235	\$ 137,191	\$ 11,128		\$ 148,319	\$ 166,917	
47	1970	Load Management Controls Customer Premises	\$ -			\$ -	\$ -			\$ -	\$ -	
47	1975	Load Management Controls Utility Premises	\$ -			\$ -	\$ -			\$ -	\$ -	
47	1980	System Supervisor Equipment	\$ 808,464	\$ 54,389		\$ 862,853	\$ 650,120	\$ 29,203		\$ 679,324	\$ 183,529	
47	1985	Miscellaneous Fixed Assets	\$ -			\$ -	\$ -			\$ -	\$ -	
47	1990	Other Tangible Property	\$ -			\$ -	\$ -			\$ -	\$ -	
47	1995	Contributions & Grants	\$ 754,453	\$ 170,518		\$ 924,971	\$ 52,993	\$ 25,552		\$ 78,545	\$ 846,425	
47	2440	Deferred Revenue ⁵	\$ -			\$ -	\$ -			\$ -	\$ -	
	2005	Property Under Finance Lease ⁷	\$ -			\$ -	\$ -			\$ -	\$ -	
		Sub-Total	\$ 61,761,845	\$ 2,015,531	\$ 264,151	\$ 63,513,224	\$ 31,797,087	\$ 1,491,760	\$ 243,458	\$ 33,045,389	\$ 30,467,836	
		Less Socialized Renewable Energy Generation Investments (input as negative)	\$ -			\$ -	\$ -			\$ -	\$ -	
		Less Other Non Rate-Regulated Utility Assets (input as negative)	\$ -			\$ -	\$ -			\$ -	\$ -	
		Total PP&E for Rate Base Purposes	\$ 61,761,845	\$ 2,015,531	\$ 264,151	\$ 63,513,224	\$ 31,797,087	\$ 1,491,760	\$ 243,458	\$ 33,045,389	\$ 30,467,836	
		Construction Work In Progress	\$ -	\$ 248,350		\$ 248,350	\$ -			\$ -	\$ 248,350	
		Total PP&E	\$ 61,761,845	\$ 2,263,881	\$ 264,151	\$ 63,761,574	\$ 31,797,087	\$ 1,491,760	\$ 243,458	\$ 33,045,389	\$ 30,716,186	
		Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable ⁸										
		Total					\$ 1,491,760					

10		Transportation	Less: Fully Allocated Depreciation
8		Stores Equipment	Transportation
47		Deferred Revenue	Stores Equipment
			Deferred Revenue
			Net Depreciation
			-\$ 1,491,760

Accounting Standard	MIFRS
Year	2019

CCA Class ²	OEB Account ³	Description ³	Cost				Accumulated Depreciation				Net Book Value
			Opening Balance ¹	Additions ⁴	Disposals ⁶	Closing Balance	Opening Balance ¹	Additions	Disposals ⁶	Closing Balance	
	1609	Capital Contributions Paid	\$ -			\$ -	\$ -			\$ -	\$ -
12	1611	Computer Software (Formally known as Account 1925)	\$ 1,093,547	\$ 382,313		\$ 1,475,860	\$ 927,548	\$ 140,956		\$ 1,068,504	\$ 407,356
CEC	1612	Land Rights (Formally known as Account 1906)	\$ 70,296			\$ 70,296	\$ 63,472	\$ 640		\$ 64,112	\$ 6,184
N/A	1805	Land	\$ 158,686		\$ 3,000	\$ 155,686	\$ 1,236			\$ 1,236	\$ 154,450
47	1808	Buildings	\$ 96,568			\$ 96,568	\$ 66,169	\$ 1,236		\$ 67,405	\$ 29,163
13	1810	Leasehold Improvements	\$ -			\$ -	\$ -			\$ -	\$ -
47	1815	Transformer Station Equipment >50 kV	\$ 467,359			\$ 467,359	\$ 126,987	\$ 14,857		\$ 141,844	\$ 325,515
47	1820	Distribution Station Equipment <50 kV	\$ 4,453,159	\$ 214,481	\$ 89,718	\$ 4,577,922	\$ 2,601,236	\$ 94,568	\$ 89,718	\$ 2,606,086	\$ 1,971,836
47	1825	Storage Battery Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
47	1830	Poles, Towers & Fixtures	\$ 11,299,371	\$ 716,853		\$ 12,016,224	\$ 2,177,640	\$ 221,940		\$ 2,399,580	\$ 9,616,644
47	1835	Overhead Conductors & Devices	\$ 14,024,494	\$ 124,433		\$ 14,148,927	\$ 9,113,271	\$ 147,865		\$ 9,261,136	\$ 4,887,792
47	1840	Underground Conduit	\$ 2,078,178	\$ 67,831		\$ 2,146,009	\$ 293,811	\$ 40,973		\$ 334,784	\$ 1,811,225
47	1845	Underground Conductors & Devices	\$ 11,922,832	\$ 377,332		\$ 12,300,164	\$ 8,178,624	\$ 207,014		\$ 8,385,637	\$ 3,914,527
47	1850	Line Transformers	\$ 7,797,133	\$ 753,899	\$ 54,059	\$ 8,496,973	\$ 3,845,725	\$ 150,938	\$ 32,778	\$ 3,963,885	\$ 4,533,088
47	1855	Services (Overhead & Underground)	\$ 914,252	\$ 14,227		\$ 928,479	\$ 237,565	\$ 21,850		\$ 259,415	\$ 669,065

47	1860	Meters	\$ 3,182,921	\$ 63,328	\$ 29,546	\$ 3,216,703	-\$ 1,732,750	-\$ 214,906	\$ 26,283	-\$ 1,921,373	\$ 1,295,330
47	1860	Meters (Smart Meters)	\$ -			\$ -	\$ -			\$ -	\$ -
N/A	1905	Land	\$ -			\$ -	\$ -			\$ -	\$ -
47	1908	Buildings & Fixtures	\$ 2,836,585	\$ 345,645		\$ 3,182,230	-\$ 1,447,653	-\$ 84,429		-\$ 1,532,082	\$ 1,650,148
13	1910	Leasehold Improvements	\$ -			\$ -	\$ -			\$ -	\$ -
8	1915	Office Furniture & Equipment (10 years)	\$ 90,445		-\$ 72,282	\$ 18,163	-\$ 84,522	-\$ 1,816	\$ 72,282	-\$ 14,056	\$ 4,107
8	1915	Office Furniture & Equipment (5 years)	\$ -			\$ -	\$ -			\$ -	\$ -
10	1920	Computer Equipment - Hardware	\$ -			\$ -	\$ -			\$ -	\$ -
45	1920	Computer Equip.-Hardware(Post Mar. 22/04)	\$ -			\$ -	\$ -			\$ -	\$ -
50	1920	Computer Equip.-Hardware(Post Mar. 19/07)	\$ 248,633	\$ 148,293		\$ 396,926	-\$ 219,559	-\$ 35,988		\$ 255,547	\$ 141,379
10	1930	Transportation Equipment	\$ 2,007,700	\$ 459,036	-\$ 153,526	\$ 2,313,210	-\$ 803,765	-\$ 147,329	\$ 153,526	-\$ 797,568	\$ 1,515,642
8	1935	Stores Equipment	\$ 30,023			\$ 30,023	-\$ 30,023			-\$ 30,023	\$ 0
8	1940	Tools, Shop & Garage Equipment	\$ 148,867	\$ 21,063		\$ 169,930	-\$ 91,155	-\$ 8,875		-\$ 100,030	\$ 69,900
8	1945	Measurement & Testing Equipment	\$ 40,825			\$ 40,825	-\$ 19,298	-\$ 2,726		-\$ 22,024	\$ 18,800
8	1950	Power Operated Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1955	Communications Equipment	\$ 298,231	\$ 7,568		\$ 305,800	-\$ 234,282	-\$ 17,370		-\$ 251,653	\$ 54,147
8	1955	Communication Equipment (Smart Meters)	\$ -			\$ -	\$ -			\$ -	\$ -
8	1960	Miscellaneous Equipment	\$ 315,235			\$ 315,235	-\$ 148,319	-\$ 11,128		-\$ 159,446	\$ 155,789
47	1970	Load Management Controls Customer Premises	\$ -			\$ -	\$ -			\$ -	\$ -
47	1975	Load Management Controls Utility Premises	\$ -			\$ -	\$ -			\$ -	\$ -
47	1980	System Supervisor Equipment	\$ 862,853	\$ 75,651		\$ 938,504	-\$ 679,324	-\$ 31,055		-\$ 710,379	\$ 228,126
47	1985	Miscellaneous Fixed Assets	\$ -			\$ -	\$ -			\$ -	\$ -
47	1990	Other Tangible Property	\$ -			\$ -	\$ -			\$ -	\$ -
47	1995	Contributions & Grants	-\$ 924,971	-\$ 357,264		-\$ 1,282,235	\$ 78,545	\$ 33,417		\$ 111,962	\$ 1,170,273
47	2440	Deferred Revenue ⁶	\$ -			\$ -	\$ -			\$ -	\$ -
	2005	Property Under Finance Lease ⁷	\$ -			\$ -	\$ -			\$ -	\$ -
		Sub-Total	\$ 63,513,224	\$ 3,414,689	-\$ 402,131	\$ 66,525,782	-\$ 33,045,389	-\$ 1,565,041	\$ 374,587	-\$ 34,235,843	\$ 32,289,940
		Less Socialized Renewable Energy Generation Investments (input as negative)				\$ -				\$ -	\$ -
		Less Other Non Rate-Regulated Utility Assets (input as negative)				\$ -				\$ -	\$ -
		Total PP&E for Rate Base Purposes	\$ 63,513,224	\$ 3,414,689	-\$ 402,131	\$ 66,525,782	-\$ 33,045,389	-\$ 1,565,041	\$ 374,587	-\$ 34,235,843	\$ 32,289,940
		Construction Work In Progress	\$ 248,350	-\$ 42,773	\$ -	\$ 205,577					\$ 205,577
		Total PP&E	\$ 63,761,574	\$ 3,371,916	-\$ 402,131	\$ 66,731,359	-\$ 33,045,389	-\$ 1,565,041	\$ 374,587	-\$ 34,235,843	\$ 32,495,517
		Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable⁸									
		Total					-\$ 1,565,041				

10	Transportation	Transportation
8	Stores Equipment	Stores Equipment
47	Deferred Revenue	Deferred Revenue
		Net Depreciation -\$ 1,565,041

Less: Fully Allocated Depreciation

Accounting Standard	MIFRS
Year	2020

CCA Class ²	OEB Account ³	Description ³	Cost				Accumulated Depreciation				Net Book Value
			Opening Balance ⁵	Additions ⁴	Disposals ⁶	Closing Balance	Opening Balance ⁹	Additions	Disposals ⁸	Closing Balance	
	1609	Capital Contributions Paid	\$ -			\$ -	\$ -			\$ -	\$ -
12	1611	Computer Software (Formally known as Account 1925)	\$ 1,475,860	\$ 287,678	-\$ 897,399	\$ 866,138	-\$ 1,068,504	-\$ 130,541	\$ 897,399	-\$ 301,645	\$ 564,493
CEC	1612	Land Rights (Formally known as Account 1906)	\$ 70,296			\$ 70,296	-\$ 64,112	-\$ 640		-\$ 64,752	\$ 5,544
N/A	1805	Land	\$ 155,686			\$ 155,686	-\$ 1,236			-\$ 1,236	\$ 154,450
47	1808	Buildings	\$ 96,568			\$ 96,568	-\$ 67,405	-\$ 1,238		-\$ 68,643	\$ 27,925
13	1810	Leasehold Improvements	\$ -			\$ -	\$ -			\$ -	\$ -
47	1815	Transformer Station Equipment >50 kV	\$ 467,359			\$ 467,359	-\$ 141,844	-\$ 14,858		-\$ 156,702	\$ 310,657
47	1820	Distribution Station Equipment <50 kV	\$ 4,577,922	\$ 309,643	-\$ 71,022	\$ 4,816,542	-\$ 2,606,086	-\$ 99,872	\$ 71,022	-\$ 2,634,936	\$ 2,181,606
47	1825	Storage Battery Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
47	1830	Poles, Towers & Fixtures	\$ 12,016,224	\$ 615,168		\$ 12,631,392	-\$ 2,399,580	-\$ 235,258		-\$ 2,634,838	\$ 9,996,554
47	1835	Overhead Conductors & Devices	\$ 14,148,927	\$ 457,830		\$ 14,606,758	-\$ 9,261,136	-\$ 153,686		-\$ 9,414,821	\$ 5,191,936
47	1840	Underground Conduit	\$ 2,146,009	\$ 338,322		\$ 2,484,331	-\$ 334,784	-\$ 45,034		-\$ 379,818	\$ 2,104,513
47	1845	Underground Conductors & Devices	\$ 12,300,164	\$ 1,222,095		\$ 13,522,260	-\$ 8,385,637	-\$ 225,100		-\$ 8,610,737	\$ 4,911,523
47	1850	Line Transformers	\$ 8,496,973	\$ 903,514	-\$ 32,135	\$ 9,368,352	-\$ 3,963,885	-\$ 169,746	\$ 13,507	-\$ 4,120,124	\$ 5,248,228
47	1855	Services (Overhead & Underground)	\$ 928,479	\$ 26,655		\$ 955,134	-\$ 259,415	-\$ 22,361		-\$ 281,776	\$ 673,358
47	1860	Meters	\$ 3,216,703	\$ 48,816	-\$ 9,917	\$ 3,255,602	-\$ 1,921,373	-\$ 215,594	\$ 6,676	-\$ 2,130,291	\$ 1,125,311
47	1860	Meters (Smart Meters)	\$ -			\$ -	\$ -			\$ -	\$ -
N/A	1905	Land	\$ -			\$ -	\$ -			\$ -	\$ -
47	1908	Buildings & Fixtures	\$ 3,182,230	\$ 9,052		\$ 3,191,281	-\$ 1,532,082	-\$ 96,219		-\$ 1,628,300	\$ 1,562,981
13	1910	Leasehold Improvements	\$ -			\$ -	\$ -			\$ -	\$ -
8	1915	Office Furniture & Equipment (10 years)	\$ 18,163			\$ 18,163	-\$ 14,056	-\$ 1,816		-\$ 15,872	\$ 2,291
8	1915	Office Furniture & Equipment (5 years)	\$ -			\$ -	\$ -			\$ -	\$ -
10	1920	Computer Equipment - Hardware	\$ -			\$ -	\$ -			\$ -	\$ -
45	1920	Computer Equip.-Hardware(Post Mar. 22/04)	\$ -			\$ -	\$ -			\$ -	\$ -
50	1920	Computer Equip.-Hardware(Post Mar. 19/07)	\$ 396,926	\$ 35,725	-\$ 146,769	\$ 285,882	-\$ 255,547	-\$ 39,038	\$ 146,769	-\$ 147,816	\$ 138,066
10	1930	Transportation Equipment	\$ 2,313,210	\$ 31,355		\$ 2,344,565	-\$ 797,568	-\$ 163,127		-\$ 960,694	\$ 1,383,870
8	1935	Stores Equipment	\$ 30,023			\$ 30,023	-\$ 30,023			-\$ 30,023	\$ 0
8	1940	Tools, Shop & Garage Equipment	\$ 169,930	\$ 4,400		\$ 174,330	-\$ 100,030	-\$ 9,457		-\$ 109,488	\$ 64,842
8	1945	Measurement & Testing Equipment	\$ 40,825			\$ 40,825	-\$ 22,024	-\$ 2,726		-\$ 24,751	\$ 16,074
8	1950	Power Operated Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1955	Communications Equipment	\$ 305,800	\$ 2,365		\$ 303,435	-\$ 251,653	-\$ 17,418		-\$ 269,070	\$ 34,365
8	1955	Communication Equipment (Smart Meters)	\$ -			\$ -	\$ -			\$ -	\$ -
8	1960	Miscellaneous Equipment	\$ 315,235			\$ 315,235	-\$ 159,446	-\$ 11,128		-\$ 170,574	\$ 144,661
47	1970	Load Management Controls Customer Premises	\$ -			\$ -	\$ -			\$ -	\$ -
47	1975	Load Management Controls Utility Premises	\$ -			\$ -	\$ -			\$ -	\$ -
47	1980	System Supervisor Equipment	\$ 938,504	\$ 139,489		\$ 1,077,993	-\$ 710,379	-\$ 29,253		-\$ 739,632	\$ 338,361
47	1985	Miscellaneous Fixed Assets	\$ -			\$ -	\$ -			\$ -	\$ -
47	1990	Other Tangible Property	\$ -			\$ -	\$ -			\$ -	\$ -
47	1995	Contributions & Grants	-\$ 1,282,235	\$ 1,136,776		-\$ 2,419,011	\$ 111,962	\$ 56,123		\$ 168,085	\$ 2,250,926
47	2440	Deferred Revenue ⁶	\$ -			\$ -	\$ -			\$ -	\$ -
	2005	Property Under Finance Lease ⁷	\$ -			\$ -	\$ -			\$ -	\$ -
		Sub-Total	\$ 66,525,782	\$ 3,290,599	-\$ 1,157,242	\$ 68,659,139	-\$ 34,235,843	-\$ 1,627,988	\$ 1,135,373	-\$ 34,728,457	\$ 33,930,681
		Less Socialized Renewable Energy Generation Investments (input as negative)				\$ -				\$ -	\$ -

		Less Other Non Rate-Regulated Utility Assets (input as negative)				\$ -					\$ -	\$ -
		Total PP&E for Rate Base Purposes	\$ 66,525,782	\$ 3,290,599	\$ 1,157,242	\$ 68,659,139	-\$ 34,235,843	-\$ 1,627,988	\$ 1,135,373	-\$ 34,728,457	\$ 33,930,681	
		Construction Work In Progress	\$ 205,577	\$ 199,359	\$ -	\$ 6,218				\$ -	\$ 6,218	
		Total PP&E	\$ 66,731,359	\$ 3,091,240	\$ 1,157,242	\$ 68,665,357	-\$ 34,235,843	-\$ 1,627,988	\$ 1,135,373	-\$ 34,728,457	\$ 33,936,900	
		Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable ⁶										
		Total						-\$ 1,627,988				

Less: Fully Allocated Depreciation

10	Transportation	Transportation
8	Stores Equipment	Stores Equipment
47	Deferred Revenue	Deferred Revenue
	Net Depreciation	-\$ 1,627,988

Accounting Standard MFRS
Year 2021

CCA Class ²	OEB Account ³	Description ³	Cost				Accumulated Depreciation				Net Book Value
			Opening Balance ¹	Additions ⁴	Disposals ⁶	Closing Balance	Opening Balance ¹	Additions	Disposals ⁶	Closing Balance	
	1609	Capital Contributions Paid	\$ -			\$ -	\$ -			\$ -	\$ -
12	1611	Computer Software (Formally known as Account 1925)	\$ 866,138	\$ 11,781		\$ 877,919	-\$ 301,645	-\$ 160,781		-\$ 462,426	\$ 415,493
CEC	1612	Land Rights (Formally known as Account 1906)	\$ 70,296			\$ 70,296	-\$ 64,752	-\$ 640		-\$ 65,392	\$ 4,904
N/A	1805	Land	\$ 155,686			\$ 155,686	-\$ 1,236			-\$ 1,236	\$ 154,450
47	1808	Buildings	\$ 96,568	\$ 5,193		\$ 101,761	-\$ 68,643	-\$ 1,495		-\$ 70,138	\$ 31,622
13	1810	Leasehold Improvements	\$ -			\$ -	\$ -			\$ -	\$ -
47	1815	Transformer Station Equipment >50 kV	\$ 467,359			\$ 467,359	-\$ 156,702	-\$ 14,857		-\$ 171,559	\$ 295,800
47	1820	Distribution Station Equipment <50 kV	\$ 4,816,542	\$ 33,456	-\$ 54,009	\$ 4,795,989	-\$ 2,634,936	-\$ 105,275	\$ 13,189	-\$ 2,727,023	\$ 2,068,966
47	1825	Storage Battery Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
47	1830	Poles, Towers & Fixtures	\$ 12,631,392	\$ 1,037,962		\$ 13,669,354	-\$ 2,634,838	-\$ 251,791		-\$ 2,886,629	\$ 10,782,725
47	1835	Overhead Conductors & Devices	\$ 14,606,758	\$ 602,273		\$ 15,209,031	-\$ 9,414,821	-\$ 164,288		-\$ 9,579,110	\$ 5,629,921
47	1840	Underground Conduit	\$ 2,484,331	\$ 148,829		\$ 2,633,160	-\$ 379,818	-\$ 49,906		-\$ 429,724	\$ 2,203,436
47	1845	Underground Conductors & Devices	\$ 13,522,260	\$ 744,429		\$ 14,266,689	-\$ 8,610,737	-\$ 256,363		-\$ 8,867,100	\$ 5,399,588
47	1850	Line Transformers	\$ 9,368,352	\$ 610,941	-\$ 11,634	\$ 9,967,659	-\$ 4,120,124	-\$ 187,872	\$ 6,927	-\$ 4,301,069	\$ 5,666,589
47	1855	Services (Overhead & Underground)	\$ 955,134	\$ 8,657		\$ 946,477	-\$ 281,776	-\$ 22,586		-\$ 304,362	\$ 642,115
47	1860	Meters	\$ 3,255,602	\$ 125,509	-\$ 14,732	\$ 3,366,379	-\$ 2,130,291	-\$ 221,987	\$ 10,596	-\$ 2,341,682	\$ 1,024,697
47	1860	Meters (Smart Meters)	\$ -			\$ -	\$ -			\$ -	\$ -
N/A	1905	Land	\$ -			\$ -	\$ -			\$ -	\$ -
47	1908	Buildings & Fixtures	\$ 3,191,281			\$ 3,191,281	-\$ 1,628,300	-\$ 95,992		-\$ 1,724,293	\$ 1,466,988
13	1910	Leasehold Improvements	\$ -			\$ -	\$ -			\$ -	\$ -
8	1915	Office Furniture & Equipment (10 years)	\$ 18,163			\$ 18,163	-\$ 15,872	-\$ 1,530		-\$ 17,402	\$ 761
8	1915	Office Furniture & Equipment (5 years)	\$ -			\$ -	\$ -			\$ -	\$ -
10	1920	Computer Equipment - Hardware	\$ -			\$ -	\$ -			\$ -	\$ -
45	1920	Computer Equip. -Hardware(Post Mar. 22/04)	\$ -			\$ -				\$ -	\$ -
50	1920	Computer Equip. -Hardware(Post Mar. 19/07)	\$ 285,882	\$ 39,044	-\$ 48,292	\$ 276,633	-\$ 147,816	-\$ 42,586	\$ 48,292	-\$ 142,109	\$ 134,524
10	1930	Transportation Equipment	\$ 2,344,565	\$ 361,328	-\$ 29,127	\$ 2,676,765	-\$ 960,694	-\$ 173,353	\$ 29,127	-\$ 1,104,920	\$ 1,571,845
8	1935	Stores Equipment	\$ 30,023			\$ 30,023	-\$ 30,023			-\$ 30,023	\$ 0
8	1940	Tools, Shop & Garage Equipment	\$ 174,330			\$ 174,330	-\$ 109,488	-\$ 9,530		-\$ 119,018	\$ 55,313
8	1945	Measurement & Testing Equipment	\$ 40,825	\$ 3,762		\$ 44,587	-\$ 24,751	-\$ 2,814		-\$ 27,565	\$ 17,021
8	1950	Power Operated Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1955	Communications Equipment	\$ 303,435	\$ 12,000		\$ 315,435	-\$ 269,070	-\$ 3,379		-\$ 272,449	\$ 42,986
8	1955	Communication Equipment (Smart Meters)	\$ -			\$ -	\$ -			\$ -	\$ -
8	1960	Miscellaneous Equipment	\$ 315,235			\$ 315,235	-\$ 170,574	-\$ 11,128		-\$ 181,702	\$ 133,533
47	1970	Load Management Controls Customer Premises	\$ -			\$ -	\$ -			\$ -	\$ -
47	1975	Load Management Controls Utility Premises	\$ -			\$ -	\$ -			\$ -	\$ -
47	1980	System Supervisor Equipment	\$ 1,077,993	\$ 240,261		\$ 1,318,254	-\$ 739,632	-\$ 31,570		-\$ 771,202	\$ 547,052
47	1985	Miscellaneous Fixed Assets	\$ -			\$ -	\$ -			\$ -	\$ -
47	1990	Other Tangible Property	\$ -			\$ -	\$ -			\$ -	\$ -
47	1995	Contributions & Grants	\$ 2,419,011	-\$ 727,677		\$ 1,691,334	\$ 168,085	\$ 84,260		\$ 252,345	\$ 2,894,344
47	2440	Deferred Revenue ⁶	\$ -			\$ -	\$ -			\$ -	\$ -
	2005	Property Under Finance Lease ⁷	\$ -			\$ -	\$ -			\$ -	\$ -
		Sub-Total	\$ 68,659,139	\$ 3,240,432	-\$ 157,794	\$ 71,741,776	-\$ 34,728,457	-\$ 1,725,463	\$ 108,132	-\$ 36,345,789	\$ 35,395,988
		Less Socialized Renewable Energy Generation Investments (input as negative)				\$ -				\$ -	\$ -
		Less Other Non Rate-Regulated Utility Assets (input as negative)				\$ -				\$ -	\$ -
		Total PP&E for Rate Base Purposes	\$ 68,659,139	\$ 3,240,432	-\$ 157,794	\$ 71,741,776	-\$ 34,728,457	-\$ 1,725,463	\$ 108,132	-\$ 36,345,789	\$ 35,395,988
		Construction Work In Progress	\$ 6,218	\$ 59,471		\$ 65,690				\$ -	\$ 65,690
		Total PP&E	\$ 68,665,357	\$ 3,299,903	-\$ 157,794	\$ 71,807,466	-\$ 34,728,457	-\$ 1,725,463	\$ 108,132	-\$ 36,345,789	\$ 35,461,678
		Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable ⁶									
		Total					-\$ 1,725,463				

Less: Fully Allocated Depreciation

10	Transportation	Transportation
8	Stores Equipment	Stores Equipment
47	Deferred Revenue	Deferred Revenue
	Net Depreciation	-\$ 1,725,463

Accounting Standard MFRS
Year 2022

CCA Class ²	OEB Account ³	Description ³	Cost				Accumulated Depreciation				Net Book Value
			Opening Balance ¹	Additions ⁴	Disposals ⁶	Closing Balance	Opening Balance ¹	Additions	Disposals ⁶	Closing Balance	
	1609	Capital Contributions Paid	\$ -			\$ -	\$ -			\$ -	\$ -
12	1611	Computer Software (Formally known as Account 1925)	\$ 877,919	\$ 7,854		\$ 885,773	-\$ 462,426	-\$ 147,885		-\$ 610,311	\$ 275,462
CEC	1612	Land Rights (Formally known as Account 1906)	\$ 70,296			\$ 70,296	-\$ 65,392	-\$ 640		-\$ 66,032	\$ 4,264
N/A	1805	Land	\$ 155,686			\$ 155,686	-\$ 1,236			-\$ 1,236	\$ 154,450
47	1808	Buildings	\$ 101,761			\$ 101,761	-\$ 70,138	-\$ 1,495		-\$ 71,633	\$ 30,127
13	1810	Leasehold Improvements	\$ -			\$ -	\$ -			\$ -	\$ -
47	1815	Transformer Station Equipment >50 kV	\$ 467,359			\$ 467,359	-\$ 171,559	-\$ 14,857		-\$ 186,416	\$ 280,943
47	1820	Distribution Station Equipment <50 kV	\$ 4,795,989	\$ 792,112		\$ 5,588,101	-\$ 2,727,023	-\$ 116,167		-\$ 2,843,190	\$ 2,744,911
47	1825	Storage Battery Equipment	\$ -			\$ -	\$ -			\$ -	\$ -

47	1830	Poles, Towers & Fixtures	\$ 13,669,354	\$ 1,187,970		\$ 14,857,323	-\$ 2,886,629	-\$ 274,049		-\$ 3,160,678	\$ 11,696,646
47	1835	Overhead Conductors & Devices	\$ 15,209,031	\$ 326,198		\$ 15,535,229	-\$ 9,579,110	-\$ 173,573		-\$ 9,752,683	\$ 5,782,547
47	1840	Underground Conduit	\$ 2,633,160	\$ 63,435		\$ 2,696,595	-\$ 429,724	-\$ 52,029		-\$ 481,753	\$ 2,214,842
47	1845	Underground Conductors & Devices	\$ 14,266,689	\$ 470,514		\$ 14,737,203	-\$ 8,867,100	-\$ 274,923		-\$ 9,142,023	\$ 5,595,179
47	1850	Line Transformers	\$ 9,967,659	\$ 727,230	-\$ 8,268	\$ 10,686,620	-\$ 4,301,069	-\$ 204,439	\$ 5,002	-\$ 4,500,507	\$ 6,186,113
47	1855	Services (Overhead & Underground)	\$ 946,477	\$ 41,253		\$ 987,731	-\$ 304,362	-\$ 22,993		-\$ 327,355	\$ 660,376
47	1860	Meters	\$ 3,366,379	\$ 111,558	-\$ 27,970	\$ 3,449,968	-\$ 2,341,682	-\$ 227,299	\$ 19,062	-\$ 2,549,920	\$ 900,048
47	1860	Meters (Smart Meters)	\$ -			\$ -	\$ -			\$ -	\$ -
N/A	1905	Land	\$ -			\$ -	\$ -			\$ -	\$ -
47	1908	Buildings & Fixtures	\$ 3,191,281			\$ 3,191,281	-\$ 1,724,293	-\$ 93,897		-\$ 1,818,190	\$ 1,373,091
13	1910	Leasehold Improvements	\$ -			\$ -	\$ -			\$ -	\$ -
8	1915	Office Furniture & Equipment (10 years)	\$ 18,163			\$ 18,163	-\$ 17,402	-\$ 692		-\$ 18,093	\$ 70
8	1915	Office Furniture & Equipment (5 years)	\$ -			\$ -	\$ -			\$ -	\$ -
10	1920	Computer Equipment - Hardware	\$ -			\$ -	\$ -			\$ -	\$ -
45	1920	Computer Equip. -Hardware(Post Mar. 22/04)	\$ -			\$ -	\$ -			\$ -	\$ -
50	1920	Computer Equip. -Hardware(Post Mar. 19/07)	\$ 276,633	\$ 8,986		\$ 285,619	-\$ 142,109	-\$ 46,220		-\$ 188,329	\$ 97,290
10	1930	Transportation Equipment	\$ 2,676,765	\$ 49,859	-\$ 46,331	\$ 2,680,294	-\$ 1,104,920	-\$ 193,291	\$ 46,331	-\$ 1,251,881	\$ 1,428,413
8	1935	Stores Equipment	\$ 30,023			\$ 30,023	-\$ 30,023			-\$ 30,023	\$ 0
8	1940	Tools, Shop & Garage Equipment	\$ 174,330			\$ 174,330	-\$ 119,018	-\$ 9,530		-\$ 128,548	\$ 45,783
8	1945	Measurement & Testing Equipment	\$ 44,587			\$ 44,587	-\$ 27,565	-\$ 2,619		-\$ 30,184	\$ 14,403
8	1950	Power Operated Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1955	Communications Equipment	\$ 315,435	\$ 52,738		\$ 368,173	-\$ 272,449	-\$ 8,346		-\$ 280,794	\$ 87,378
8	1955	Communication Equipment (Smart Meters)	\$ -			\$ -	\$ -			\$ -	\$ -
8	1960	Miscellaneous Equipment	\$ 315,235			\$ 315,235	-\$ 181,702	-\$ 11,128		-\$ 192,830	\$ 122,406
47	1970	Load Management Controls Customer Premises	\$ -			\$ -	\$ -			\$ -	\$ -
47	1975	Load Management Controls Utility Premises	\$ -			\$ -	\$ -			\$ -	\$ -
47	1980	System Supervisor Equipment	\$ 1,318,254	\$ 294,582		\$ 1,612,836	-\$ 771,202	-\$ 44,941		-\$ 816,143	\$ 796,693
47	1985	Miscellaneous Fixed Assets	\$ -			\$ -	\$ -			\$ -	\$ -
47	1990	Other Tangible Property	\$ -			\$ -	\$ -			\$ -	\$ -
47	1995	Contributions & Grants	\$ 3,146,689	-\$ 647,121		\$ 3,793,809	-\$ 252,345	-\$ 102,401		-\$ 354,745	\$ 3,439,064
47	2440	Deferred Revenue ⁵	\$ -			\$ -	\$ -			\$ -	\$ -
	2005	Property Under Finance Lease ⁷	\$ -			\$ -	\$ -			\$ -	\$ -
		Sub-Total	\$ 71,741,776	\$ 3,487,168	-\$ 82,569	\$ 75,146,376	-\$ 36,345,789	-\$ 1,818,611	\$ 70,394	-\$ 38,094,006	\$ 37,052,370
		Less Socialized Renewable Energy Generation Investments (input as negative)				\$ -				\$ -	\$ -
		Less Other Non Rate-Regulated Utility Assets (input as negative)				\$ -				\$ -	\$ -
		Total PP&E for Rate Base Purposes	\$ 71,741,776	\$ 3,487,168	-\$ 82,569	\$ 75,146,376	-\$ 36,345,789	-\$ 1,818,611	\$ 70,394	-\$ 38,094,006	\$ 37,052,370
		Construction Work In Progress	\$ 65,690	-\$ 12,530	\$ -	\$ 53,160	-\$ 2,843,190	-\$ 128,722		-\$ 2,971,912	\$ 2,657,404
		Total PP&E	\$ 71,807,466	\$ 3,474,638	-\$ 82,569	\$ 75,199,536	-\$ 36,345,789	-\$ 1,818,611	\$ 70,394	-\$ 38,094,006	\$ 37,105,530
		Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable⁶									
		Total					-\$ 1,818,611				

Less: Fully Allocated Depreciation

10		Transportation	Transportation
8		Stores Equipment	Stores Equipment
47		Deferred Revenue	Deferred Revenue
			Net Depreciation
			-\$ 1,818,611

Accounting Standard MIFRS
Year 2023

CCA Class ²	OEB Account ³	Description ³	Cost				Accumulated Depreciation				Net Book Value
			Opening Balance ⁴	Additions ⁴	Disposals ⁶	Closing Balance	Opening Balance ⁵	Additions	Disposals ⁶	Closing Balance	
	1609	Capital Contributions Paid	\$ -			\$ -	\$ -			\$ -	\$ -
12	1611	Computer Software (Formally known as Account 1925)	\$ 885,773	\$ 35,450		\$ 921,223	-\$ 610,311	-\$ 139,560		-\$ 749,871	\$ 171,352
CEC	1612	Land Rights (Formally known as Account 1906)	\$ 70,296			\$ 70,296	-\$ 66,032	-\$ 640		-\$ 66,672	\$ 3,624
N/A	1805	Land	\$ 155,686			\$ 155,686	-\$ 1,236			-\$ 1,236	\$ 154,450
47	1808	Buildings	\$ 101,761			\$ 101,761	-\$ 71,633	-\$ 1,495		-\$ 73,128	\$ 28,632
13	1810	Leasehold Improvements	\$ -			\$ -	\$ -			\$ -	\$ -
47	1815	Transformer Station Equipment >50 kV	\$ 467,359			\$ 467,359	-\$ 186,416	-\$ 14,857		-\$ 201,273	\$ 266,086
47	1820	Distribution Station Equipment <50 kV	\$ 5,588,101	\$ 41,215		\$ 5,629,316	-\$ 2,843,190	-\$ 128,722		-\$ 2,971,912	\$ 2,657,404
47	1825	Storage Battery Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
47	1830	Poles, Towers & Fixtures	\$ 14,857,323	\$ 1,382,763		\$ 16,240,086	-\$ 3,160,678	-\$ 299,758		-\$ 3,460,435	\$ 12,779,651
47	1835	Overhead Conductors & Devices	\$ 15,535,229	\$ 439,307		\$ 15,974,536	-\$ 9,752,683	-\$ 181,228		-\$ 9,933,911	\$ 6,040,626
47	1840	Underground Conduit	\$ 2,696,595	\$ 258,409		\$ 2,955,004	-\$ 481,753	-\$ 55,247		-\$ 537,000	\$ 2,418,005
47	1845	Underground Conductors & Devices	\$ 14,737,203	\$ 1,151,098		\$ 15,888,300	-\$ 9,142,023	-\$ 300,647		-\$ 9,442,671	\$ 6,445,630
47	1850	Line Transformers	\$ 10,686,620	\$ 711,918	-\$ 4,307	\$ 11,394,231	-\$ 4,500,507	-\$ 222,280	\$ 2,840	-\$ 4,719,947	\$ 6,674,284
47	1855	Services (Overhead & Underground)	\$ 987,731	\$ 222,096		\$ 1,209,827	-\$ 327,355	-\$ 26,285		-\$ 353,640	\$ 856,187
47	1860	Meters	\$ 3,449,968	\$ 315,961	-\$ 25,265	\$ 3,740,664	-\$ 2,549,920	-\$ 240,495	\$ 19,565	-\$ 2,770,849	\$ 969,814
47	1860	Meters (Smart Meters)	\$ -			\$ -	\$ -			\$ -	\$ -
N/A	1905	Land	\$ -			\$ -	\$ -			\$ -	\$ -
47	1908	Buildings & Fixtures	\$ 3,191,281	\$ 36,404		\$ 3,227,685	-\$ 1,818,190	-\$ 93,015		-\$ 1,911,205	\$ 1,316,480
13	1910	Leasehold Improvements	\$ -			\$ -	\$ -			\$ -	\$ -
8	1915	Office Furniture & Equipment (10 years)	\$ 18,163			\$ 18,163	-\$ 18,093	-\$ 70		-\$ 18,163	\$ 0
8	1915	Office Furniture & Equipment (5 years)	\$ -			\$ -	\$ -			\$ -	\$ -
10	1920	Computer Equipment - Hardware	\$ -			\$ -	\$ -			\$ -	\$ -
45	1920	Computer Equip. -Hardware(Post Mar. 22/04)	\$ -			\$ -	\$ -			\$ -	\$ -
50	1920	Computer Equip. -Hardware(Post Mar. 19/07)	\$ 285,619	\$ 34,040		\$ 319,659	-\$ 188,329	-\$ 50,501		-\$ 238,830	\$ 80,829
10	1930	Transportation Equipment	\$ 2,680,294	\$ 64,388	-\$ 17,988	\$ 2,726,693	-\$ 1,251,881	-\$ 184,468	\$ 17,988	-\$ 1,418,361	\$ 1,308,333
8	1935	Stores Equipment	\$ 30,023			\$ 30,023	-\$ 30,023			-\$ 30,023	\$ 0
8	1940	Tools, Shop & Garage Equipment	\$ 174,330			\$ 174,330	-\$ 128,548	-\$ 9,530		-\$ 138,077	\$ 36,253
8	1945	Measurement & Testing Equipment	\$ 44,587			\$ 44,587	-\$ 30,184	-\$ 2,414		-\$ 32,597	\$ 11,989
8	1950	Power Operated Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1955	Communications Equipment	\$ 368,173			\$ 368,173	-\$ 280,794	-\$ 12,112		-\$ 292,907	\$ 75,266
8	1955	Communication Equipment (Smart Meters)	\$ -			\$ -	\$ -			\$ -	\$ -
8	1960	Miscellaneous Equipment	\$ 315,235			\$ 315,235	-\$ 192,830	-\$ 11,128		-\$ 203,958	\$ 111,278
47	1970	Load Management Controls Customer Premises	\$ -			\$ -	\$ -			\$ -	\$ -
47	1975	Load Management Controls Utility Premises	\$ -			\$ -	\$ -			\$ -	\$ -
47	1980	System Supervisor Equipment	\$ 1,612,836	\$ 131,727		\$ 1,744,563	-\$ 816,143	-\$ 55,672		-\$ 871,815	\$ 872,748
47	1985	Miscellaneous Fixed Assets	\$ -			\$ -	\$ -			\$ -	\$ -
47	1990	Other Tangible Property	\$ -			\$ -	\$ -			\$ -	\$ -
47	1995	Contributions & Grants	\$ 3,793,809	-\$ 1,232,600		\$ 5,026,409	-\$ 354,745	-\$ 127,938		-\$ 482,683	\$ 4,543,726
47	2440	Deferred Revenue ⁵	\$ -			\$ -	\$ -			\$ -	\$ -

	2005	Property Under Finance Lease ⁷	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		Sub-Total	\$ 75,146,376	\$ 3,592,176	\$ 47,560	\$ 78,690,993	\$ 38,094,006	\$ 1,902,187	\$ 40,393	\$ 39,955,800	\$ 38,735,193
		Less Socialized Renewable Energy Generation Investments (input as negative)				\$ -				\$ -	\$ -
		Less Other Non Rate-Regulated Utility Assets (input as negative)				\$ -				\$ -	\$ -
		Total PP&E for Rate Base Purposes	\$ 75,146,376	\$ 3,592,176	\$ 47,560	\$ 78,690,993	\$ 38,094,006	\$ 1,902,187	\$ 40,393	\$ 39,955,800	\$ 38,735,193
		Construction Work In Progress	\$ 53,160	\$ 79,305	\$ -	\$ 132,465				\$ -	\$ 132,465
		Total PP&E	\$ 75,199,536	\$ 3,671,482	\$ 47,560	\$ 78,823,458	\$ 38,094,006	\$ 1,902,187	\$ 40,393	\$ 39,955,800	\$ 38,867,658
		Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable ⁵									
		Total						\$ 1,902,187			

Less: Fully Allocated Depreciation

10		Transportation				
8		Stores Equipment				
47		Deferred Revenue				
		Net Depreciation			\$ 1,902,187	

Accounting Standard MIFRS
Year 2024

CCA Class ²	OEB Account ³	Description ³	Cost				Accumulated Depreciation				Net Book Value
			Opening Balance ⁴	Additions ⁴	Disposals ⁶	Closing Balance	Opening Balance ⁵	Additions	Disposals ⁶	Closing Balance	
	1609	Capital Contributions Paid	\$ -			\$ -	\$ -			\$ -	\$ -
12	1611	Computer Software (Formally known as Account 1925)	\$ 921,223			\$ 921,223	\$ 749,871	\$ 104,874		\$ 854,745	\$ 66,478
CEC	1612	Land Rights (Formally known as Account 1906)	\$ 70,296			\$ 70,296	\$ 66,672	\$ 640		\$ 67,312	\$ 2,984
N/A	1805	Land	\$ 155,686			\$ 155,686	\$ 1,236			\$ 1,236	\$ 154,450
47	1808	Buildings	\$ 101,761			\$ 101,761	\$ 73,128	\$ 1,495		\$ 74,624	\$ 27,137
13	1810	Leasehold Improvements	\$ -			\$ -	\$ -			\$ -	\$ -
47	1815	Transformer Station Equipment >50 kV	\$ 467,359			\$ 467,359	\$ 201,273	\$ 14,857		\$ 216,129	\$ 251,229
47	1820	Distribution Station Equipment <50 kV	\$ 5,629,316			\$ 5,629,316	\$ 2,971,912	\$ 128,368		\$ 3,100,280	\$ 2,529,036
47	1825	Storage Battery Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
47	1830	Poles, Towers & Fixtures	\$ 16,240,086	\$ 1,609,020		\$ 17,849,106	\$ 3,460,435	\$ 329,675		\$ 3,790,111	\$ 14,058,995
47	1835	Overhead Conductors & Devices	\$ 15,974,536	\$ 850,830		\$ 16,825,366	\$ 9,933,911	\$ 194,129		\$ 10,128,040	\$ 6,697,326
47	1840	Underground Conduit	\$ 2,955,004	\$ 27,500		\$ 2,982,504	\$ 537,000	\$ 58,106		\$ 595,106	\$ 2,387,398
47	1845	Underground Conductors & Devices	\$ 15,888,300	\$ 1,267,250		\$ 17,155,550	\$ 9,442,671	\$ 337,946		\$ 9,780,616	\$ 7,374,934
47	1850	Line Transformers	\$ 11,394,231	\$ 784,780		\$ 12,179,011	\$ 4,719,947	\$ 240,868		\$ 4,960,815	\$ 7,218,196
47	1855	Services (Overhead & Underground)	\$ 1,209,827	\$ 45,000		\$ 1,254,827	\$ 353,640	\$ 29,624		\$ 383,264	\$ 871,563
47	1860	Meters	\$ 3,740,664	\$ 150,000		\$ 3,890,664	\$ 2,770,849	\$ 208,734		\$ 2,979,583	\$ 911,081
47	1860	Meters (Smart Meters)	\$ -			\$ -	\$ -			\$ -	\$ -
N/A	1905	Land	\$ -			\$ -	\$ -			\$ -	\$ -
47	1908	Buildings & Fixtures	\$ 3,227,685	\$ 389,630		\$ 3,617,315	\$ 1,911,205	\$ 104,053		\$ 2,015,258	\$ 1,602,057
13	1910	Leasehold Improvements	\$ -			\$ -	\$ -			\$ -	\$ -
8	1915	Office Furniture & Equipment (10 years)	\$ 18,163	\$ 20,000		\$ 38,163	\$ 18,163	\$ 1,000		\$ 19,163	\$ 19,000
8	1915	Office Furniture & Equipment (5 years)	\$ -			\$ -	\$ -			\$ -	\$ -
10	1920	Computer Equipment - Hardware	\$ -			\$ -	\$ -			\$ -	\$ -
45	1920	Computer Equip.-Hardware(Post Mar. 22/04)	\$ -			\$ -	\$ -			\$ -	\$ -
50	1920	Computer Equip.-Hardware(Post Mar. 19/07)	\$ 319,659	\$ 27,640		\$ 347,299	\$ 238,830	\$ 42,929		\$ 281,760	\$ 65,540
10	1930	Transportation Equipment	\$ 2,726,693	\$ 65,000		\$ 2,791,693	\$ 1,418,361	\$ 189,091		\$ 1,607,452	\$ 1,184,242
8	1935	Stores Equipment	\$ 30,023			\$ 30,023	\$ 30,023			\$ 30,023	\$ 0
8	1940	Tools, Shop & Garage Equipment	\$ 174,330	\$ 10,300		\$ 184,630	\$ 138,077	\$ 9,938		\$ 148,015	\$ 36,615
8	1945	Measurement & Testing Equipment	\$ 44,587	\$ 22,500		\$ 67,087	\$ 32,597	\$ 3,539		\$ 36,136	\$ 30,951
8	1950	Power Operated Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1955	Communications Equipment	\$ 368,173			\$ 368,173	\$ 292,907	\$ 11,592		\$ 304,499	\$ 63,674
8	1955	Communication Equipment (Smart Meters)	\$ -			\$ -	\$ -			\$ -	\$ -
8	1960	Miscellaneous Equipment	\$ 315,235			\$ 315,235	\$ 203,958	\$ 11,128		\$ 215,086	\$ 100,150
47	1970	Load Management Controls Customer Premises	\$ -			\$ -	\$ -			\$ -	\$ -
47	1975	Load Management Controls Utility Premises	\$ -			\$ -	\$ -			\$ -	\$ -
47	1980	System Supervisor Equipment	\$ 1,744,563	\$ 160,000		\$ 1,904,563	\$ 871,815	\$ 63,123		\$ 934,938	\$ 969,625
47	1985	Miscellaneous Fixed Assets	\$ -			\$ -	\$ -			\$ -	\$ -
47	1990	Other Tangible Property	\$ -			\$ -	\$ -			\$ -	\$ -
47	1995	Contributions & Grants	\$ -			\$ -	\$ -			\$ -	\$ -
47	2440	Deferred Revenue ⁵	\$ 5,026,409	\$ 1,720,463		\$ 6,746,872	\$ 482,683	\$ 167,749		\$ 650,432	\$ 6,096,440
	2005	Property Under Finance Lease ⁷	\$ -			\$ -	\$ -			\$ -	\$ -
		Sub-Total	\$ 78,690,993	\$ 3,708,987	\$ -	\$ 82,399,980	\$ 39,955,800	\$ 1,918,080	\$ -	\$ 41,873,880	\$ 40,526,100
		Less Socialized Renewable Energy Generation Investments (input as negative)				\$ -				\$ -	\$ -
		Less Other Non Rate-Regulated Utility Assets (input as negative)				\$ -				\$ -	\$ -
		Total PP&E for Rate Base Purposes	\$ 78,690,993	\$ 3,708,987	\$ -	\$ 82,399,980	\$ 39,955,800	\$ 1,918,080	\$ -	\$ 41,873,880	\$ 40,526,100
		Construction Work In Progress	\$ 132,465			\$ 132,465				\$ -	\$ 132,465
		Total PP&E	\$ 78,823,458	\$ 3,708,987	\$ -	\$ 82,532,445	\$ 39,955,800	\$ 1,918,080	\$ -	\$ 41,873,880	\$ 40,658,565
		Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable ⁵									
		Total						\$ 1,918,080			

Less: Fully Allocated Depreciation

10		Transportation				
8		Stores Equipment				
47		Deferred Revenue				\$ 167,749
		Net Depreciation			\$ 2,085,829	

Accounting Standard MIFRS
Year 2025

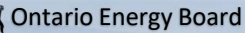
CCA Class ²	OEB Account ³	Description ³	Cost				Accumulated Depreciation				Net Book Value
			Opening Balance ⁴	Additions ⁴	Disposals ⁶	Closing Balance	Opening Balance ⁵	Additions	Disposals ⁶	Closing Balance	
	1609	Capital Contributions Paid	\$ -			\$ -	\$ -			\$ -	\$ -
12	1611	Computer Software (Formally known as Account 1925)	\$ 921,223			\$ 921,223	\$ 854,745	\$ 39,838		\$ 894,583	\$ 26,640
CEC	1612	Land Rights (Formally known as Account 1906)	\$ 70,296			\$ 70,296	\$ 67,312	\$ 640		\$ 67,953	\$ 2,343
N/A	1805	Land	\$ 155,686			\$ 155,686	\$ 1,236			\$ 1,236	\$ 154,450

47	1808	Buildings	\$ 101,761			\$ 101,761	-\$ 74,624	-\$ 1,495		-\$ 76,119	\$ 25,642
13	1810	Leasehold Improvements	\$ -			\$ -	\$ -			\$ -	\$ -
47	1815	Transformer Station Equipment >50 kV	\$ 467,359			\$ 467,359	-\$ 216,129	-\$ 13,523		-\$ 229,653	\$ 237,706
47	1820	Distribution Station Equipment <50 kV	\$ 5,629,316	\$ 200,000		\$ 5,829,316	-\$ 3,100,280	-\$ 130,591		-\$ 3,230,871	\$ 2,598,446
47	1825	Storage Battery Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
47	1830	Poles, Towers & Fixtures	\$ 17,849,106	\$ 931,387		\$ 18,780,493	-\$ 3,790,111	-\$ 355,079		-\$ 4,145,190	\$ 14,635,303
47	1835	Overhead Conductors & Devices	\$ 16,825,366	\$ 362,194		\$ 17,187,560	-\$ 10,128,040	-\$ 206,260		-\$ 10,334,300	\$ 6,853,261
47	1840	Underground Conduit	\$ 2,982,504	\$ 82,500		\$ 3,065,004	-\$ 595,106	-\$ 59,206		-\$ 654,312	\$ 2,410,692
47	1845	Underground Conductors & Devices	\$ 17,155,550	\$ 1,463,500		\$ 18,619,050	-\$ 9,780,616	-\$ 381,640		-\$ 10,162,256	\$ 8,456,794
47	1850	Line Transformers	\$ 12,179,011	\$ 1,060,036		\$ 13,239,047	-\$ 4,960,935	-\$ 264,048		-\$ 5,224,983	\$ 8,014,065
47	1855	Services (Overhead & Underground)	\$ 1,254,827	\$ 46,350		\$ 1,301,177	-\$ 383,264	-\$ 30,766		-\$ 414,030	\$ 887,147
47	1860	Meters	\$ 3,973,374	\$ 154,500		\$ 4,127,874	-\$ 3,015,424	-\$ 130,162		-\$ 3,145,587	\$ 982,287
47	1860	Meters (Smart Meters)	\$ -			\$ -	\$ -			\$ -	\$ -
N/A	1905	Land	\$ -			\$ -	\$ -			\$ -	\$ -
47	1908	Buildings & Fixtures	\$ 3,617,315	\$ 125,000		\$ 3,742,315	-\$ 2,015,258	-\$ 115,442		-\$ 2,130,700	\$ 1,611,615
13	1910	Leasehold Improvements	\$ -			\$ -	\$ -			\$ -	\$ -
8	1915	Office Furniture & Equipment (10 years)	\$ 38,163	\$ 50,000		\$ 88,163	-\$ 19,163	-\$ 4,500		-\$ 23,663	\$ 64,500
8	1915	Office Furniture & Equipment (5 years)	\$ -			\$ -	\$ -			\$ -	\$ -
10	1920	Computer Equipment - Hardware	\$ -			\$ -	\$ -			\$ -	\$ -
45	1920	Computer Equip.-Hardware(Post Mar. 22/04)	\$ -			\$ -	\$ -			\$ -	\$ -
50	1920	Computer Equip.-Hardware(Post Mar. 19/07)	\$ 347,299	\$ 140,000		\$ 487,299	-\$ 281,760	-\$ 41,179		-\$ 322,938	\$ 164,361
10	1930	Transportation Equipment	\$ 2,791,693	\$ 576,436		\$ 3,368,129	-\$ 1,607,452	-\$ 201,472		-\$ 1,808,923	\$ 1,559,206
8	1935	Stores Equipment	\$ 30,023			\$ 30,023	-\$ 30,023			-\$ 30,023	\$ 0
8	1940	Tools, Shop & Garage Equipment	\$ 184,630	\$ 10,609		\$ 195,239	-\$ 148,015	-\$ 10,876		-\$ 158,891	\$ 36,348
8	1945	Measurement & Testing Equipment	\$ 67,087	\$ 65,000		\$ 132,087	-\$ 36,136	-\$ 6,830		-\$ 42,966	\$ 89,120
8	1950	Power Operated Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1955	Communications Equipment	\$ 368,173			\$ 368,173	-\$ 304,499	-\$ 11,072		-\$ 315,571	\$ 52,602
8	1955	Communication Equipment (Smart Meters)	\$ -			\$ -	\$ -			\$ -	\$ -
8	1960	Miscellaneous Equipment	\$ 315,235			\$ 315,235	-\$ 215,086	-\$ 11,128		-\$ 226,213	\$ 89,022
47	1970	Load Management Controls Customer Premises	\$ -			\$ -	\$ -			\$ -	\$ -
47	1975	Load Management Controls Utility Premises	\$ -			\$ -	\$ -			\$ -	\$ -
47	1980	System Supervisor Equipment	\$ 1,904,563	\$ 242,050		\$ 2,146,613	-\$ 934,938	-\$ 73,343		-\$ 1,008,281	\$ 1,138,332
47	1985	Miscellaneous Fixed Assets	\$ -			\$ -	\$ -			\$ -	\$ -
47	1990	Other Tangible Property	\$ -			\$ -	\$ -			\$ -	\$ -
47	1995	Contributions & Grants	\$ -			\$ -	\$ -			\$ -	\$ -
47	2440	Deferred Revenue ⁶	-\$ 6,746,872	-\$ 974,149		-\$ 7,721,021	\$ 650,432	\$ 204,589		\$ 855,020	-\$ 6,866,001
	2005	Property Under Finance Lease ⁷	\$ -			\$ -	\$ -			\$ -	\$ -
		Sub-Total	\$ 82,482,690	\$ 4,535,413	\$ -	\$ 87,018,103	-\$ 41,909,721	-\$ 1,884,501	\$ -	-\$ 43,794,222	\$ 43,223,881
		Less Socialized Renewable Energy Generation Investments (input as negative)				\$ -				\$ -	\$ -
		Less Other Non Rate-Regulated Utility Assets (input as negative)				\$ -				\$ -	\$ -
		Total PP&E for Rate Base Purposes	\$ 82,482,690	\$ 4,535,413	\$ -	\$ 87,018,103	-\$ 41,909,721	-\$ 1,884,501	\$ -	-\$ 43,794,222	\$ 43,223,881
		Construction Work In Progress	\$ 132,465	-\$ 132,465	\$ -	\$ -				\$ -	\$ -
		Total PP&E	\$ 82,615,155	\$ 4,402,948	\$ -	\$ 87,018,103	-\$ 41,909,721	-\$ 1,884,501	\$ -	-\$ 43,794,222	\$ 43,223,881
		Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable⁸									
		Total					-\$ 1,884,501				

Less: Fully Allocated Depreciation

10	Transportation	Transportation
8	Stores Equipment	Stores Equipment
47	Deferred Revenue	Deferred Revenue \$ 204,589
	Net Depreciation	-\$ 2,089,090

Appendix D – Bill Impacts Settlement



Tariff Schedule and Bill Impacts Model (2025 Cost of Service Filers)

The bill comparisons below must be provided for typical customers and consumption levels. Bill impacts must be provided for residential customers consuming 750 kWh per month and general service customers consuming 2,000 kWh per month and having a monthly demand of less than 50 kW. Include bill comparisons for Non-RPP (retailer) as well. **Those distributors that are still in the process of moving to fully fixed residential rates should refer to section 3.2.3 of Chapter 3 of the Filing Requirements for Incentive Rate-Setting Applications.**

For certain classes where one or more customers have unique consumption and demand patterns and which may be significantly impacted by the proposed rate changes, the distributor must show a typical comparison, and provide an explanation.

Note:

1. For those classes that are not eligible for the RPP price, the weighted average price including Class B GA through March 2024 of \$0.08917/kWh (IESO's Monthly Market Report for January 2024) has been used to represent the cost of power. For those classes on a retailer contract, applicants should enter the contract price (plus GA) for a more accurate estimate. Changes to the cost of power can be made directly on the bill impact table for the specific class.
2. Please enter the applicable billing determinant (e.g. number of connections or devices) to be applied to the monthly service charge for unmetered rate classes in column N. If the monthly service charge is applied on a per customer basis, enter the number "1". Distributors should provide the number of connections or devices reflective of a typical customer in each class.

 Note that cells with the highlighted color shown to the left indicate quantities that are loss adjusted.

Table 1

[illegible]

Table 2

[illegible]

Customer Class:	RESIDENTIAL SERVICE CLASSIFICATION	
RPP / Non-RPP:	RPP	
Consumption	750	kWh
Demand	-	kW
Current Loss Factor	1.0476	
Proposed/Approved Loss Factor	1.0415	

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 32.35	1	\$ 32.35	\$ 31.76	1	\$ 31.76	\$ (0.59)	-1.82%
Distribution Volumetric Rate	\$ -	750	\$ -	\$ -	750	\$ -	\$ -	
Fixed Rate Riders	\$ -	1	\$ -	\$ (2.94)	1	\$ (2.94)	\$ (2.94)	
Volumetric Rate Riders	\$ -	750	\$ -	\$ -	750	\$ -	\$ -	
Sub-Total A (excluding pass through)			\$ 32.35			\$ 28.82	\$ (3.53)	-10.91%
Line Losses on Cost of Power	\$ 0.0990	36	\$ 3.54	\$ 0.0990	31	\$ 3.08	\$ (0.45)	-12.82%
Total Deferral/Variance Account Rate	\$ 0.0026	750	\$ 1.95	\$ (0.0009)	750	\$ (0.68)	\$ (2.63)	-134.62%
Riders								
CBR Class B Rate Riders	\$ (0.0001)	750	\$ (0.08)	\$ -	750	\$ -	\$ 0.08	-100.00%
GA Rate Riders	\$ -	750	\$ -	\$ -	750	\$ -	\$ -	
Low Voltage Service Charge	\$ -	750	\$ -	\$ -	750	\$ -	\$ -	
Smart Meter Entity Charge (if applicable)	\$ 0.42	1	\$ 0.42	\$ 0.42	1	\$ 0.42	\$ -	0.00%
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Additional Volumetric Rate Riders		750	\$ -	\$ 0.0002	750	\$ 0.15	\$ 0.15	
Sub-Total B - Distribution (includes Sub-Total A)			\$ 38.18			\$ 31.80	\$ (6.38)	-16.72%
RTSR - Network	\$ 0.0118	786	\$ 9.27	\$ 0.0134	781	\$ 10.47	\$ 1.20	12.90%
RTSR - Connection and/or Line and Transformation Connection	\$ 0.0088	786	\$ 6.91	\$ 0.0095	781	\$ 7.42	\$ 0.51	7.33%
Sub-Total C - Delivery (including Sub-Total B)			\$ 54.37			\$ 49.69	\$ (4.68)	-8.61%
Wholesale Market Service Charge (WMSC)	\$ 0.0045	786	\$ 3.54	\$ 0.0045	781	\$ 3.52	\$ (0.02)	-0.58%
Rural and Remote Rate Protection (RRRP)	\$ 0.0015	786	\$ 1.18	\$ 0.0015	781	\$ 1.17	\$ (0.01)	-0.58%
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
TOU - Off Peak	\$ 0.0760	480	\$ 36.48	\$ 0.0760	480	\$ 36.48	\$ -	0.00%
TOU - Mid Peak	\$ 0.1220	135	\$ 16.47	\$ 0.1220	135	\$ 16.47	\$ -	0.00%
TOU - On Peak	\$ 0.1580	135	\$ 21.33	\$ 0.1580	135	\$ 21.33	\$ -	0.00%
Total Bill on TOU (before Taxes)			\$ 133.61			\$ 128.90	\$ (4.71)	-3.52%
HST	13%		\$ 17.37	13%		\$ 16.76	\$ (0.61)	-3.52%
Ontario Electricity Rebate	13.1%		\$ (17.50)	13.1%		\$ (16.89)	\$ 0.62	
Total Bill on TOU			\$ 133.48			\$ 128.77	\$ (4.70)	-3.52%

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In the manager's summary, discuss the reas

Customer Class:	GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	
RPP / Non-RPP:	RPP	
Consumption	2,000	kWh
Demand	-	kW
Current Loss Factor	1.0476	
Proposed/Approved Loss Factor	1.0415	

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 36.94	1	\$ 36.94	\$ 36.94	1	\$ 36.94	\$ -	0.00%
Distribution Volumetric Rate	\$ 0.0109	2000	\$ 21.80	\$ 0.0104	2000	\$ 20.80	\$ (1.00)	-4.59%
Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-
Volumetric Rate Riders	\$ 0.0002	2000	\$ 0.40	\$ (0.0028)	2000	\$ (5.60)	\$ (6.00)	-1500.00%
Sub-Total A (excluding pass through)			\$ 59.14			\$ 52.14	\$ (7.00)	-11.84%
Line Losses on Cost of Power	\$ 0.0990	95	\$ 9.43	\$ 0.0990	83	\$ 8.22	\$ (1.21)	-12.82%
Total Deferral/Variance Account Rate	\$ 0.0029	2,000	\$ 5.80	\$ (0.0007)	2,000	\$ (1.40)	\$ (7.20)	-124.14%
Riders								
CBR Class B Rate Riders	\$ (0.0001)	2,000	\$ (0.20)	\$ -	2,000	\$ -	\$ 0.20	-100.00%
GA Rate Riders	\$ -	2,000	\$ -	\$ -	2,000	\$ -	\$ -	-
Low Voltage Service Charge	\$ -	2,000	\$ -	\$ -	2,000	\$ -	\$ -	-
Smart Meter Entity Charge (if applicable)	\$ 0.42	1	\$ 0.42	\$ 0.42	1	\$ 0.42	\$ -	0.00%
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-
Additional Volumetric Rate Riders		2,000	\$ -	\$ 0.0002	2,000	\$ 0.40	\$ 0.40	-
Sub-Total B - Distribution (includes Sub-Total A)			\$ 74.59			\$ 59.78	\$ (14.81)	-19.85%
RTSR - Network	\$ 0.0104	2,095	\$ 21.79	\$ 0.0118	2,083	\$ 24.58	\$ 2.79	12.80%
RTSR - Connection and/or Line and Transformation Connection	\$ 0.0074	2,095	\$ 15.50	\$ 0.0080	2,083	\$ 16.66	\$ 1.16	7.48%
Sub-Total C - Delivery (including Sub-Total B)			\$ 111.88			\$ 101.02	\$ (10.86)	-9.71%
Wholesale Market Service Charge (WMSC)	\$ 0.0045	2,095	\$ 9.43	\$ 0.0045	2,083	\$ 9.37	\$ (0.05)	-0.58%
Rural and Remote Rate Protection (RRRP)	\$ 0.0015	2,095	\$ 3.14	\$ 0.0015	2,083	\$ 3.12	\$ (0.02)	-0.58%
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
TOU - Off Peak	\$ 0.0760	1,280	\$ 97.28	\$ 0.0760	1,280	\$ 97.28	\$ -	0.00%
TOU - Mid Peak	\$ 0.1220	360	\$ 43.92	\$ 0.1220	360	\$ 43.92	\$ -	0.00%
TOU - On Peak	\$ 0.1580	360	\$ 56.88	\$ 0.1580	360	\$ 56.88	\$ -	0.00%
Total Bill on TOU (before Taxes)			\$ 322.78			\$ 311.85	\$ (10.93)	-3.39%
HST	13%		\$ 41.96	13%		\$ 40.54	\$ (1.42)	-3.39%
Ontario Electricity Rebate	13.1%		\$ (42.28)	13.1%		\$ (40.85)	\$ 1.43	-
Total Bill on TOU			\$ 322.46			\$ 311.54	\$ (10.92)	-3.39%

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In the manager's summary, discuss the reas

Customer Class:	GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION		
RPP / Non-RPP:	Non-RPP (Other)		
Consumption	32,400	kWh	
Demand	60	kW	
Current Loss Factor	1.0476		
Proposed/Approved Loss Factor	1.0415		

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 336.30	1	\$ 336.30	\$ 336.30	1	\$ 336.30	\$ -	0.00%
Distribution Volumetric Rate	\$ 3.6264	60	\$ 217.58	\$ 3.5388	60	\$ 212.33	\$ (5.26)	-2.42%
Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Volumetric Rate Riders	\$ 0.0549	60	\$ 3.29	\$ (0.1578)	60	\$ (9.47)	\$ (12.76)	-387.43%
Sub-Total A (excluding pass through)			\$ 557.18			\$ 539.16	\$ (18.02)	-3.23%
Line Losses on Cost of Power	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	
Total Deferral/Variance Account Rate Riders	\$ 1.1218	60	\$ 67.31	\$ (0.2283)	60	\$ (13.70)	\$ (81.01)	-120.35%
CBR Class B Rate Riders	\$ (0.0467)	60	\$ (2.80)	\$ -	60	\$ -	\$ 2.80	-100.00%
GA Rate Riders	\$ (0.0003)	32,400	\$ (9.72)	\$ (0.0004)	32,400	\$ (12.96)	\$ (3.24)	33.33%
Low Voltage Service Charge	\$ -	60	\$ -	\$ -	60	\$ -	\$ -	
Smart Meter Entity Charge (if applicable)	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Additional Volumetric Rate Riders	\$ -	60	\$ -	\$ 0.0676	60	\$ 4.06	\$ 4.06	
Sub-Total B - Distribution (includes Sub-Total A)			\$ 611.96			\$ 516.56	\$ (95.41)	-15.59%
RTSR - Network	\$ 3.5259	60	\$ 211.55	\$ 4.0033	60	\$ 240.20	\$ 28.64	13.54%
RTSR - Connection and/or Line and Transformation Connection	\$ 2.8932	60	\$ 173.59	\$ 3.1388	60	\$ 188.33	\$ 14.74	8.49%
Sub-Total C - Delivery (including Sub-Total B)			\$ 997.11			\$ 945.08	\$ (52.03)	-5.22%
Wholesale Market Service Charge (WMSC)	\$ 0.0045	33,942	\$ 152.74	\$ 0.0045	33,745	\$ 151.85	\$ (0.89)	-0.58%
Rural and Remote Rate Protection (RRRP)	\$ 0.0015	33,942	\$ 50.91	\$ 0.0015	33,745	\$ 50.62	\$ (0.30)	-0.58%
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
Average IESO Wholesale Market Price	\$ 0.0892	33,942	\$ 3,026.63	\$ 0.0892	33,745	\$ 3,009.01	\$ (17.62)	-0.58%
Total Bill on Average IESO Wholesale Market Price			\$ 4,227.64			\$ 4,156.81	\$ (70.84)	-1.68%
HST	13%		\$ 549.59	13%		\$ 540.38	\$ (9.21)	-1.68%
Ontario Electricity Rebate	13.1%		\$ -	13.1%		\$ -	\$ -	
Total Bill on Average IESO Wholesale Market Price			\$ 4,777.24			\$ 4,697.19	\$ (80.04)	-1.68%

In the manager's summary, discuss the reas

In the manager's summary, discuss the reas

Customer Class:	UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	
RPP / Non-RPP:	RPP	
Consumption	150	kWh
Demand	-	kW
Current Loss Factor	1.0476	
Proposed/Approved Loss Factor	1.0415	

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 12.32	1	\$ 12.32	\$ 12.10	1	\$ 12.10	\$ (0.22)	-1.79%
Distribution Volumetric Rate	\$ 0.0081	150	\$ 1.22	\$ 0.0080	150	\$ 1.20	\$ (0.01)	-1.23%
Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Volumetric Rate Riders	\$ -	150	\$ -	\$ (0.0043)	150	\$ (0.65)	\$ (0.65)	
Sub-Total A (excluding pass through)			\$ 13.54			\$ 12.66	\$ (0.88)	-6.50%
Line Losses on Cost of Power	\$ 0.0990	7	\$ 0.71	\$ 0.0990	6	\$ 0.62	\$ (0.09)	-12.82%
Total Deferral/Variance Account Rate	\$ 0.0030	150	\$ 0.45	\$ (0.0006)	150	\$ (0.09)	\$ (0.54)	-120.00%
Riders								
CBR Class B Rate Riders	\$ (0.0001)	150	\$ (0.02)	\$ -	150	\$ -	\$ 0.02	-100.00%
GA Rate Riders	\$ -	150	\$ -	\$ -	150	\$ -	\$ -	
Low Voltage Service Charge	\$ -	150	\$ -	\$ -	150	\$ -	\$ -	
Smart Meter Entity Charge (if applicable)	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Additional Volumetric Rate Riders		150	\$ -	\$ 0.0002	150	\$ 0.03	\$ 0.03	
Sub-Total B - Distribution (includes Sub-Total A)			\$ 14.68			\$ 13.21	\$ (1.47)	-9.99%
RTSR - Network	\$ 0.0104	157	\$ 1.63	\$ 0.0118	156	\$ 1.84	\$ 0.21	12.80%
RTSR - Connection and/or Line and Transformation Connection	\$ 0.0074	157	\$ 1.16	\$ 0.0080	156	\$ 1.25	\$ 0.09	7.48%
Sub-Total C - Delivery (including Sub-Total B)			\$ 17.47			\$ 16.30	\$ (1.17)	-6.69%
Wholesale Market Service Charge (WMSC)	\$ 0.0045	157	\$ 0.71	\$ 0.0045	156	\$ 0.70	\$ (0.00)	-0.58%
Rural and Remote Rate Protection (RRRP)	\$ 0.0015	157	\$ 0.24	\$ 0.0015	156	\$ 0.23	\$ (0.00)	-0.58%
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
TOU - Off Peak	\$ 0.0760	96	\$ 7.30	\$ 0.0760	96	\$ 7.30	\$ -	0.00%
TOU - Mid Peak	\$ 0.1220	27	\$ 3.29	\$ 0.1220	27	\$ 3.29	\$ -	0.00%
TOU - On Peak	\$ 0.1580	27	\$ 4.27	\$ 0.1580	27	\$ 4.27	\$ -	0.00%
Total Bill on TOU (before Taxes)			\$ 33.52			\$ 32.35	\$ (1.17)	-3.50%
HST	13%		\$ 4.36	13%		\$ 4.21	\$ (0.15)	-3.50%
Ontario Electricity Rebate	13.1%		\$ (4.39)	13.1%		\$ (4.24)	\$ 0.15	
Total Bill on TOU			\$ 33.49			\$ 32.32	\$ (1.17)	-3.50%

In the manager's summary, discuss the reas

In the manager's summary, discuss the reas

Customer Class:	SENTINEL LIGHTING SERVICE CLASSIFICATION	
RPP / Non-RPP:	RPP	
Consumption	120	kWh
Demand	0	kW
Current Loss Factor	1.0476	
Proposed/Approved Loss Factor	1.0415	

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 4.53	1	\$ 4.53	\$ 4.94	1	\$ 4.94	\$ 0.41	9.05%
Distribution Volumetric Rate	\$ 10.1625	0.3	\$ 3.05	\$ 11.0842	0.3	\$ 3.33	\$ 0.28	9.07%
Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Volumetric Rate Riders	\$ -	0.3	\$ -	\$ (2.7795)	0.3	\$ (0.83)	\$ (0.83)	
Sub-Total A (excluding pass through)			\$ 7.58			\$ 7.43	\$ (0.15)	-1.94%
Line Losses on Cost of Power	\$ 0.0990	6	\$ 0.57	\$ 0.0990	5	\$ 0.49	\$ (0.07)	-12.82%
Total Deferral/Variance Account Rate	\$ 1.0935	0	\$ 0.33	\$ (0.2352)	0	\$ (0.07)	\$ (0.40)	-121.51%
Riders								
CBR Class B Rate Riders	\$ (0.0448)	0	\$ (0.01)	\$ -	0	\$ -	\$ 0.01	-100.00%
GA Rate Riders	\$ -	120	\$ -	\$ -	120	\$ -	\$ -	
Low Voltage Service Charge	\$ -	0	\$ -	\$ -	0	\$ -	\$ -	
Smart Meter Entity Charge (if applicable)	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Additional Volumetric Rate Riders		0	\$ -	\$ 0.0667	0	\$ 0.02	\$ 0.02	
Sub-Total B - Distribution (includes Sub-Total A)			\$ 8.46			\$ 7.87	\$ (0.58)	-6.92%
RTSR - Network	\$ 3.3011	0	\$ 0.99	\$ 3.7481	0	\$ 1.12	\$ 0.13	13.54%
RTSR - Connection and/or Line and Transformation Connection	\$ 2.3855	0	\$ 0.72	\$ 2.5880	0	\$ 0.78	\$ 0.06	8.49%
Sub-Total C - Delivery (including Sub-Total B)			\$ 10.17			\$ 9.77	\$ (0.39)	-3.84%
Wholesale Market Service Charge (WMSC)	\$ 0.0045	126	\$ 0.57	\$ 0.0045	125	\$ 0.56	\$ (0.00)	-0.58%
Rural and Remote Rate Protection (RRRP)	\$ 0.0015	126	\$ 0.19	\$ 0.0015	125	\$ 0.19	\$ (0.00)	-0.58%
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
TOU - Off Peak	\$ 0.0760	77	\$ 5.84	\$ 0.0760	77	\$ 5.84	\$ -	0.00%
TOU - Mid Peak	\$ 0.1220	22	\$ 2.64	\$ 0.1220	22	\$ 2.64	\$ -	0.00%
TOU - On Peak	\$ 0.1580	22	\$ 3.41	\$ 0.1580	22	\$ 3.41	\$ -	0.00%
Total Bill on TOU (before Taxes)			\$ 23.05			\$ 22.66	\$ (0.39)	-1.71%
HST	13%		\$ 3.00	13%		\$ 2.95	\$ (0.05)	-1.71%
Ontario Electricity Rebate	13.1%		\$ (3.02)	13.1%		\$ (2.97)	\$ 0.05	
Total Bill on TOU			\$ 23.03			\$ 22.64	\$ (0.39)	-1.71%

In the manager's summary, discuss the reas

In the manager's summary, discuss the reas

Customer Class:	STREET LIGHTING SERVICE CLASSIFICATION
RPP / Non-RPP:	Non-RPP (Other)
Consumption	16 kWh
Demand	0 kW
Current Loss Factor	1.0476
Proposed/Approved Loss Factor	1.0415

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 0.71	1	\$ 0.71	\$ 0.70	1	\$ 0.70	\$ (0.01)	-1.41%
Distribution Volumetric Rate	\$ 3.0103	0.044	\$ 0.13	\$ 2.9562	0.044	\$ 0.13	\$ (0.00)	-1.80%
Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Volumetric Rate Riders	\$ (1.2417)	0.044	\$ (0.05)	\$ (4.5879)	0.044	\$ (0.20)	\$ (0.15)	269.49%
Sub-Total A (excluding pass through)			\$ 0.79			\$ 0.63	\$ (0.16)	-20.26%
Line Losses on Cost of Power	\$ 0.0892	1	\$ 0.07	\$ 0.0892	1	\$ 0.06	\$ (0.01)	-12.82%
Total Deferral/Variance Account Rate Riders	\$ 1.0591	0	\$ 0.05	\$ (0.2192)	0	\$ (0.01)	\$ (0.06)	-120.70%
CBR Class B Rate Riders	\$ (0.0437)	0	\$ (0.00)	\$ -	0	\$ -	\$ 0.00	-100.00%
GA Rate Riders	\$ (0.0003)	16	\$ (0.00)	\$ (0.0004)	16	\$ (0.01)	\$ (0.00)	33.33%
Low Voltage Service Charge	\$ -	0	\$ -	\$ -	0	\$ -	\$ -	
Smart Meter Entity Charge (if applicable)	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Additional Volumetric Rate Riders	\$ -	0	\$ -	\$ 0.0648	0	\$ 0.00	\$ 0.00	
Sub-Total B - Distribution (includes Sub-Total A)			\$ 0.90			\$ 0.67	\$ (0.22)	-24.72%
RTSR - Network	\$ 3.2939	0	\$ 0.14	\$ 3.7399	0	\$ 0.16	\$ 0.02	13.54%
RTSR - Connection and/or Line and Transformation Connection	\$ 2.3802	0	\$ 0.10	\$ 2.5822	0	\$ 0.11	\$ 0.01	8.49%
Sub-Total C - Delivery (including Sub-Total B)			\$ 1.15			\$ 0.95	\$ (0.19)	-16.84%
Wholesale Market Service Charge (WMSC)	\$ 0.0045	17	\$ 0.08	\$ 0.0045	17	\$ 0.07	\$ (0.00)	-0.58%
Rural and Remote Rate Protection (RRRP)	\$ 0.0015	17	\$ 0.03	\$ 0.0015	17	\$ 0.02	\$ (0.00)	-0.58%
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
Average IESO Wholesale Market Price	\$ 0.0892	16	\$ 1.43	\$ 0.0892	16	\$ 1.43	\$ -	0.00%
Total Bill on Average IESO Wholesale Market Price			\$ 2.92			\$ 2.73	\$ (0.19)	-6.62%
HST	13%		\$ 0.38	13%		\$ 0.35	\$ (0.03)	-6.62%
Ontario Electricity Rebate	13.1%		\$ -	13.1%		\$ -	\$ -	
Total Bill on Average IESO Wholesale Market Price			\$ 3.30			\$ 3.08	\$ (0.22)	-6.62%

In the manager's summary, discuss the reas

In the manager's summary, discuss the reas

Customer Class:	RESIDENTIAL SERVICE CLASSIFICATION		
RPP / Non-RPP:	RPP		
Consumption	260	kWh	
Demand	-	kW	
Current Loss Factor	1.0476		
Proposed/Approved Loss Factor	1.0415		

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 32.35	1	\$ 32.35	\$ 31.76	1	\$ 31.76	\$ (0.59)	-1.82%
Distribution Volumetric Rate	\$ -	260	\$ -	\$ -	260	\$ -	\$ -	
Fixed Rate Riders	\$ -	1	\$ -	\$ (2.94)	1	\$ (2.94)	\$ (2.94)	
Volumetric Rate Riders	\$ -	260	\$ -	\$ -	260	\$ -	\$ -	
Sub-Total A (excluding pass through)			\$ 32.35			\$ 28.82	\$ (3.53)	-10.91%
Line Losses on Cost of Power	\$ 0.0990	12	\$ 1.23	\$ 0.0990	11	\$ 1.07	\$ (0.16)	-12.82%
Total Deferral/Variance Account Rate Riders	\$ 0.0026	260	\$ 0.68	\$ (0.0009)	260	\$ (0.23)	\$ (0.91)	-134.62%
CBR Class B Rate Riders	\$ (0.0001)	260	\$ (0.03)	\$ -	260	\$ -	\$ 0.03	-100.00%
GA Rate Riders	\$ -	260	\$ -	\$ -	260	\$ -	\$ -	
Low Voltage Service Charge	\$ -	260	\$ -	\$ -	260	\$ -	\$ -	
Smart Meter Entity Charge (if applicable)	\$ 0.42	1	\$ 0.42	\$ 0.42	1	\$ 0.42	\$ -	0.00%
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Additional Volumetric Rate Riders		260	\$ -	\$ 0.0002	260	\$ 0.05	\$ 0.05	
Sub-Total B - Distribution (includes Sub-Total A)			\$ 34.65			\$ 30.13	\$ (4.52)	-13.04%
RTSR - Network	\$ 0.0118	272	\$ 3.21	\$ 0.0134	271	\$ 3.63	\$ 0.41	12.90%
RTSR - Connection and/or Line and Transformation Connection	\$ 0.0088	272	\$ 2.40	\$ 0.0095	271	\$ 2.57	\$ 0.18	7.33%
Sub-Total C - Delivery (including Sub-Total B)			\$ 40.26			\$ 36.33	\$ (3.93)	-9.76%
Wholesale Market Service Charge (WMSC)	\$ 0.0045	272	\$ 1.23	\$ 0.0045	271	\$ 1.22	\$ (0.01)	-0.58%
Rural and Remote Rate Protection (RRRP)	\$ 0.0015	272	\$ 0.41	\$ 0.0015	271	\$ 0.41	\$ (0.00)	-0.58%
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
TOU - Off Peak	\$ 0.0760	166	\$ 12.65	\$ 0.0760	166	\$ 12.65	\$ -	0.00%
TOU - Mid Peak	\$ 0.1220	47	\$ 5.71	\$ 0.1220	47	\$ 5.71	\$ -	0.00%
TOU - On Peak	\$ 0.1580	47	\$ 7.39	\$ 0.1580	47	\$ 7.39	\$ -	0.00%
Total Bill on TOU (before Taxes)			\$ 67.89			\$ 63.95	\$ (3.94)	-5.80%
HST 13%			\$ 8.83	13%		\$ 8.31	\$ (0.51)	-5.80%
Ontario Electricity Rebate 13.1%			\$ (8.89)	13.1%		\$ (8.38)	\$ 0.52	
Total Bill on TOU			\$ 67.82			\$ 63.89	\$ (3.93)	-5.80%

In the manager's summary, discuss the reas

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Appendix E – Draft Tariff of Rates and Charges

Welland Hydro-Electric System Corp.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2025

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

EB-2024-0058

RESIDENTIAL SERVICE CLASSIFICATION

This classification refers to the supply of electrical energy to residential customers residing in detached or semi-detached units, as defined in the local zoning by-law. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	31.76
Rate Rider for Disposition of Group 2 Accounts - effective until April 30, 2026	\$	(2.94)
Smart Metering Entity Charge - effective until December 31, 2027	\$	0.42
Rate Rider for Disposition of Deferral/Variance Accounts - effective until April 30, 2026	\$/kWh	(0.0009)
Rate Rider for Disposition of Capacity Based Recovery Account Applicable only for Class B Customers - effective until April 30, 2026	\$/kWh	0.0002
Rate Rider for Disposition of Global Adjustment Account (2025) - Applicable only for Non-RPP Customers - effective until April 30, 2026	\$/kWh	(0.0004)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0134
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0095

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0015
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Welland Hydro-Electric System Corp.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2025

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

EB-2024-0058

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification refers to the supply of electrical energy to commercial buildings taking electricity at 750 volts or less whose monthly average peak demand is less than, or is forecast to be less than, 50 kW. Commercial buildings are defined as buildings, which are used for purposes other than resident dwellings. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	36.94
Smart Metering Entity Charge - effective until December 31, 2027	\$	0.42
Distribution Volumetric Rate	\$/kWh	0.0104
Rate Rider for Disposition of Deferral/Variance Accounts - effective until April 30, 2026	\$/kWh	(0.0007)
Rate Rider for Disposition of Capacity Based Recovery Account Applicable only for Class B Customers - effective until April 30, 2026	\$/kWh	0.0002
Rate Rider for Disposition of Global Adjustment Account (2025) - Applicable only for Non-RPP Customers - effective until April 30, 2026	\$/kWh	(0.0004)
Rate Rider for Disposition of Group 2 Accounts - effective until April 30, 2026	\$/kWh	(0.0028)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0118
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0080

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0015
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Welland Hydro-Electric System Corp.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2025

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

EB-2024-0058

GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION

This classification refers to the supply of electrical energy to commercial buildings whose monthly average peak demand is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 5,000 kW. Commercial buildings are defined as buildings, which are used for purposes other than resident dwellings. Class A and Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

If included in the following listing of monthly rates and charges, the rate rider for the disposition of WMS - Sub-account CBR Class B is not applicable to wholesale market participants (WMP), customers that transitioned between Class A and Class B during the variance account accumulation period, or to customers that were in Class A for the entire period. Customers who transitioned are to be charged or refunded their share of the variance disposed through customer specific billing adjustments. This rate rider is to be consistently applied for the entire period to the sunset date of the rate rider. In addition, this rate rider is applicable to all new Class B customers.

If included in the following listing of monthly rates and charges, the rate rider for the disposition of Global Adjustment is only applicable to non-RPP Class B customers. It is not applicable to wholesale market participants (WMP), customers that transitioned between Class A and Class B during the variance account accumulation period, or to customers that were in Class A for the entire period. Customers who transitioned are to be charged or refunded their share of the variance disposed through customer specific billing adjustments. This rate rider is to be consistently applied for the entire period to the sunset date of the rate rider. In addition, this rate rider is applicable to all new non-RPP Class B customers.

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	336.30
Distribution Volumetric Rate	\$/kW	3.5388
Rate Rider for Disposition of Deferral/Variance Accounts Applicable only for Non-Wholesale Market Participants - effective until April 30, 2026	\$/kW	(0.5821)
Rate Rider for Disposition of Deferral/Variance Accounts - effective until April 30, 2026	\$/kW	0.3538

Welland Hydro-Electric System Corp.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2025

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

EB-2024-0058

Rate Rider for Disposition of Capacity Based Recovery Account Applicable only for Class B Customers - effective until April 30, 2026	\$/kW	0.0676
Rate Rider for Disposition of Global Adjustment Account (2025) - Applicable only for Non-RPP Customers - effective until April 30, 2026	\$/kWh	(0.0004)
Rate Rider for Disposition of Group 2 Accounts - effective until April 30, 2026	\$/kW	(0.7543)
Rate Rider for Disposition of Account 1557 - effective until April 30, 2026	\$/kW	0.5965
Retail Transmission Rate - Network Service Rate	\$/kW	4.0033
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	3.1388
MONTHLY RATES AND CHARGES - Regulatory Component		
Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0015
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Welland Hydro-Electric System Corp.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2025

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

EB-2024-0058

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification refers to an account taking electricity at 750 volts or less whose monthly average peak demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. Unmetered or flat connections are permitted with the approval of Welland Hydro-Electric System Corp. Engineering Department. Flat rate connects may include, but are not limited to, Traffic Lights, Street Lights, Bus Shelters, and Signs. Energy consumption is determined by information provided by the customer and/or load measurement taken by Welland Hydro-Electric System Corp. following connection of the flat service. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	12.10
Distribution Volumetric Rate	\$/kWh	0.0080
Rate Rider for Disposition of Deferral/Variance Accounts - effective until April 30, 2026	\$/kWh	(0.0006)
Rate Rider for Disposition of Capacity Based Recovery Account Applicable only for Class B Customers - effective until April 30, 2026	\$/kWh	0.0002
Rate Rider for Disposition of Global Adjustment Account (2025) - Applicable only for Non-RPP Customers - effective until April 30, 2026	\$/kWh	(0.0004)
Rate Rider for Disposition of Group 2 Accounts - effective until April 30, 2026	\$/kWh	(0.0043)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0118
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0080

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0015
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Welland Hydro-Electric System Corp.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2025

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

EB-2024-0058

SENTINEL LIGHTING SERVICE CLASSIFICATION

This classification refers to an account for roadway lighting not classified as unmetered or street lighting. The consumption for the customer will be based on the calculated connected load times a twelve hour day times the applicable billing period. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	4.94
Distribution Volumetric Rate	\$/kW	11.0842
Rate Rider for Disposition of Deferral/Variance Accounts - effective until April 30, 2026	\$/kW	(0.2352)
Rate Rider for Disposition of Capacity Based Recovery Account Applicable only for Class B Customers - effective until April 30, 2026	\$/kW	0.0667
Rate Rider for Disposition of Global Adjustment Account (2025) - Applicable only for Non-RPP Customers - effective until April 30, 2026	\$/kWh	(0.0004)
Rate Rider for Disposition of Group 2 Accounts - effective until April 30, 2026	\$/kW	(2.7795)
Retail Transmission Rate - Network Service Rate	\$/kW	3.7481
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.5880

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0015
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Welland Hydro-Electric System Corp.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2025

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EB-2024-0058

STREET LIGHTING SERVICE CLASSIFICATION

This classification refers to the Street Lighting system owned by the City of Welland. Welland Hydro-Electric System Corp. provides new installations and maintenance of the street lighting system, as required by the City of Welland. Class B consumers are defined in accordance with O. Reg. 429/04. 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.

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per device)	\$	0.70
Distribution Volumetric Rate	\$/kW	2.9562
Rate Rider for Disposition of Deferral/Variance Accounts - effective until April 30, 2026	\$/kW	(0.2192)
Rate Rider for Disposition of Capacity Based Recovery Account Applicable only for Class B Customers - effective until April 30, 2026	\$/kW	0.0648
Rate Rider for Disposition of Global Adjustment Account (2025) - Applicable only for Non-RPP Customers - effective until April 30, 2026	\$/kWh	(0.0004)
Rate Rider for Disposition of Group 2 Accounts - effective until April 30, 2026	\$/kW	(4.5879)
Retail Transmission Rate - Network Service Rate	\$/kW	3.7399
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.5822

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0015
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Welland Hydro-Electric System Corp.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2025

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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.

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	11.00
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ALLOWANCES

Transformer Allowance for Ownership - per kW of billing demand/month	\$/kW	(0.70)
Primary Metering Allowance for Transformer Losses - applied to measured demand & energy	%	(1.00)

SPECIFIC SERVICE CHARGES

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

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

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

Customer Administration

Arrears certificate	\$	15.00
Statement of account	\$	15.00
Request for other billing information	\$	15.00
Easement letter	\$	15.00
Account history	\$	15.00
Returned cheque (plus bank charges)	\$	15.00
Charge to certify cheque	\$	15.00
Legal letter charge	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00

Welland Hydro-Electric System Corp.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2025

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EB-2024-0058

Special meter reads	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00

Non-Payment of Account

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

Other

Specific charge for access to the power poles - \$/pole/year (with the exception of wireless attachments)	\$	39.14
Meter upgrade requested by customer plus installation-per month plus installation on a time and material basis	\$	10.00

RETAIL SERVICE CHARGES (if applicable)

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

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

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

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

Retail Service Charges refer to services provided by a distributor to retailers or customers related to the supply of competitive electricity.

One-time charge, per retailer, to establish the service agreement between the distributor and the retailer	\$	121.23
Monthly Fixed Charge, per retailer	\$	48.50
Monthly Variable Charge, per customer, per retailer	\$/cust.	1.20
Distributor-consolidated billing monthly charge, per customer, per retailer	\$/cust.	0.71
Retailer-consolidated billing monthly credit, per customer, per retailer	\$/cust.	(0.71)
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	\$	0.61
Processing fee, per request, applied to the requesting party	\$	1.20
Request for customer information as outlined in Section 10.6.3 and Chapter 11 of the Retail Settlement Code directly to retailers and customers, if not delivered electronically through the Electronic Business Transaction (EBT) system, applied to the requesting party		
Up to twice a year	\$	no charge
More than twice a year, per request (plus incremental delivery costs)	\$	4.85
Notice of switch letter charge, per letter (unless the distributor has opted out of applying the charge as per the Ontario Energy Board's Decision and Order EB-2015-0304, issued on February 14, 2019)	\$	2.42

LOSS FACTORS

Welland Hydro-Electric System Corp.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2025

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

EB-2024-0058

If the distributor is not capable of prorating changed loss factors jointly with distribution rates, the revised loss factors will be implemented upon the first subsequent billing for each billing cycle.

Total Loss Factor - Secondary Metered Customer < 5,000 kW	1.0415
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0311

Appendix F – Pre-Settlement Clarification Questions

Ontario Energy Board (OEB) Staff's Pre-Settlement Clarification Questions
2025 Electricity Distribution Rates Application
Welland Hydro-Electric System Corp. (Welland Hydro-Electric System)
EB-2024-0058
November 28, 2024

Question 1

Ref 1: 2-Staff-10

Ref 2: 4-CCMBC-5

Preamble:

Welland Hydro-Electricity System has observed that a Level 2 Charger adds on average approximately 11.5kW of hourly demand from a residential service.

Question(s):

- (a) What is the standard size of transformer used to supply new residential connections?
- (b) Does the standard size take into account the eventual added load of Level 2 charging and other electrification demands?

RESPONSE:

- (a) The standard size of transformer used in new residential subdivisions is 75 kVA.
- (b) The standard size does not permit the aggregate of connected customers to utilize Level 2 charging equipment simultaneously.

Question 2

Ref 1: 2-Staff-12

Ref 2: 4-Staff-43

Ref 3: Attachment B: System Control Services Agreement

Preamble:

Welland Hydro-Electricity System states that it implemented and maintains a hosted SCADA solution to meet the system control operating needs of both Welland Hydro-Electricity System and EPLC. This resulted in 24x7 system control coverage. To do this WHESC augmented its existing SCADA environment and acquired ICCP based telemetry to incorporate control of EPLC's distribution system. Shared costs include operator cost and SCADA maintenance costs.

Question(s):

- (a) The agreement covers split of labour costs and SCADA maintenance costs. Are other costs (e.g. Key Personnel, Control Room general O&M, etc.) incorporated into the labour and SCADA charges to EPLC?
- (b) If not, what are the estimated annual amounts for these costs?

RESPONSE:

- (a) The cost sharing arrangement accounts for all personnel associated with the control room inclusive of management staff. Any incremental cost associated with control room coverage is captured in a billable work order and apportioned to EPLC. EPLC directly procures and covers costs for items such as SCADA licensing, UWPC forms, device tags, operating map production, etc.

Question 3

Ref: 2-Staff-14

Preamble:

Welland Hydro-Electricity System states that the overhead systems are visually inspected annually inclusive of infrared imaging.

Question(s):

- (a) Are the annual inspections performed by a qualified individual able to identify and address system defects not identified by infrared imaging?

RESPONSE:

- (a) Yes, WHESC deems the individuals conducting these inspections qualified to identify system defects observable visually or by infrared imaging. WHESC engineering staff reviews identified defects to address any necessary mitigation requirements with corrective measures.

Question 4

Ref: 2-Staff-20

Preamble:

Welland Hydro-Electricity System states that the rear-lot conversions consist of removal of overhead primary infrastructure (transformers, conductors and switches) from rear lot and replacement with assets in the municipally owned road allowance. The secondary rear lot infrastructure is to be maintained and no change to customer service entrance infrastructure. 23 single phase overhead transformers in the rear lot areas are to be removed. 106 poles of average age 48 years are in the rear lot locations.

Question(s):

- (a) Is Welland Hydro-Electricity System replacing any rear-lot poles as part of the program?
- (b) What is the distribution of the remaining life in the rear lot poles before replacement is required?
- (c) All rear lot transformers in proximity to customer service entrance infrastructure to be removed. How will Welland Hydro-Electricity System access the rear lot secondary infrastructure from the transformers on municipal road allowance

RESPONSE:

- (a) Yes, where necessary based on asset condition.
- (b) WHESC uses the results of pole inspection data in project areas to determine if rear-lot pole replacement is required. Poles in Fair or Poor condition are replaced as part of the project scope.
- (c) WHESC will access rear-lot secondary infrastructure exiting right-of-way or easements providing access to rear lot locations.

Question 5

Ref: 3-Staff-35

Preamble:

Welland Hydro-Electric System provided the regression output in response to 3-staff-35.

Question(s):

- a) Please also provide the Load Forecast Model spreadsheet used to develop the regression output noted above.

RESPONSE:

- a) WHESC has provided the Load Forecast Model spreadsheet with these responses ("WHESC_2025_Load Forecast Model_OEB_5_3-Staff-35_Excluding_Large_User_2024_12_03.xlsx").

Question 6

Pension and OPEBs

Ref 1: 4-Staff-50, Table 4-9

Ref 2: [Decision and Rate Order \(EB-2016-0110\)](#), Schedule C-Accounting Order

Ref 3: [Regulatory Treatment of Pension and Other Post-employment Benefits \(OPEBs\) Costs \(EB-2015-0040\)](#), Sept 14, 2017

Ref 4: DVA Continuity_IRR_20241121, Tab 2b

Preamble:

In reference 1, OEB staff notes that Welland Hydro-Electricity System's OPEB expense on cash method of \$103,766, which was embedded in 2017 rates, aligned with the OPEB expense on accrual basis of \$100,999. In this application, Welland Hydro-Electricity System's proposed 2025 employee future benefits expense of \$106,455, which is based on the cash method, is \$54,295 higher than the OPEBs under accrual method of \$52,160. In addition, from Appendix 4-F actuarial report of Exhibit 4, OEB staff notes that the 2026 estimated OPEB on cash basis is \$97,893, which is greater than the 2026 estimated OPEB expense on accrual basis of \$50,425.

In reference 2, the OEB ordered Welland Hydro-Electric System to establish Account 1508 Other Regulatory Assets, Sub-account OPEB Actuarial Gains or Losses Deferral Account effective May 1, 2017 to record the cumulative actuarial gains and losses in Other Post-Employment Benefits (OPEBs) liabilities as supported by actuarial valuations.

Reference 3 states that **“this Report establishes the use of the accrual accounting method as the default method** on which to set rates for pension and OPEB amounts in cost-based applications”.

Reference 3 also states that:

For some utilities, the OEB approved the recovery of their pension and OPEB costs on a cash basis as an interim measure pending the outcome of this consultation and directed them to establish a variance account(s) to capture the difference between the cash and accrual methods in order to keep the period open for final adjustments once the outcome of the consultation is known. These utilities are required to continue to record amounts into this account(s) until the effective date of the utility's next cost-based rate order. Utilities will be expected to dispose of this account(s) at their next cost-based rate application (unless otherwise approved by the OEB) through a separate rate rider, provided that the OEB approves rates using the accrual method.

In reference 4, Welland Hydro-Electricity System has updated the balance in Account 1508 Other Regulatory Assets, Sub-account OPEB Actuarial Gains or Losses to a credit balance of \$261,293 as of December 31, 2023. In response to OEB staff's interrogatory, Welland Hydro-Electricity System states that:

If the OEB orders WHESC to use the accrual basis to account for OPEBs starting in 2025 in this proceeding, the transitional adjustment that will be required is to debit Account 1508 – A, Actuarial Gains and Losses in the amount of \$261,293 (as of 2023) and credit OCI for the same amount. This would allow WHESC to clear the balance in Account 1508 Actuarial Gains and Losses and discontinue its use effective May 1, 2025.

Question(s):

- a) Please clarify the difference between employee future benefits expense in column a and OPEB paid under cash method in column b in reference 1. If these two columns both refer to the OPEB expense, should the numbers in Column a from 2017 actual to 2024 bridge year be the same as the numbers in Column b? If the numbers in these two columns do not contain the same expense, please elaborate on the differences.
- b) Please confirm that if OPEB expense on accrual basis remains the same level as 2025 expense of \$52,160, Welland Hydro-Electricity System would be over-collecting a total of \$271,475 over the next rates term (2025 to 2029).
- c) Please confirm whether Welland Hydro-Electricity System would seek disposition of Account 1508 Other Regulatory Assets, Sub-account OPEB Actuarial Gains or Losses if it is ordered to make a transition from OPEB cash method to accrual method in this proceeding?
- d) Please confirm that there would be no rates impact for any other transition adjustment besides Account 1508, Sub-account OPEB Actuarial Gains or Losses.

RESPONSE:

- a) The amount in column a represents the amount approved in 2017 rates. This is the amount that was recorded as expense from 2017 to 2023. The amount in column b represents actual premiums paid to the benefit providers. As stated in WHESC's response to IR 4-Staff-50, WHESC should have recorded an expense from 2017 to 2023 in an amount equal to actual premiums paid and will record a correcting entry in 2024 to DR Account 5645 expense and CR Account 1508-C in the amount of \$132,421.

- b) If this question implies that WHESC would collect \$106,455 through rates and only record the accrual amount as expense, then WHESC would be collecting and additional \$271,475. WHESC doesn't understand why this approach would be selected since this is a mix of the cash and accrual method concepts.

If WHESC is forced to use the accrual method, then the expense recorded will equal the accrued amount per the actuarial reports, and the amount in rates would equal the accrued estimate in 2025, per the actuarial report.

If WHESC remains on the cash method, WHESC assumes that the expense recorded will equal actual premiums paid, and the amount in rates would equal \$106,455 per the actuarial report.

- c) WHESC confirms that it would seek disposition of Account 1508 Other Regulatory Assets, Sub-account OPEB Actuarial Gains or Losses if it is ordered to transition from OPEB Cash method to Accrual method in this proceeding. There is no rate impact with the disposal of this non-cash tracking account. The account will be cleared through OCI.
- d) WHESC's understanding is that there will be no rate impact for any transition adjustment(s).

Question 7

DLTDR

Ref: EB-2024-0063, [OEB Letter](#), October 31, 2024

Preamble:

On October 31, 2024, the OEB issued a Letter and Accounting Orders regarding the return on equity (ROE) and deemed long-term debt rate (DLTDR).

Question(s):

- a) Please confirm that Welland Hydro-Electric System will use the 2025 ROE and DLTDR as set on October 31, 2024 on an interim basis.
- b) Please confirm that Welland Hydro-Electric System will follow all other direction included in the OEB's Letter and Accounting Order issued on October 31, 2024, including the establishment of new variance accounts for the ROE and DLTDR.

RESPONSE:

- a) Confirmed.
- b) Please refer to response to Interrogatory 5-Staff-52.

Question 8

Accelerated CCA

Ref 1: 6-Staff-60

Ref 2: 1592 Accelerated CCA work form, Detailed Calculations

Ref 3: PILs_IRR

Preamble:

In reference 1, Welland Hydro-Electricity System states that the audit adjustments are due to a PILs audit completed by the Ministry of Finance (MOF) for the years 2018 to 2020.

Welland Hydro-Electricity System also states that there is no adjustment required for 2024 since it is not claiming AIIP in 2024.

Reference 2 shows the AIIP was recorded from 2018 to 2023. OEB staff notes the interest rate used for Q4 2024 has not been updated to the OEB Prescribed interest rate.

Question(s):

- a) Please confirm that Welland Hydro-Electricity System is not anticipating any further PILs audit from MOF for the upcoming rate period.
- b) Assuming the scenario that Welland Hydro-Electricity System is applying AIIP from 2024 until 2027 which is the end of the program and then reverting to the legacy half-year rule in 2028 and 2029 in this application, please provide the following information to assist the comparison to the current proposal by Welland Hydro-Electricity System regarding the PILs and Account 1592 sub-account CCA changes:
 - i. Please update the Schedule 8 CCA spreadsheets in PILs model for 2024 and 2025, applying the AIIP.
 - ii. Given that the 2028 and 2029 PILs will be based on the legacy half-year rule, please propose a smoothing mechanism to increase the PILs in the test year that is generated from the updated PILs model from the step about.
 - iii. Please update the balance in Account 1592 by including the 2024 calculation under this scenario.

- iv. Please compare the PILs expense and Account 1592 between this scenario and the current proposed method by Welland Hydro-Electricity System using the table below:

	Welland Hydro-Electricity System's Proposal regarding AIIP (not applying AIIP from 2024 and forward years)	Alternative Scenario (Applying the AIIP until the end of the program)
2025 PILs expense (a)	\$318,088	
Impact on PILs from the smoothing mechanism (b)	Nil	
Total Revenue Requirement Impact (c=a+b)	\$318,088	
Account 1592 sub-account CCA changes balance to be disposed in this proceeding	(\$559,371) as of Dec 31, 2023	

RESPONSE:

- a) The MOF is currently auditing WHESC's PILs returns for the 2021 and 2022 taxation years.
- b)
- i. WHESC has updated the CCA Spreadsheets in the PILs model for 2024 and 2025 applying the AIIP. WHESC has included the revised model with these responses ("WHESC_2025_Test_Year_Income_Tax_PILs_AIIP_2024_12_03").
 - ii. WHESC has calculated CCA from 2024 to 2029 both claiming AIIP through the entire phase-out period, and claiming no AIIP after 2023. The results are shown in the table below.

The grossed-up tax savings, and reduction in revenue requirement, if AIIP is claimed through-out the entire phase-out period is \$103,597. This savings would be embedded in rates from 2025 through to 2029. WHESC has calculated the total tax and revenue requirement impact from 2025 to 2029 by comparing the tax savings in rates (\$103,597) to the annual estimated tax

savings. This analysis shows that WHESC would be underfunded by \$372,102 over the 5-year rate term. WHESC proposes to smooth this over 5-years, adding an additional \$74,420 to 2025 Grossed-up PILs and revenue requirement.

Year	CCA - AIIP	CCA - No AIIP	Difference in CCA	Tax Rate	Difference in Tax	Difference in Tax (grossed-up)	Tax savings embedded in rates due to AIIP	Difference between tax savings in rates and actual estimated tax savings
2024	2,604,592	2,441,119	163,473	26.5%	(43,320)	(58,939)		
2025	3,000,720	2,713,386	287,334	26.5%	(76,144)	(103,597)	(103,597)	0
2026	3,087,575	2,963,695	123,880	26.5%	(32,828)	(44,664)	(103,597)	58,933
2027	3,314,141	3,127,905	186,236	26.5%	(49,353)	(67,146)	(103,597)	36,451
2028	3,166,632	3,276,121	(109,489)	26.5%	29,015	39,476	(103,597)	143,073
2029	3,263,362	3,346,703	(83,341)	26.5%	22,085	30,048	(103,597)	133,645
Total	15,832,430	15,427,810	404,620		(107,224)	(145,883)		372,102
Total / 5 years						(29,177)		74,420
2025 Test Year Income Tax (grossed-up) per PILs Model - Assuming AIIP								214,491
Add: 1/5 of tax smoothing amount								74,420
Adjusted 2025 Test Year Income Tax (grossed-up)								288,911
2025 Test Year Income Tax (grossed-up) per PILs Model - Assuming no AIIP								318,088
Difference								(29,177)

- iii. WHESC has updated the balance in Account 1592 to include an estimated principal credit in the amount of \$58,939 representing the 2024 grossed-up PILs impact resulting from claiming AIIP in 2024. WHESC has also updated forecasted carrying charges based on the revised principal balance. The updated Account 1592 balance would be a credit of \$619,174.
- iv. Please see the OEB's updated table below:

	WHESC's Proposal regarding AIIP (not applying AIIP from 2024 and forward years)	Alternative Scenario (Applying the AIIP until the end of the program)
2025 PILs expense (a)	\$ 318,088	\$ 214,491
Impact on PILs from the smoothing mechanism (b)	NIL	\$ 74,420
Total Revenue Requirement Impact (c=a+b)	\$ 318,088	\$ 288,911
Account 1592 sub-account CCA changes balance to be disposed in this proceeding	(\$559,371) as of December 31, 2023	(\$619,174) as of December 31, 2024

Question 9

Account 1557 – Meter Cost Deferral Account (MIST Meters)

Ref 1: 9-Staff-72, Table 9-1 & Table 9-2

Ref 2: Exhibit 9, section 9.1 Disposition of Deferral and Variance Accounts,
Account 1557 – Meter Cost Deferral Account (MIST Meters), pp.15-16

Preamble:

In reference 1, Welland Hydro-Electricity System states that the monthly OM&A cost related to MIST meters fluctuates monthly based on the number of meter points.

Welland Hydro-Electric also provides a reason that the entire increase in OM&A cost related to the MIST meter implementation is due to fact that there has been little change in the quantity of MicroFIT meters.

In reference 2, Welland Hydro-Electricity System states that it incurs incremental OM&A MIST meter costs from June 2018 through December of 2024 as a direct result of the transition to MIST meters under a new contract. This cost is calculating the difference between settlement service costs under the old, pre-MIST contract (Base Cost), and settlement service costs under the revised, post-MIST contract (Actual Cost). The Base Cost assumed is increased each year from 2019 through 2024 by Welland Hydro-Electricity System's OEB-approved Price Cap Index, while the Actual Costs represent actual expenditures for settlement services.

Per references 1 and 2, OEB staff has prepared a following table showing the continuity schedule of OM&A Cost Breakdown of MIST meters for both Pre-MIST contract (Base Cost) and Post-MIST contract (Actual Cost):

Year	Pre-MIST (Base cost) incl Price Cap Index	Post-MIST (Actual cost)	OM&A increase of MicroFit Meters	OM&A increase of MIST Meters	Total OM&A increase	OM&A Principal Debits to 1557 (Ref 2: Table 9-11)
	a	b	c	d	e	f
2018						11,015
2019						23,116
2020						28,064
2021						25,039
2022						20,393
2023						17,683
2024						14,441
Total						139,751

Question(s):

- a) Please fill in the columns from a to e in the table above and reconcile column d to column f.

RESPONSE:

- a) Please see updated table below:

Year	Pre-MIST (Base cost) incl Price Cap Index	Post-MIST (Actual Cost)	OM&A increase of MicroFIT Meters	OM&A increase of MIST Meters	Total OM&A increase	OM&A Principal Debits to 1557 (Ref 2: Table 9-11)
	a	b	c	d	e	f
2018 (May to Dec)	53,852	64,867	(420)	11,435	11,015	11,015
2019	81,869	104,984	(995)	24,111	23,116	23,116
2020	83,383	111,447	(1,281)	29,346	28,064	28,064
2021	85,092	110,131	(1,601)	26,639	25,039	25,039
2022	87,900	108,294	(2,046)	22,439	20,393	20,393
2023	91,153	108,835	(2,657)	20,340	17,683	17,683
2024	95,528	109,969	(3,528)	17,969	14,441	14,441
Total	578,777	718,527	(12,528)	152,278	139,751	139,751

Question 10
Cloud Account
Ref: 9-Staff-76

Preamble:

In response to OEB staff's interrogatory in the reference, Welland Hydro-Electricity System states that:

WHESC has considered transition to cloud computing solutions in its rebasing term. WHESC's CIS system is a candidate for migration to a cloud environment in 2025. WHESC has received a recent budgetary quotation from its CIS vendor but has not included capital costs in its application related to the cloud-based implementation and migration fees. WHESC proposes to use the generic deferral account referenced in Accounting Order 003-2023 to include implementation costs related to this migration to cloud. At the time of this Application, Generic Proceeding 2024-0063 had not yet concluded.

OEB staff notes the scope of the cost of capital generic proceeding EB-2024-0063 would only determine the type of the rates that are to be attracted on the Cloud generic account. OEB staff also notes that the Cloud generic account is established in the

Accounting Order issued in Nov 2023 and based on the accounting order, utilities are expected to bring the proposals related to the cloud at the rebasing application:

At the utility's next rebasing rate proceeding, a utility may propose the regulatory treatment for any material cloud implementation costs expected during its rate-setting term. The proposal could include consideration of a new deferral account or other approaches that take into account the timing and duration of the contract term.

Question(s):

- a) Please provide the quoted amount from its CIS vendor regarding the cloud migration.
- b) Please explain why Welland Hydro-Electricity System is not including the forecasted cloud costs in this rate application.

RESPONSE:

- (a) WHESC's estimate of one-time transitional costs related to moving CIS to cloud is approximately \$210K. This is inclusive of CIS vendor costs, system integration, and data migration.
- (b) WHESC has updated OM&A in the Test Year based on amortization of the cloud implementation costs over the rate term. This amounts to \$42K in the 2025 Test Year and subsequent years of the rebasing term. The term associated with the vendor's cloud proposal is five years.

Question 11

GOCA Variance Account

Ref 1: 9-Staff-77

Ref 2: The OEB's Decision and Order for Getting Ontario Connected Act Variance Account, October 31, 2023

Preamble:

Welland Hydro-Electricity System confirms that the OM&A cost in the test year reflects the Bill 93 impact for its locate cost.

Question(s):

- a) Please confirm that Account 1508 sub-account GOCA variance account is to be discontinued after this application.

RESPONSE:

- a) Confirmed

WELLAND HYDRO-ELECTRIC SYSTEM CORP. (WELLAND)
2025 RATE APPLICATION (EB-2024-0058)
PRE-SETTLEMENT FOLLOW-UP AND CLARIFICATION QUESTIONS

(numbering follows from SEC's IRs)

SEC-31

REFERENCE: 1-SEC-2c and 2-Staff-17c

- a) 1-SEC-2c Table 1-6 shows one Residential Development (162 Hagar St.) being energized in 2025. 2-Staff-17c shows 9 Subdivisions to be energized in 2025. Please explain this difference.
- b) Please allocate the funds included in System Access for 2025 between the 9 subdivisions listed in 2-Staff-17c.

RESPONSE

- a) Table 1-6 in WHESC's response to interrogatory 1-SEC-2c simply restated the new residential developments listed in the business plan, with a column added to indicate the energization status. The business plan contained committed residential subdivision developments with an executed agreement, and lots pending connection as of May of 2024.

Since May of 2024, there have been five additional agreements drafted and either executed or released for execution. There are an additional three developments expected to proceed with executed agreements in early 2025. These are expected to be energized in 2025.

- b) WHESC has estimated capital expenditures related to residential subdivisions in the forecast period based on historical experience. WHESC does not have transfer cost details for subdivisions not yet under construction. WHESC has estimated its cost obligations (Net Capex) based on economic evaluation estimates and a high-level understanding of the scope of subdivisions under active agreements. This is summarized in the following table for those nine subdivisions:

SA#	Subdivision	Net Capex Estimate (\$ '000)
87	Hagar St. Development	\$ 2
94	1030 Niagara Street	\$ 41
96	201 Ontario Road Phase 2	\$ 33
97	Gladstone Trail	\$ 9
98	Southwoods Condominium	\$ 33
99	Dain City East Phase 3	\$ 105
TBD	South Village	No Active Agreement
TBD	Murdoch Estates Phase 2	No Active Agreement
TBD	Dain City West Phase 2	No Active Agreement
		\$ 223

SEC-32

REFERENCE 2-SEC-4a

- a) In the updated 2-AA for 2024, Welland shows that as of the end of October, it has spent 98.5% of the forecasted amount of \$3,709k and is on track to spend the forecasted amount. For System Access, SEC notes the following:

\$000	To end of October 2024	Forecast 2024
Gross	1,803	2,329
Contributions	(630)	(1720)
Net	1,173	609

Does Welland expect to recognize further contributions in the remaining months of 2024? If not, why are contributions lower than forecast?

RESPONSE

- a) WHESC expects to recognize further contributions by the end of 2024. Capital contributions are recognized against associated projects once the project is finalized and closed in the financial system.

SEC-33

REFERENCE: 2-SEC-4d

- a) Please provide the internal budget documents referenced in the response.

RESPONSE

- a) Capital budgets from 2022 through to 2024 have been appended to this response document as Attachment A.

SEC-34

REFERENCE: 2-SEC-7 and 2-Staff-16

- a) Please divide the number of General Service Connections forecasted in Table 2-1 between < 50 kW and > 50 kW.

RESPONSE

- a) Based on connection experience in 2024, WHESC estimates the following:

Year	GS Connections	GS < 50kW	GS > 50 kW
2024	55	48	7
2025	44	39	5
2026	45	40	5
2027	46	40	6
2028	47	41	6
2029	47	42	5

SEC-35

REFERENCE: 2-SEC-8

- a) Please provide further details on the reasons for the adjustments shown in Table 2-31, e.g. why were contributions decreased and what was the change in the expected delivery for the vehicles?

RESPONSE

- a) WHESC's forecasted capital contributions in Table 2-31 were actually increased by \$590K. This resulted in a net decrease to the five-year capital plan in the System Access category. Subsequent to the customer engagement survey referenced in 2-SEC-8, WHESC updated its forecasted capital contribution amounts related to residential subdivisions.

A bucket truck originally planned for delivery in 2024 was delayed to 2025. Adjustments to general plant expenditures in the forecast period to accommodate this resulted in the addition of \$157,051 to the five-year capital forecast.

SEC-36

REFERENCE: 2-VECC-5

- a) Please provide the details on how Welland arrived at the adjusted baseline contributions amount of \$962k.
b) Please provide the contribution percentage for line expansions and municipal relocations.

RESPONSE

- a) The following table summarizes the calculation for the 2025 capital contribution amount and an analysis of an adjusted baseline average:

Projects	2020	2021	2022	2023	2024 Bridge Year	2025 Test Year (scaled up 3%)
Contribution - MR/Expansions	-	182	341	228	775	-
Contribution Subdivisions	1,003	503	194	852	803	827
Contribution General Services	119	27	102	139	143	147
Total	1,122	712	637	1,219	1,721	974
Adjust for Atypical MR/Expansion Amt					600	
Total Adjusted Baseline	1,122	712	637	1,219	1,121	
Average of Adjusted Baseline					962	

The contribution amounts related to Subdivisions and General Services are scaled up from the 2024 Bridge Year amounts at 3%. The total of these amounts was used to arrive at the total contribution amount of \$974K for 2025. This amount is inline with contribution amounts in the five-year historical period.

- b) There has been no contribution amount included in relation to line expansions and municipal relocations as none have been forecasted in 2025.

SEC-37

REFERENCE: 3-SEC-14

- a) Welland updated the load forecast using the most recent year-to-date numbers and rerun the load forecast model, however this is not the load forecast that was used in the updated RRWF submitted with the interrogatory responses. Please explain why not and update the rate calculations using the updated load forecast.

RESPONSE

- a) 3-SEC-14 requested the load forecast model be rerun using the most recent year-to-date numbers. WHESC reran the load forecast model as such. The IR did not request that the RRWF be updated reflecting the version of the load forecast model using 2024 year-to-date actuals. WHESC was also asked for results of the regression using a variety of variables in other IRs and was not asked to update the RRWF and models. It is WHESC's assumption that there will be a discussion during the settlement conference to determine which model(s) are deemed most appropriate and WHESC will be expected to reflect the results of that model in RRWF through to bill impacts at that time.

SEC-38

REFERENCE: 4-SEC-19 and 2-Staff-12, Attachment B

- a) Welland notes that Appendix 2-K shows the allocation of wages and benefits to Essex for the System Control room in 2024 and 2025. The effective date of the agreement is August 1, 2023. What amount was received from Essex in 2023 for the System Control room services?

- b) Article 3.1(g) of Attachment B states that the 'pricing structure is intended to permit the Service Provider the opportunity to recover **fully loaded** costs' (emphasis added). Appendix 2-K includes wages and benefits. Is there an additional mark up on these amounts to account for other costs incurred by Welland? If so, in what amount and for what services? If not, why not?
- c) Does Essex make any payment towards the amortization of the equipment used for the services Welland is providing?

RESPONSE:

- a) Although the agreement was effective August 1, 2023, the period of September 11, 2023 to December 31, 2023 was used by WHESC to transition its own control room operation back in-house. WHESC did not begin providing control room services to Essex until 2024. As a result, no costs are associated with providing service to Essex in 2023.
- b) The structure of the agreement and the intent of the shared service approach with Essex is cost recovery. Labour costs charged to Essex include labour burden incurred by WHESC. Costs associated with use of WHESC's systems are billed to the service recipient. WHESC does not add mark-up on costs incurred that are billed out to the service recipient.
- c) WHESC has not acquired any additional equipment in order to provide control room services to Essex and therefore has not apportioned any depreciation amount. WHESC's depreciation expense would remain the same regardless of its agreement with Essex.

Attachment A – Internal Capital Budget Documents

2022 CAPITAL PLAN IFRS

Projects	2022 Budget
System Access	
Municipal Relocations / Expansions	
M21 - Crowland TS Feeder Expansion	75,000
Pole Relocations - MTO - HWY 140 @ Netherby	100,000
Road Relocation - Forks Rd East of Crescent Drive	100,000
Sub-Total Municipal Relocations	275,000
Services - Residential	
New Overhead/Underground Service Capital	40,000
Sub-Total Services - Residential	40,000
Expansions - Subdivisions	
Capital Subdivisions - Plan	320,000
Sub-Total Subdivisions	320,000
Services - General	
Net Capital Services - General	0
Retail Meters	
Meters	80,000
Sub-Total Retail Meters	80,000
Sub-Total System Access before capital contributions	715,000
Capital Contributions	(50,000)
Sub-Total Capital Contributions	(50,000)
Sub-Total System Access	665,000
System Renewal Projects	
Substation Renewal	
MS #3 - Station Rebuild	600,000
MS #11 - TX/Viper Upgrades	85,000
Sub-Total Substation Renewal	685,000
Overhead Line Renewal	
M22: Ontario / King to Canal Bank Rebuild/Conversion 4.16kV to	200,000
M22: Fitch St., First Ave to PCD Rebuild	250,000
M22: Fitch St. from PCD to Wilson Rd	240,000
King from Ontario to Seventh	125,000
27.6KV Rebuild/Conversion - Quaker Rd @ Niagara St	125,000
Sub-Total Overhead Line Renewal	940,000
Underground Line Renewal	
98 Woodlawn Re-servicing	100,000
Sub-Total Underground Line Renewal	100,000
Miscellaneous Renewal	
Miscellaneous Pole Replacements	350,000
Miscellaneous Transformer Replacements	50,000
Misc Underground rebuild	30,000
Misc Overhead Primary	30,000
Sub-Total Miscellaneous Renewal	460,000
Sub-Total System Renewal Projects	2,185,000
System Service	
Scada/Substation System Service	

Projects	2022 Budget
Scada Reclosures/Vipers	150,000
Scada Switch RTU Replacements	50,000
Scada Smart VU/Server Upgrade/Fault Indicators	10,000
Sub-Total System Service	210,000
General Plant	
Furniture & Equipment	
Furniture & Equipment	0
Computer Hardware	
Computer Equipment Miscellaneous - Plan	25,000
Sub-Total Computer Hardware	25,000
Computer Software	
Sub-Total Computer Software	50,000
Communication Equipment	
New Phone System	50,000
Sub-Total Communication Equipment	50,000
Measurement & Testing Equipment	
Tools	
Tools Plan	5,000
Sub-Total Tools	5,000
Automotive Equipment & Vehicles	
T3 - Light Truck (2010)	50,000
Sub-Total Automotive Equipment & Vehicles	50,000
Buildings & Grounds	
Buildings Upgrade Plan	25,000
Sub-Total Buildings & Grounds	25,000
Sub-Total General Plant	205,000
Total Capital	3,265,000

2023 CAPITAL PLAN IFRS

Projects	2023 Budget
System Access	
<i>Municipal Relocations / Expansions</i>	
M21Circuit Expansion Crowland TS	50,000
<i>Sub-Total Municipal Relocations</i>	50,000
<i>Services - Residential</i>	
New Overhead/Underground Service Capital	40,000
<i>Sub-Total Services - Residential</i>	40,000
<i>Expansions - Subdivisions</i>	
Capital Subdivisions - Plan	250,000
<i>Sub-Total Subdivisions</i>	250,000
<i>Services - General</i>	
<i>Sub-Total Services - General</i>	-
<i>Retail Meters</i>	
Meters	150,000
<i>Sub-Total Retail Meters</i>	150,000
Sub-Total System Access before capital contributions	490,000
Capital Contributions	(50,000)
<i>Sub-Total Capital Contributions</i>	(50,000)
Sub-Total System Access	440,000
System Renewal Projects	
<i>Substation Renewal</i>	
<i>Sub-Total Substation Renewal</i>	-
<i>Overhead Line Renewal</i>	
M22: Fitch St. from Prince Charles Drive to Wilson Rd.	550,000
M21: Canal Bank from Forks Rd to Towline Tunnel Rd Ph2	150,000
M22: Crowland to Commercial (Double Circuit Extended to Dain Ave.)	350,000
<i>Sub-Total Ovehead Line Renewal</i>	1,050,000
<i>Underground Line Renewal</i>	
Sherwood Forest 16kV Conversion	400,000
98 Woodlawn Re-servicing	100,000
<i>Sub-Total Underground Line Renewal</i>	500,000
<i>Miscellaneous Renewal</i>	
Miscellaneous Pole Replacements	450,000
Miscellaneous Transformer Replacments	100,000
Misc Underground Rebuild	50,000
Misc Overhead Primary	50,000
Sub-Total Miscellaneous Renewal	650,000
<i>Sub-Total System Renewal Projects</i>	2,200,000
System Service	
<i>Scada/Substation System Service</i>	
Scada Reclosures/Vipers	50,000
Scada Switch RTU Replacements	100,000
Fault Indicators	10,000
MS4 Protection Upgrades	60,000

Projects	2023 Budget
<i>Sub-Total System Service</i>	220,000
General Plant	
<i>Furniture & Equipment</i>	
<i>Furniture & Equipment</i>	20,000
<i>Computer Hardware</i>	
Computer Equipment Miscellaneous - Plan	50,000
<i>Sub-Total Computer Hardware</i>	50,000
<i>Computer Software</i>	
Computer Software	75,000
<i>Sub-Total Computer Software</i>	75,000
<i>Communication Equipment</i>	
Communication Equipment	0
<i>Sub-Total Communication Equipment</i>	0
<i>Measurement & Testing Equipment</i>	
<i>Tools</i>	
Tools Plan	10,000
<i>Sub-Total Tools</i>	10,000
<i>Automotive Equipment & Vehicles</i>	
55' Bucket	132,465
T1 - Light Truck	65,000
Dump Trailer	7,500
<i>Sub-Total Automotive Equipment & Vehicles</i>	204,965
<i>Buildings & Grounds</i>	
Buildings Upgrade Plan	100,000
<i>Sub-Total Buildings & Grounds</i>	100,000
<i>Sub-Total General Plant</i>	459,965
<i>Total Capital Spending</i>	3,319,965

2024 Capital Plan	
DETAIL CAPITAL SPENDING	2024 Budget
System Access	
Municipal Relocations/Line Expansions	
M21 - 27.6kV Line Extension	625,000
Southworth 27.6kV Line Extension	80,000
Clare Avenue - 27.6 kV - Line Extension	93,600
Contributed Capital	-774,600
Sub-Total Municipal Relocations - Net Capital	24,000
Residential Services	
New Overhead/Underground Service Connections	45,000
Subdivision Expansions	
Subdivisions Gross Capital	1,103,000
Contributed Capital	-803,000
Expansions (Subdivisions)	300,000
General Services	
General Services	232,780
Contributed Capital	-142,863
General Services	89,917
Retail Meters	
Retail Meters	150,000
Sub-Total System Access	608,917
System Renewal Projects	
Substation Renewal	
Sub-Total Substation Renewal	0
Overhead Line Renewal	
M21 Rebuild: Canal Bank from Forks Rd to Towline Tunnel Rd Ph-2	250,000
M22 Rebuild: Welland River Crossing	75,000
Talbot Rd. 27.6kV Conversion	125,000
Dain Ave. Rebuild	550,000
Dain Ave. Area Voltage Conversion	200,000
Humberstone Rd. Pole Replacements	200,000
Plymouth at McLean Coverion Rebuild	75,000
Lincoln / Dunkirk Rebuild	100,000
Netherby at Railway Crossing / Reaker Rd. Conversion	125,000
Sub-Total Overhead Line Renewal	1,700,000
Underground Line Renewal	
98 Woodlawn Re-servicing	100,000
PMH-9 Switchgear Replacements	250,000
Sub-Total Underground Line Renewal	350,000
Miscellaneous Renewal	
Miscellaneous Pole Replacements	150,000
Miscellaneous Transformer Replacements	80,000
Miscellaneous Underground Rebuild	50,000
Miscellaneous Overhead Primary	75,000
Sub-Total Miscellaneous Renewal	355,000
Sub-Total System Renewal Projects	2,405,000

DETAIL CAPITAL SPENDING	2024 Budget
System Service	
Scada/Substation System Service	
Scada Reclosures/Vipers	150,000
SEL - Fault Indicators	10,000
Sub-Total System Service	160,000
General Plant	
Furniture & Equipment	
Furniture & Equipment	20,000
Information Systems	
Information Systems	27,640
Measurement & Testing Equipment	
Measurement & Testing Equipment	22,500
Tools	
Tools	10,300
Automotive Equipment & Vehicles	
2024 Light Vehicle - (Operations)	65,000
Sub-Total Automotive Equipment & Vehicles	65,000
Buildings & Grounds	
Service Centre Parking Lot Repaving	219,630
Building Upgrade - Plan	170,000
Sub-Total Buildings & Grounds	389,630
Sub-Total General Plant	535,070
Total Capital Net	3,708,987

Appendix G – Settlement Conference Clarification Questions

**WELLAND HYDRO-ELECTRIC SYSTEM CORP.
2025 RATE APPLICATION (EB-2024-0058)
PRE-SETTLEMENT FOLLOW-UP AND CLARIFICATION QUESTIONS**

(Numbering follows from VECC IR numbering)

VECC-40

REFERENCE: 3-Staff 36
3-VECC 14 b)

PREAMBLE: The response to VECC 14 b) states:
“WHESC also tested the COVID variable that takes a value of 1 for each month of the lockdown months, as well as the Trend variable that increases by 1 each month. When running the regression using the COVID variable, the result showed an R-square of 89% and the COVID coefficient not being significant. When running the regression using the Trend variable, the result showed an R-square of 88% and the Trend coefficient not being significant.”

- a) Staff 36 provides the statistical results for the various regressions referenced in VECC 14 b). With reference to these results, please explain WHESC’s basis for concluding that the COVID coefficient and Trend coefficient were not “significant”.
- b) With respect to Staff 36 a), please provide the actual regression model and resulting 2025 load forecast for the scenario that included an additional COVID-19 variable that takes a value of 1 for each month for the lockdown months.

RESPONSE:

- a) WHESC considers a t Stat of +/- 2 to be statistically valid. The t-Stat of the COVID variable is a value of -2.4, which is slightly above the minimum requirement of 2 and is the lowest t-Stat value of all the variables. By adding the COVID variable, the t-Stat values for the other variables remained relatively constant. WHESC does not believe that the impact of adding the COVID variable was significant enough to include in the regression. The t-Stat of the Trend variable is a value of 2.8. The t-Stat of the number of customer variable is 3.7, which is greater than the Trend variable. When using the trend variable instead of the Number of customer variable, the t-Stats of the other variables are lower. Given a choice between the Number of Customers and the Trend variable, WHESC believes Number of Customers is a better variable that is more reflective of the conditions in the WHESC service area.
- b) WHESC has included the Load Forecast Model using the COVID variable with these responses (“WHESC_2025_Load Forecast Model_VECC-40_COVID_2024_12_02”).

VECC-41

REFERENCE: 3-Staff 36
3-SEC 14

- a) Please provide a revised version of the response to SEC 14 where the regression model includes an additional COVID-19 variable that takes a value of 1 for each month for the lockdown months.

RESPONSE:

WHESC has rerun the load forecast model using the September 2024 year-to-date actual numbers, and also a COVID-19 variable that takes a value of 1 for each month for the lockdown months. A revised version of the Tables representing the response to 3-SEC-14 is below. WHESC has also provided the Load Forecast Model in Excel format ("WHESC_2025_Load Forecast Model_VECC-41_Actuals to Date_COVID_2024_12_02").

Table 3-1: Exhibit 3, Table 3-8 (no change from IRR Response)

Year	Residential	General Service < 50 kW	General Service 50 to 4,999 kW	Sentinel Lights	Street Lights	Unmetered Scattered Loads	Total
Forecast Number of Customers/Connections							
2024 Bridge	23,945	1,863	149	341	7,311	196	33,805
2025 Test	24,305	1,874	146	325	7,375	191	34,216

Table 3-2: Exhibit 3, Table 3-10 (Updated to include COVID-19 Variable)

Year	Residential	General Service < 50 kW	General Service 50 to 4,999 kW	Sentinel Lights	Street Lights	Unmetered Scattered Loads
Forecasted Annual kWh Usage per Customer/Connection						
2024 Bridge	7,594	29,477	962,386	1,228	198	4,256
2025 Test	7,660	29,735	968,955	1,228	198	4,256

Table 3-3: Exhibit 3, Table 3-16 (Updated to include COVID-19 Variable)

Year	General Service < 50 kW	General Service 50 to 4,999 kW	Street Lights	Total
Predicted Billed kW				
2024 Bridge	393,393	1,154	4,062	398,608
2025 Test	389,439	1,101	4,097	394,637

VECC-42

REFERENCE: 6-VECC 29 a)

- a) The response to VECC 29 a) (i.e., Exhibit 6, Section 6.3.4, page 17) does not provide the requested explanation of the reduction in SSS Admin revenues (Account #4086) between 2023 and 2024. Please provide.

RESPONSE:

As stated in Exhibit 6, Section 6.3.4, WHESC has historically recorded MicroFIT revenue to account 4086 which should have been recorded in Account 4235. WHESC is forecasting an increase, not a decrease, in SSS Admin Revenue. The reduction in the account balance is due to the MicroFIT Revenue portion no longer being included in Account 4086 beginning in 2024.

WHESC has broken out the components of Account 4086 between SSS Admin Revenue and MicroFIT Revenue in the Table below:

Account 4086	2017	2018	2019	2020	2021	2022	2023	2024 Bridge	2025 Test
SSS Admin Revenue	68,100	69,432	70,955	72,030	73,661	75,325	77,073	77,282	78,261
MicroFIT Revenue	9,440	14,084	14,123	14,127	13,990	13,976	13,992	-	-
Total	77,540	83,516	85,078	86,157	87,651	89,302	91,065	77,282	78,261

VECC-43

REFERENCE: 7-Staff 65 a) (IRR-Billing & Collecting Weighting Factors Model)

- a) With respect to the Billing & Collecting Weighting Factor calculation, please identify those included costs that are associated with managing and billing retailers. Please explain why these costs have been included in the analysis.
- b) Please explain why the weighting factor for Street Lights was rounded down from 6.85 to 6.0.

RESPONSE:

- a) The only cost the WHESC identifies specifically related to a retailer is labour. WHESC has included \$11,927 in labour related to retail billing in the Billing & Collecting Weighting Factor calculation. WHESC has tested the calculation if the \$11,927 of retail billing labour was removed and the resulting rounded weighting factors remain unchanged.

- a) The weighting factor for Street Lights was originally calculated as 6.4 and rounded down to 6. When preparing responses to IRs, WHESC made a minor adjustment to the allocation of costs which amount to an additional \$18 to the Street Light class. As a result of the revision, the Streetlight weighting changed to 6.8. We will revise the Street Light class weighting factor to 7 in the next iteration of model updates.

VECC-44

REFERENCE: 7-VECC 34
IRR Cost Allocation Model, Tabs I6.2 and I8

- a) In the IRR Cost Allocation, for the GS<50 class Tab I6.2 the CCLT and CCS values are both the same (1,859). However, in Tab I8 the class' LTNCP4 and SNCP4 values are different (44,274 vs. 44,039). Please reconcile.
- b) In the IRR Cost Allocation, for the GS>50 class Tab I6.2 the CCLT and CCS values are both the same (112). However, in Tab I8 the class' LTNCP4 and SNCP4 values are different (76,894 vs. 62,734). Please reconcile

RESPONSE:

- b) Formulas have been updated in the Cost Allocation Model, Tab I8 such that the NCP calculations for the GS<50kW class are based on the customer count data in Tab I6.2. The next iteration of model updates will reflect these changes.
- c) Formulas have been updated in the Cost Allocation Model, Tab I8 such that the NCP calculations for the GS>50kW class are based on the customer count data in Tab I6.2. The next iteration of model updates will reflect these changes.

VECC-45

REFERENCE: 8-Staff 69

- a) Was the impact of the revised proposal for the 2025 MicroFit charge (i.e., \$11.00 vs. \$4.55) included in the updated Chapter 2 Appendices (Appendix 2-H)? If not, what would be the impact?

RESPONSE:

WHESC confirms that the reduction in MicroFIT revenue is included in the updated Chapter 2 Appendices (Appendix 2-H).

VECC-46

REFERENCE: 7-Staff 66
IRR Appendix 2-R

- a) Staff 66 indicates that WHESC's WMP use in 2023 was 2,671,194 kWh (per the CA model filed with the Application, Tab 6.1). However IRR Appendix 2-R indicates it was 2,786,323 kWh. Please reconcile and confirm what the 2023 usage was.

RESPONSE:

Actual WMP 2023 kWh is equal to 2,671,194, not uplifted. WHESC's current total loss factor of 0.0476 is comprised of a Supply Loss Factor (SLF) of 0.0045 and a Distribution Loss Factor (DLF) of 0.0431. For the purposes of Appendix 2-R, WMP includes only the DLF ($2,671,194 \times 1.0431 = 2,786,322$). The WMP has only been adjusted for the DLF since the WMP is shown at the A(2) level in Appendix 2-R. A(2) items reflect the kWh entering WHESC from the low voltage side of the transformer at the interface with the IESO controlled transmission system.

WELLAND HYDRO-ELECTRIC SYSTEM CORP. (WELLAND)
2025 RATE APPLICATION (EB-2024-0058)
SETTLEMENT CONFERENCE CLARIFICATION QUESTIONS

SEC SC #1

- a) In relation to the services agreement between Welland Hydro and Essex Powerlines, what is the actual amount billed to Essex Powerlines year to date for 2024? What is the forecasted amount to be billed to Essex Powerlines in 2025?

RESPONSE

- a) As of the end of October 2024, the year to date amount billed to Essex Powerlines is \$164,293 and the forecast amount for 2024 year end is \$203,553. The forecasted amount to be billed in 2025 is \$245,329. These amounts include wages, on-call pay, and SCADA costs. The amounts included in 2-K only show wages and labour burdens. On-Call costs are billed directly to Essex Powerlines and do not get recorded in Welland Hydro's OM&A. SCADA system cost estimates for WHESC's 2025 OM&A do not include amounts billed to Essex Powerlines.

The control room model was contemplated as a result of the Minister's 2022 Letter of Direction asking for more collaboration between LDCs. Welland Hydro does not currently track on the basis of revenues and expenses, rather costs are directly allocated or charged to Essex Powerlines. Either methodology results in the same output but Welland Hydro's approach is more simple and easier to track. For example, the inclusion of costs in Account 5010 would be more difficult to accurately track which costs are specifically related to the control room. Further, it would be difficult to then track the offsetting revenues contained in another general revenue account. Instead, Welland is of the view it is easier to allocate wages in 2-K directly to Essex Powerlines and other related expenses are charged directly to Essex Powerlines through job numbers based on the nature of the costs.

SEC SC #2

- a) Please provide the incremental annual hosting costs for the cloud computing.

RESPONSE

- a) The incremental annual hosting fee for cloud computing is \$49,500. This is on top of existing software licencing and maintenance fees. The amount of \$49,500 was included in the Application budget for OM&A. Implementation costs were not included in the Application budget, but has since been revised as per the response to pre-settlement clarification question OEB Staff Question 10.

VECC SC #1

- a) At Table 4-5 in the response to 4-Staff-44 the insurance row shows an increase from 2022 to 2023 from approximately \$49k to \$70k. Who is the insurer?

RESPONSE

- a) Response: The insurer is “The MEARIE Group”.

VECC SC #2

- a) Please run an alternative scenario of the load forecast model whereby VECC-41 is used as a starting point and revise this model to include the concept in Pre-Settlement Clarification Question Staff-5, which is to remove the large user from January 2014 to January 2015.

RESPONSE

- a) Please see attached.
(Attachment:
WHESC_2025_Load Forecast_Model_YTD Actuals_COVID_no LU.xlsx)

VECC SC #3

- a) Assuming the policy change of amending the revenue horizon from 25 years to 40 years is implemented in 2025, what impact would that have on forecasted capital contributions in 2025?

RESPONSE

- a) This policy change will reduce capital contributions received by Welland Hydro by approximately \$92,000.