Hydro One Networks Inc.
483 Bay Street
7th Floor South Tower
Toronto, Ontario M5G 2P5
HydroOne.com

Muhammad Qureshi
Sr. Regulatory Coordinator
Regulatory Affairs
Regulatory@HydroOne.com

BY EMAIL AND RESS

September 25, 2025

Mr. Ritchie Murray
Acting Registrar
Ontario Energy Board
Suite 2700, 2300 Yonge Street
P.O. Box 2319
Toronto, ON M4P 1E4

Dear Mr. Murray,

EB-2025-0030 – Hydro One Networks Inc. – Application for 2026 Distribution Revenue Requirement – Affidavit of Service

Please find attached Hydro One Networks Inc. Affidavit of Service regarding the fulfilment of the Letter of Direction, received from the Ontario Energy Board on September 22, 2025.

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

Sincerely,

Muhammad Qureshi

EB-2025-0030

CANADA	}	**IN THE MATTER OF** the *Ontario Energy Board Act, 1998*, S.O.1998, c.15 (Schedule B);
PROVINCE OF ONTARIO	}	**AND IN THE MATTER OF** an Application by Hydro One Networks Inc. for an Order or Orders made pursuant to section 78 of the Ontario Energy Board Act, 1998 approving rates and other charges for the distribution of electricity to be effective January 1, 2026.

AFFIDAVIT OF MUHAMMAD QURESHI

I, Muhammad Qureshi, of the City of Toronto, **MAKE OATH AND SAY AS FOLLOWS:**

1. I am employed as a Senior Regulatory Coordinator, in the Regulatory Affairs Division of the Applicant, Hydro One Networks Inc.

2. Hydro One Networks Inc. (Hydro One) has complied with the Ontario Energy Board's (the OEB) Letter of Direction (the Letter) issued September 22, 2025, in respect of EB-2025-0030, as set out in detail below.

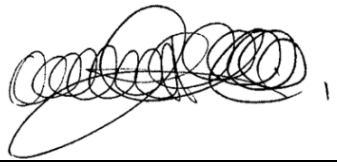
3. In accordance with paragraph 1 of the Letter, the Notice and the Application and Evidence, **Exhibit "A"** were placed on Hydro One's website for public review. A copy is attached as **Exhibit "B"**.

   The Notice of Hearing and the Application and Evidence can be found at the following website:

   https://www.hydroone.com/abouthydroone/RegulatoryInformation/dxrates

4. In accordance with paragraph 2 of the Letter, English and French versions Notice, and the application, **Exhibit "A"**, were served by electronic mail to all intervenors of record in Hydro One's previous rate applications EB-2024-0032, EB-2023-0030, EB-2021-0110. A copy of the email correspondence is attached as **Exhibit "C"**.

SWORN remotely via video conferencing at the City of Toronto, before me at the City of Toronto, this 25th day of September 2025, in accordance with O.Reg. 431/20, Administering Oath or Declaration Remotely. }



Commissioner for Taking Affidavits
Monica Caceres– Assistant General Counsel



Muhammad Qureshi

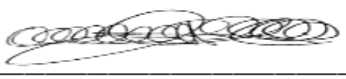
Exhibit A

Application

This is Exhibit "__A__" to the Affidavit of

__Muhammad Qureshi__. Sworn before

me this__25__day of__September__, 2025



Commissioner for Taking Affidavits

Hydro One Networks Inc.
483 Bay Street
7th Floor South Tower
Toronto, Ontario M5G 2P5
HydroOne.com

Kathleen Burke
VP, Regulatory Affairs
T 416-770-0592
Kathleen.Burke@HydroOne.com

BY EMAIL AND RESS

August 28, 2025

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

Dear Ms. Marconi,

EB-2025-0030 – Hydro One Networks Inc. – Application for 2026 Distribution Revenue Requirement

Pursuant to section 78 of the Ontario Energy Board Act, 1998, enclosed is Hydro One Networks Inc.'s (Hydro One) annual application for Hydro One Distribution, Orillia Rate Zone and Peterborough Rate Zone (the Application) in support of distribution rates effective January 1, 2026.

Pursuant to the Ontario Energy Board's (OEB) Rules of Practice and Procedure and the OEB's Practice Direction on Confidential Filings dated December 17, 2021 (the Practice Direction), Hydro One will be filing a confidential request for Exhibit A-04-07, and related attachments, under separate cover.

Pursuant to Hydro One's Notice of Z-factor Application letter dated April 29, 2025, the Application includes Hydro One's Z-factor claim.

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

Sincerely,



Alex Zbarcea on behalf of Kathleen Burke

EXHIBIT LIST

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A	1	1		Exhibit List
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A	2	1	2	Certification of Deferral and Variance Account Balances
A	3	1		Summary of OEB Directives and Compliance with Prior OEB Decisions
A	3	1	1	2026 Annual Update Checklist for Hydro One (Excel Only)
A	4	1		Application Summary
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A	4	3		Cost Allocation and Rate Design
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A	4	4		Retail Transmission Service Rates (RTSRs) and Sub-Transmission (ST) Rates
A	4	4	1	2026 Retail Transmission Service Rates (Excel Only)
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A	4	5		Group 1 Deferral and Variance Account (DVA) Dispositions
A	4	5	1	Consolidated DVA Continuity Schedule (Excel Only)
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A	4	5	3	Hydro One DVA Continuity Schedule (Excel Only)
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A	4	5	5	IRM Model – Peterborough RZ (Excel Only)
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A	4	6	1	Hydro One's Internal Review of Accounts 1588, 1589, 1595(2021) for Hydro One Distribution and Orillia and Peterborough Rate Zones
A	4	6	1(a)	Attachment 1: EB-2020-0030 _Ex 1-0 - HONI-Dx DVA Continuity Schedule_updated_20201126
A	4	6	1(b)	Attachment 2: EB-2020-0030_Ex 4-0 – 2021 Deferral and Variance Account ESM Rate Rider - updated_20201126
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APPLICATION REQUEST

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 Hydro One Networks Inc., for an Order or Orders made pursuant to section 78 of the *Ontario Energy Board Act, 1998* approving just and reasonable rates and other charges for the distribution of electricity, in the service areas served by Hydro One Distribution, and in the service areas formerly served by Orillia Power Distribution Corporation, Peterborough Distribution Inc. and Chapleau Public Utilities Commission, to be effective January 1, 2026.

1. The Applicant, Hydro One Networks Inc. (Hydro One), is an Ontario corporation with its head office in Toronto, Ontario. Hydro One is licensed by the Ontario Energy Board (the OEB or the Board), under licence number ED-2003-0043, to distribute electricity and carry on the business of owning and operating distribution facilities in Ontario in the areas specified in its licence.

2. The Hydro One service areas formerly served by Orillia Power Distribution Corporation (OPDC) and Peterborough Distribution Inc. (PDI) are herein referred to as Orillia Rate Zone (RZ) and Peterborough RZ (or the Acquired Utilities), and former Chapleau Public Utilities Commission (CPUC) is referred to as Chapleau herein.

3. This is the first consolidated annual application filed by Hydro One seeking approval of the 2026 distribution rates and charges for Hydro One Distribution (inclusive of Chapleau[1]), Orillia RZ and Peterborough RZ (the Application).

[1] Chapleau's rates have been harmonized with Hydro One Distribution

4. For Hydro One Distribution, the Application for 2026 distribution rates is the third annual rate application filed under the Custom Revenue Cap Index (RCI) framework approved in its 2023 to 2027 Custom Incentive Rate-setting (Custom IR) Rebasing Application since 2023 rebasing.[2]

5. The Orillia and Peterborough RZs both enter the sixth year of their ten-year deferred rebasing period, which is set to expire on August 31, 2030 and July 31, 2030 respectively. As a result, this is the first IRM application for Orillia RZ and Peterborough RZ whose distribution rates are escalated by the OEB's Price Cap Incentive Rate-setting (Price Cap IR) adjustment mechanism.

6. In late March 2025, a major storm system caused extensive damage to Hydro One's distribution infrastructure. The storm system resulted in extraordinary system damage and restoration costs that meet the criteria for Z-factor treatment under the OEB's established framework.

7. Hydro One hereby applies to the OEB for an Order approving:

   a) Electricity distribution rates and charges for Hydro One Distribution, Orillia RZ and Peterborough RZ to be effective on January 1, 2026;
   b) An adjustment to the Retail Transmission Service Rates (RTSR) effective for January 1, 2026;
   c) The disposition of 2023 and 2024 Group 1 Deferral and Variance Account (DVA) balances, on a final basis, by means of specific rate riders effective over a 12-month period for all RZs.
   d) The disposition of Hydro One Distribution's Earnings Sharing Mechanism (ESM) balance for the 2021 to 2024 period by means of specific rate riders effective over

[2] EB-2021-0110, Decision on Settlement Proposal and Order on Rates, Revenue Requirement and Charge Determinants, Hydro One Networks Inc., November 29, 2022

a 12-month period, including a credit adjustment to the 2020 ESM amount proposed to be returned to ratepayers;

e) The disposition of the 2026 Lost Revenue Adjustment Mechanism (LRAM) Eligible amounts that were previously approved in EB-2022-0040[3] for the Orillia and Peterborough RZs;

f) The recovery of Z-factor costs and associated rate riders for Hydro One Distribution, Peterborough RZ, and Orillia RZ; and,

g) Other items or amounts that may be requested by Hydro One in the course of this proceeding, and as may be granted by the OEB.

8. Approval of this Application will result in the following 2026 bill impacts:

a) **Hydro One Distribution** – a reduction in the total bill of 2.5% or $3.61 per month for a typical Hydro One medium density residential (R1) customer consuming 750 kWh monthly (with DRP)[4] and an increase in total bill of 0.7% or $3.08 per month for a typical Hydro One General Service Energy less than 50 kW (GSe < 50 kW) customer consuming 2,000 kWh monthly.

b) **Orillia RZ** – an increase in the total bill of 3.3% or $4.01 per month for a typical residential customer consuming 750 kWh monthly and an increase in total bill of 3.4% or $10.69 per month for a typical General Service Energy less than 50 kW (GSe < 50 kW) customer consuming 2,000 kWh monthly.

c) **Peterborough RZ –** an increase in the total bill of 0.5% or $0.59 per month for a typical residential customer consuming 750 kWh monthly and an increase in total bill of 0.3% or $1.01 per month for a typical General Service Energy less than 50 kW (GSe < 50 kW) customer consuming 2,000 kWh monthly.

9. More information regarding the monthly bill impacts can be found in Exhibit A-09-01.

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[3] EB-2022-0040, Decision and Order, Hydro One Networks Inc., December 8, 2022, pp. 20 and 22.
[4] Effective July 1, 2025, distribution charges for the R1 customers are capped at $42.88 under the Distribution Rate Protection (DRP) program.

10. In preparing this Application, Hydro One has been guided by the OEB's 2026 Filing Requirements for Electricity Distribution Rate Applications and the Handbook for Utility Rate Applications (the Filing Requirements).

11. The written evidence filed with the OEB may be amended from time to time prior to the OEB's final decision on the Application.

NOTICE AND FORM OF HEARING REQUESTED

12. The Application may be viewed on the internet at the following address: https://www.hydroone.com/abouthydroone/RegulatoryInformation/dxrates

13. All Hydro One Distribution, Orillia RZ and Peterborough RZ customers will be affected by this Application due to an update to the base revenue requirement, RTSRs, and the inclusion of certain rate riders, well as province-wide updates to the specific charge for access to power poles (telecom) and Retail Service Charges.

14. Hydro One requests that this Application be disposed of by way of a written hearing and hereby provides its consent to same.

PROPOSED EFFECTIVE DATE

15. Hydro One requests that the OEB's Rate Orders be effective January 1, 2026. In order to address the possibility that the requested Rate Order cannot be made effective by that time, Hydro One requests an interim Rate Order making its current distribution rates and charges effective on an interim basis as of January 1, 2026, and approval to recover any differences between the interim rates and final rates effective January 1, 2026, based on the OEB's Decision and Order herein.

CONTACT INFORMATION

16. Hydro One requests that a copy of all documents filed with the OEB by each party to this Application be served on the Applicant and the Applicant's counsel, as follows:

a) The Applicant:

Eryn Mackinnon
Regulatory Advisor
Hydro One Networks Inc.

Mailing Address:
7th Floor, South Tower
483 Bay Street
Toronto, Ontario M5G 2P5
Telephone: (416) 345-4479
Electronic access: Regulatory@HydroOne.com

b) The Applicant's Counsel:

Ms. Raman Dhillon
Senior Legal Counsel
Hydro One Networks Inc.

Mailing Address:
8th Floor, South Tower
483 Bay Street
Toronto, Ontario M5G 2P5
Telephone: (416) 859-0942
Fax: (416) 345-6972
Email: Raman.Dhillon@HydroOne.com

DATED at Toronto, Ontario, this 28th day of August, 2025.

By its counsel,



Raman Dhillon

CERTIFICATION OF EVIDENCE

TO: ONTARIO ENERGY BOARD

The undersigned, Kathleen Burke, being Hydro One's Vice-President, Regulatory Affairs, hereby certifies for and on behalf of Hydro One that:

1. I am a senior officer of Hydro One;

2. This certificate is given pursuant to Chapter 1 of the OEB's *Filing Requirements for Electricity Distribution Rate Applications*;

3. The evidence submitted herein is accurate, consistent and complete to the best of my knowledge*;* and

4. The evidence submitted does not contain any personal information filed herein (as that phrase is defined in the *Freedom of Information and Protection of Privacy Act*), that is not otherwise redacted in accordance with rule 9A of the OEB's *Rules of Practice and Procedure.*

DATED this 28th day of August, 2025.

Kathleen Burke

KATHLEEN BURKE

CERTIFICATION OF DEFERRAL AND VARIANCE ACCOUNT BALANCES

TO: ONTARIO ENERGY BOARD

The undersigned, Harry Taylor, being Hydro One Networks Inc.'s (Hydro One) Executive Vice President, Chief Financial and Regulatory Officer, hereby certifies for and on behalf of Hydro One, Hydro One Sault Ste. Marie Limited Partnership, Hydro One Remote Communities Inc., B2M Limited Partnership, Niagara Reinforcement Limited Partnership and Chatham x Lakeshore Limited Partnership, that:

1. This certificate is provided pursuant to, or to be consistent with, Chapter 1 of the OEB's *Filing Requirements for Electricity Distribution Rate Applications*; and

2. Hydro One has the appropriate processes and internal controls for the preparation, review, verification and oversight of all deferral and variance accounts.

DATED this 6th day of June, 2025.

HARRY TAYLOR

SUMMARY OF OEB DIRECTIVES AND COMPLIANCE WITH PRIOR OEB DECISIONS

This Exhibit provides a summary of directives and undertakings from Hydro One's past proceedings and provides a status update or explains the steps Hydro One has taken to address the OEB's direction as part of this Application for Hydro One Distribution and Orillia and Peterborough RZs.

Hydro One Distribution

2023-27 Custom IR Rebasing Application (EB-2021-0110) – Disposition of ESM balances

In the OEB's Decision and Order for Hydro One's Custom Incentive Rate-setting (Custom IR) Application (EB-2021-0110), the OEB approved Hydro One's settlement proposal. Under the terms of the Settlement Agreement, ESM balances for 2021-2024 are to be disposed of in Hydro One's 2026 annual update application, to the extent the ESM is triggered.[1]

Hydro One has responded to this direction in Exhibit A-05-01 of this Application.

2025 Annual Update Application (EB-2024-0032) – OEB Directed Reviews

i. OEB Request for an Internal Review of Accounts 1588/1589/1595 (2021)

In the OEB's Decision and Order for Hydro One Distribution's 2025 Annual Update Application (EB-2024-0032), the OEB did not approve the disposition of Accounts 1588, 1589, and 1595 (2021) and ordered that they be brought forward to Hydro One's next rate application for 2026 rates.

[1] EB-2021-0110, Decision on Settlement Proposal and Order on Rates, Revenue Requirement and Charge Determinants, Schedule A – Settlement Proposal, November 29, 2022, p. 26

The OEB directed Hydro One to perform a detailed internal review of Accounts 1588, 1589 and Account 1595 (2021) for all three rate zones, namely for Hydro One Distribution, and the Orillia and Peterborough RZs, with the results of the review to be filed in the 2026 Annual Update Application.[2]

Pursuant to the OEB's orders, it was further directed that Hydro One and OEB staff reach an agreement on the Account 1588, 1589 and 1595 (2021) balances:

- If an agreement is reached between Hydro One and OEB staff, Hydro One is to bring forward the Accounts 1588, 1589 and 1595 (2021) resolved balances in its 2026 rate applications together with an explanation of the agreed upon amounts.

- Failing an agreement, Hydro One shall bring forward the Accounts 1588, 1589 and 1595 (2021) for disposition in its 2026 rate application with a report on the account balances for which there is disagreement with OEB staff.

The results of the internal review for Accounts 1588, 1589 and 1595 (2021), including the report on the account balances pursuant to the Decision and Order in EB-2024-0032, are included in Exhibit A-04-06, Attachments 1 and 2.

ii. OEB Request for Review of Billing Quantities in Wheeling Agreement

In the OEB's Decision and Order for Hydro One Distribution's 2025 Annual Update Application (EB-2024-0032), the OEB approved, on an interim basis, the wheeling-related adjustments, between Orillia RZ and Hydro One Distribution, for 2021 through 2023. The amounts were approved on an interim basis, as the OEB had concerns about the methodology used to determine the wheeling adjustments.

[2] EB-2024-0032, Decision and Order, December 11, 2024, pp. 19-22

The OEB directed Hydro One to bring forward a proposal in its application for 2026 rates to address the potential discrepancies between the Wheeling Agreement and actual RTSR billing quantities used to determine the credits and the associated debits in order to make the disposition final.[3]

Hydro One has responded to this direction in Exhibit A-04-07 of this Application.

Orillia and Peterborough RZs

Price Cap Incentive Rate-setting (IR) Adjustment from years 6 to 10 of deferred rebasing period (EB-2018-0270/EB-2018-0242)

In accordance with the OEB's Decision and Order on Hydro One Network Inc.'s mergers, acquisitions, amalgamations and divestitures (MAADs) applications for the OPDC service area and PDI service area, Hydro One Networks Inc. shall apply for electricity rates for customers using the OEB's Price Cap Incentive Rate-setting (Price Cap IR) adjustment mechanism for years six to ten of the deferred rebasing period.[4] As such, this is the first Application where the Price Cap IR adjustments will take effect starting January 1, 2026 for the Orillia and Peterborough RZs.

Hydro One has responded to this direction in Exhibit A-04-02 of this Application.

Lost Revenue Adjustment Mechanism (LRAM) Variance Account – Disposition of LRAM-Eligible Amounts for 2026

In the 2023 IRM Application in EB-2022-0040, the OEB approved the LRAM-eligible amounts for 2023-2029 arising from persisting savings of completed CDM programs for the Orillia and Peterborough RZs. The OEB directed that these amounts be adjusted mechanistically by the approved inflation minus X factor applicable to IRM applications in

[3] EB-2024-0032, Decision and Order, December 11, 2024, pp. 28-31
[4] EB-2018-0270, Decision and Order, Hydro One Inc., Hydro One Networks Inc., and Orillia Power Distribution Corporation, April 30, 2020; and EB-2018-0242, Decision and Order, Peterborough Distribution Inc., Peterborough Utilities Services Inc., Hydro One Networks Inc., and 1937680 Ontario Inc., April 30, 2020

effect for a given year and recovered through a rate rider in the corresponding rate year.[5] The OEB inflation factor applied in the I-X factor escalation corresponds with the OEB approved inflation factor in effect for a given year. In the case of Orillia and Peterborough RZs that are on a ten-year deferred rebasing period, the stretch factor applied in the I-X escalation for prospective disposition of LRAM-eligible amounts correspond to the former utility's efficiency cohort factor,[6] consistent with the stretch factor applied in each of the rate zone's Price Cap adjustment.

Accordingly, Hydro One is seeking disposition of the 2026 LRAM-eligible amounts escalated by the OEB-approved inflation factor for 2026 rates in this Application and is requesting these amounts to be recovered over a 1-year period. For additional information, please refer to Exhibit A-07-01.

The OEB's 2026 IRM Checklist has been completed and is provided in Exhibit A-03-01, Attachment 1.

[5] EB-2022-0040, Decision and Order, Hydro One Networks Inc., December 8, 2022, p. 20
[6] EB-2018-0270, Decision and Order, Hydro One Networks Inc. and Orillia Power Distribution Corporation, April 30, 2020, p. 35; EB-2018-0242, Decision and Order, Peterborough Distribution Inc., Peterborough Utilities Services Inc., Hydro One Networks Inc., and 1937680 Ontario Inc., April 30, 2020, p. 36

2026 IRM CHECKLIST

This attachment has been filed separately in MS Excel format.

APPLICATION SUMMARY

1.0 MANAGER'S SUMMARY

Hydro One is applying for distribution rates and other charges, effective January 1, 2026, in this annual update application (the Application). This Application has been prepared in accordance with the OEB's 2026 Filing Requirements for Electricity Distribution Rate Applications and the Handbook for Utility Rate Applications (the Filing Requirements).

This Application affects approximately 1.5 million distribution customers. Hydro One serves approximately 1.5 million distribution customers, primarily in the rural and remote areas of the province. The Orillia RZ serves approximately 15,000 mostly residential and commercial electricity customers in the City of Orillia. The Peterborough RZ serves approximately 37,000 mostly residential and commercial electricity customers in the City of Peterborough, the Town of Norwood, and the Village of Lakefield. Hydro One's most recent acquisition of Chapleau served approximately 1,200 customers in the Township the Chapleau.

Hydro One has filed custom models and spreadsheets for Hydro One Distribution as its distribution rates are derived based on a revenue cap index. Consistent with the past filings of Hydro One's Annual Update applications and 2023-2027 Custom IR Application, the custom spreadsheets included with this Application are substantively the same as those included in the OEB's IRM model (where only applicable tabs were filled out and provided as individual attachments). Hydro One has completed the OEB's IRM Rate Generator Model for the Orillia and Peterborough RZs. Additionally, pursuant to the OEB's 2024 Decision and Rate Order for Hydro One (EB-2023-0030 and EB-2023-0059), Hydro One was approved to file a Consolidated GA Analysis Workform (now, the Commodity Accounts Analysis Workform) for all RZs.

This Application also includes a Z-factor claim for Hydro One Distribution, Orillia RZ and Peterborough RZ seeking recovery of $69.4M of revenue requirement impacts as described in Exhibit A-06-01. These revenue requirement impacts include $64.3M for

Hydro One Distribution, $4.0M for the Peterborough RZ, and $1.1M for the Orillia RZ. Hydro One proposes to recover these amounts from ratepayers through rate riders effective January 1, 2026, as further described in Exhibit A-06-01 Section 4.

Hydro One Distribution

In Hydro One's 2023 to 2027 Custom IR rebasing application in EB-2021-0110, it was approved to escalate the distribution revenue requirement for the years 2024 through to 2027 inclusive, using an approved RCI formula as further described in Exhibit A-04-02.[1]

Orillia and Peterborough RZs

On April 30, 2020, the OEB approved the following two Mergers, Acquisitions, Amalgamations and Divestitures (MAADs) applications filed by Hydro One Inc. (HOI), (Hydro One's parent company):

a. **Orillia Power Distribution Corporation (OPDC)** – The OEB approved the MAADs application[2] to purchase all the issued and outstanding shares of OPDC; and
b. **Peterborough Distribution Inc. (PDI)** – The OEB approved the MAADs application[3] to purchase the distribution system of the amalgamated corporation of PDI and Peterborough Utilities Services Inc., and to subsequently transfer the assets and liabilities of the electricity businesses to Hydro One.

The integration of OPDC and PDI into Hydro One's distribution system was completed on June 1, 2021. Customers of the former OPDC and PDI service areas are currently on a ten-year deferred rebasing period as approved by the OEB, which is set to expire on August 31, 2030, and July 31, 2030, respectively.

[1] EB-2021-0110, Decision on Settlement Proposal and Order on Rates, Revenue Requirement and Charge Determinants, Hydro One Networks Inc., November 29, 2022
[2] EB-2018-0270, Decision and Order, Hydro One Inc., Hydro One Networks Inc., and Orillia Power Distribution Corporation, April 30, 2020
[3] EB-2018-0242, Decision and Order, Peterborough Distribution Inc., Peterborough Utilities Services Inc., Hydro One Networks Inc., and 1937680 Ontario Inc., April 30, 2020

For years six to ten of the deferred rebasing period, the OEB's Price Cap IR adjustment mechanism will apply to the last approved rates for the respective acquired customer groups. For the same period, Hydro One will record annually the guaranteed Earnings Sharing Mechanism (ESM) savings in its OEB-approved deferral account for disposition to customers at the end of the deferred rebasing period for the Orillia and Peterborough RZs.[4, 5]

Harmonization of Chapleau Public Utilities Corporation (CPUC) Customers

On April 18, 2024, the OEB approved the sale of CPUC's distribution system assets to Hydro One (EB-2023-0328). The transaction closed on August 1, 2024 and, as part of the acquisition agreement, the distribution customers of Chapleau have moved to corresponding Hydro One rate classes.[6]

2.0 SUMMARY OF RATE ADJUSTMENTS BY RATE ZONE

Hydro One Distribution

Hydro One is seeking OEB approval of the following items for Hydro One Distribution:

a. Electricity distribution rates effective on January 1, 2026 where the revenue requirement for Hydro One Distribution is determined formulaically using the Custom IR methodology approved in EB-2021-0110;
b. Updated Retail Transmission Service Rates (RTSR) effective on January 1, 2026;
c. The disposition of 2023 and 2024 Group 1 DVA balances, on a final basis, by means of specific rate riders effective over a 12-month period beginning on January 1, 2026; including final disposition of 2021-2023 wheeling debit amounts of $2,372,701 previously approved for Hydro One Distribution on an interim basis;
d. The disposition of ESM amounts from 2021 to 2024, for Hydro One Distribution, on a final basis, by means of specific rate riders effective over a 12-month period beginning on January 1, 2026; and

[4] EB-2018-0270, Decision and Order, Hydro One Inc., Hydro One Networks Inc., and Orillia Power Distribution Corporation, April 30, 2020, p. 42
[5] EB-2018-0242, Decision and Order, Peterborough Distribution Inc., Peterborough Utilities Services Inc., Hydro One Networks Inc., and 1937680 Ontario Inc., April 30, 2020, p. 42
[6] As confirmed in the August 2, 2024 Transaction Close and Integration Complete letter (EB-2023-0328)

e. Recovery of z-factor costs by means of rate riders effective over a 24-month period beginning on January 1, 2026.

Orillia RZ

Hydro One is seeking OEB approval of the following items for the Orillia RZ:

a. Electricity distribution rates effective on January 1, 2026 that are escalated by the Price Cap IR adjustment mechanism;
b. Updated RTSR effective on January 1, 2026;
c. The disposition of 2023 and 2024 Group 1 DVA balances, on a final basis, by means of specific rate riders effective over a 12-month period; including final disposition of 2021-2023 wheeling credit amounts of $2,372,701 previously approved for Orillia RZ on an interim basis;
d. Recovery of z-factor costs by means of rate riders effective over a 60-month period beginning on January 1, 2026; and,
e. Disposition of the 2026 LRAM Eligible amounts that were previously approved in EB-2022-0040 by means of rate riders effective over a 12-month period beginning on January 1, 2026.

Peterborough RZ

Hydro One is seeking OEB approval of the following items for the Peterborough RZ:

a. Electricity distribution rates effective on January 1, 2026 that are escalated by the Price Cap IR adjustment mechanism;
b. Updated RTSR, effective on January 1, 2026;
c. The disposition of 2023 and 2024 Group 1 DVA balances, on a final basis, by means of specific rate riders effective over a 12-month period beginning on January 1, 2026;
d. Recovery of z-factor costs by means of rate riders effective over a 60-month period beginning on January 1, 2026; and,
e. Disposition of the 2026 LRAM Eligible amounts that were previously approved in EB-2022-0040 by means of rate riders effective over a 12-month period beginning on January 1, 2026.

3.0 OEB APPROVALS REQUESTED BY RATE ZONE

In accordance with section 3.1.2 of the Chapter 3 Filing Requirements, a summary of the application requests is provided by RZ, as shown in Table 1 below.

Table 1 - Application Requests Summary

Description / Item	Hydro One Distribution (incl. Chapleau)	Orillia RZ	Peterborough RZ	Exhibit Reference
Annual Adjustment Mechanism	Yes	Yes	Yes	Exhibit A-04-02
Retail Transmission Service Rates	Yes	Yes	Yes	Exhibit A-04-04
Group 1 Deferral and Variance Accounts Disposition/Recovery	Yes	Yes	Yes	Exhibit A-04-05
Lost Revenue Adjustment Mechanism Variance Account (LRAMVA)	No	Yes	Yes	Exhibit A-07-01
Group 2 Deferral and Variance Accounts Disposition/Recovery	Yes – ESM	No	No	Exhibit A-05-01
Z-factor Claim	Yes	Yes	Yes	Exhibit A-06-01
Correction to Previously Disposed DVA Balances	Yes – ESM	No	No	Exhibit A-05-01

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ANNUAL RATE ADJUSTMENT MECHANISM

Hydro One Distribution

In the OEB's Decision on Settlement Proposal and Order on Rates, Revenue Requirement and Charge Determinants (the Decision and Order) for Hydro One's Custom Application (EB-2021-0110), the OEB approved the Custom IR methodology for adjusting Hydro One's distribution revenue requirement for the years 2024 to 2027, inclusive.[1]

The approved formula for the Custom IR for the test year t+1 is equal to the revenue in year t inflated by the Revenue Cap Index (RCI) set out below as:

$$RCI = I – X + C$$

Where:

"I" is the Inflation Factor, based on the distribution industry specific weighted two-factor input price index;

"X" is the Productivity Factor, which includes a Stretch Factor; and

"C" is the Custom Capital Factor, based on the incremental revenue necessary to support Hydro One's Distribution System Plan, beyond the amount of revenue recovered in rates.

In accordance with the OEB's Decision and Order for Hydro One's Custom IR Application (EB-2021-0110), the Inflation Factor and the Custom Capital Factor will be updated annually. On June 11, 2025, the OEB released the Inflation Factor to be used by electricity distributors for 2026 rate applications beginning January 1, 2026. This Application reflects the 3.7% Inflation Factor calculated by the OEB for electricity distributors.[2]

Consistent with the OEB's Decision and Order in EB-2021-0110, the Productivity Factor of 0.45% will not be updated over the 2024 to 2027 period.[3]

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[1] EB-2021-0110, Decision on Settlement Proposal and Order on Rates, Revenue Requirement and Charge Determinants, Hydro One Networks Inc., November 29, 2022.
[2] OEB Letter, 2025 Inflation Parameters, June 11, 2025.
[3] EB-2021-0110, Decision on Settlement Proposal and Order on Rates, Revenue Requirement and Charge Determinants, Hydro One Networks Inc., November 29, 2022.

Table 1 below summarizes the approved components of the RCI for 2026.

Table 1 - 2026 Custom Revenue Cap Index (RCI) by Component (%)

Custom Revenue Cap Index by Component	2026
Inflation Factor (I)	3.70
Productivity Factor (X)	0.45
Custom Capital Factor (C)	1.96 [1]
Total Revenue Cap Index (RCI = I – X + C)	**5.21**

[1] As per Table 2 below. Includes an approved supplemental stretch on capital of 0.20% as per EB-2021-0110, Decision and Order, November 29, 2022, Schedule A. The supplemental stretch on capital is included in the 2026 approved Total Capital Related Revenue requirement as per EB-2021-0110, Decision and Order, November 29, 2022, Schedule A, Table 18, line 9

Table 2 below sets out the calculation of the updated C-Factor within the RCI calculation.

Table 2 - 2026 Capital Factor [4] ($M)

	Calculation	2025	2026
Total Capital Related Revenue Requirement (including working capital adjustment and productivity adjustment)	A	1,229.3	1,306.3
OM&A	B	663.3	684.9 [1]
Total Revenue Requirement	$D = A + B$	1,892.6	1,991.2 [2]
Increase in Capital Related Revenue Requirement	$E = A_{2026} - A_{2025}$		77.0
Increase in Capital Related Revenue Requirement relative to Previous Year's Total Revenue Requirement	$F = {}^{E}/_{D_{2025}}$		4.07%
Less Capital Related Revenue Requirement in I-X	$G = \frac{A_{2025}}{D_{2025}} \times (I - X)$		2.11% [3]
Capital Factor (C)	$\boldsymbol{C = F - G}$		**1.96%**

[1] 2026 OM&A = 2025 OM&A * [1+(I-X)]
[2] 2026 Total Revenue Requirement as per Table 3 below
[3] The percent increase equals Previous Year's Capital Related Revenue Requirement multiplied by I-X; and divided by Previous Year's Total Revenue Requirement, as follows:
$G = \frac{\$1{,}229.3M}{\$1{,}892.6M} \times (3.70\% - 0.45\%)$

The 2026 total revenue requirement of $1,991.2M is calculated as shown in Table 3 below. As the 2026 distribution rates were derived using the RCI formula, the OEB's Rate Generator Model was not used.

[4] The numbers in the table below correspond to EB-2021-0110, Decision and Order, Schedule A, Table 15, except where otherwise specified.

Table 3 - 2026 Total Revenue Requirement ($M)

Year	Formula	Total Revenue Requirement
2025	OEB-approved 2025 Total revenue requirement [1]	1,892.6
2026	2026 Total revenue requirement = 2025 Total revenue requirement x 2026 RCI [2] = $1,892.6 x 1.0521	1,991.2

[1] As per EB-2021-0110, Decision and Order, November 29, 2022, Schedule A, Table 18, line 14
[2] 2026 RCI as per Table 1 above

As shown above, the 2026 distribution service revenue requirement (or total revenue requirement) of $1,991.2M has been determined formulaically, using the Custom IR methodology approved in EB-2021-0110. After deducting for external revenues as approved in EB-2021-0110,[5] it results in a proposed 2026 base revenue requirement of $1,947.4M as outlined in Table 4 below.

Table 4 - Base Revenue Requirement ($M)

	2026
Total Revenue Requirement	**1,991.2**
Deduct: External Revenues	43.8
Base Revenue Requirement	**1,947.4**

[5] EB-2021-0110, Decision on Settlement Proposal and Order on Rates, Revenue Requirement and Charge Determinants, Hydro One Networks Inc., November 29, 2022, Schedule A, Attachment 2.

Orillia and Peterborough RZ

As part of Hydro One's MAAD applications for OPDC in EB-2018-0270, and PDI in EB-2018-0242, the OEB approved a ten-year deferred rebasing period. [6]

During years one to five of the deferred rebasing period, all base distribution delivery rates for the Orillia RZ and Peterborough RZ were frozen, with a 1% reduction in base distribution delivery rates for residential, general service and large use customers. For years six to ten of the deferred rebasing period, the OEB's Price Cap IR adjustment mechanism will apply to the last approved rates. As such, this is the first Application where the Price Cap IR adjustment mechanism will take effect starting January 1, 2026 for the Orillia and Peterborough RZs.

Please see Exhibit A-04-05, Attachment 4 (Orillia RZ) and Exhibit A-04-05, Attachment 5 (Peterborough RZ), Tab 17 for the price cap adjustment.

[6] EB-2018-0270, Decision and Order, Hydro One Inc., Hydro One Networks Inc., and Orillia Power Distribution Corporation, April 30, 2020; and EB-2018-0242, Decision and Order, Peterborough Distribution Inc., Peterborough Utilities Services Inc., Hydro One Networks Inc., and 1937680 Ontario Inc., April 30, 2020

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COST ALLOCATION AND RATE DESIGN

Hydro One Distribution

1.0 COST ALLOCATION

In accordance with the OEB's Decision and Order (EB-2021-0110), Hydro One has not updated the cost allocation model over the term of the plan. The determination of the 2026 costs and rates revenue requirement by rate class uses the approved methodology consistent with the OEB's Decision and Order in EB-2021-0110.

2.0 RATE DESIGN

2.1 FIXED AND VOLUMETRIC RATES

The calculation of the 2026 fixed and volumetric rates taking into account the approved 2026 forecast number of customers and load, consistent with the OEB-approved methodology, is provided in Exhibit A-04-03, Attachment 01. The derivation of fixed to volumetric revenue splits for residential and non-residential rate classes are described below.

a) Residential Rate Classes

The transition to all-fixed distribution rates is now complete for all residential rate classes. However, as approved by the OEB in EB-2020-0246,[1] and further confirmed in EB-2021-0110),[2] the R2 rate class will continue to have a declining volumetric rate until 2032 as a mitigation measure for those low-volume seasonal customers that would otherwise see total bill impacts greater than 10%.

[1] Decision and Order, EB-2020-0246, Implementing the Elimination of the Seasonal Rate Class, November 10, 2021, pp. 6-8.
[2] Decision on Settlement Proposal and Order on Rates, Revenue Requirement and Charge Determinants, EB-2021-0110, Hydro One Networks Inc., November 29, 2022, Schedule A, p. 102 of 117.

b) Non-Residential Rate Classes

Fixed and volumetric distribution charges for non-residential rate classes have been calculated using the methodology approved by the OEB in EB-2021-0110.[3] Detailed derivation of distribution rates is shown in Exhibit A-04-03, Attachment 01.

2.2 REVENUE-TO-COST RATIOS

Consistent with the Decision and Order in EB-2021-0110, Hydro One has not performed any revenue-to-cost ratio adjustments for the 2026 rate year.[4]

2.3 HOPPER FOUNDRY AND TRANSFORMER COST ALLOWANCE RATE ADDERS

The proposed 2026 Hopper Foundry rate adder reflects the proposed 2026 General Service Demand rates. The forecast lost revenue related to Hopper Foundry is $105,828 and results in a rate adder of $0.0154 per kW. This adder is included in the volumetric rate shown on the 2026 tariff schedule for the General Service demand (GSd) rate class.

As per the Decision and Order in EB-2021-0110, the Customer Supplied Transformer Allowance (CSTA) rate adders for GSd, UGd, DGen, AUGd, and AGSd rate classes will remain unchanged at their currently approved values (2023).[5]

[3] Decision on Settlement Proposal and Order on Rates, Revenue Requirement and Charge Determinants, EB-2021-0110, Hydro One Networks Inc., November 29, 2022, Schedule A, pp. 96-97 of 117.
[4] Decision on Settlement Proposal and Order on Rates, Revenue Requirement and Charge Determinants, EB-2021-0110, Hydro One Networks Inc., November 29, 2022, Schedule A, pp. 98-99 of 117.
[5] Decision on Settlement Proposal and Order on Rates, Revenue Requirement and Charge Determinants, EB-2021-0110, Hydro One Networks Inc., November 29, 2022, Schedule A, Attachment 2, Schedule 4.3, p. 1.

2.4 REVENUE RECONCILIATION

A revenue reconciliation using proposed 2026 rates, approved billing determinants and resulting revenue is provided in Exhibit A-04-03, Attachment 02.

Orillia and Peterborough RZs

3.0 COST ALLOCATION AND RATE DESIGN

As mentioned in Exhibit A-04-02, Orillia and Peterborough RZs enter the sixth year of the 10-year deferred rebasing period during 2025 and hence, in accordance with the MAADs Decision, distribution rates for both RZs are being adjusted using the Price Cap mechanism effective January 1, 2026. Detailed derivation of the adjusted distribution rates can be found in Tab 17. Rev2Cost_GDPIPI of the IRM Models for the respective rate zones in Exhibit A-04-05, Attachment 04 (Orillia RZ) and Exhibit A-04-05, Attachment 05 (Peterborough RZ).

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2026 RATE DESIGN

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2026 REVENUE RECONCILIATION

This attachment has been filed separately in MS Excel format.

RETAIL TRANSMISSON SERVICE RATES (RTSRS) AND SUB TRANSMISSION (ST) RATES

Hydro One Distribution

1.0 RETAIL TRANSMISSION SERVICE RATES (RTSRS)

The current 2025 RTSRs are based on the 2025 Preliminary Uniform Transmission Rates (UTRs),[1] which were the transmission rates in place at the time Hydro One's previous Application was approved.

Hydro One proposes to adjust the RTSRs to reflect the updated costs to Hydro One for transmission services for 2026 RTSRs based on the currently OEB approved UTRs.[2] Hydro One updated its RTSR calculations to reflect the OEB's RTSR Guidelines issued on March 31, 2025. These guidelines introduced a new set of RTSRs designed specifically for electric vehicle (EV) charging stations as part of the EV Integration Initiative.[3]

The current and proposed RTSRs for Hydro One Distribution are provided in Table 1 below. The calculation of the 2026 RTSRs is provided in Exhibit A-04-04, Attachment 1.

[1] Letter from the OEB on 2025 Preliminary Uniform Transmission Rates, EB-2024-0244, November 1, 2024.
[2] Decision and Rate Order, EB-2024-0244, 2025 Uniform Transmission Rates, January 22, 2025.
[3] EB-2023-0071, OEB Final Report, Electric Vehicle Charging Rate Overview, March 31, 2025.

Table 1 - Current (2025) and Proposed (2026) RTSRs for Hydro One Distribution

Rate Class	Billing Unit	Current (2025)		Proposed (2026)	
		RTSR-Network	RTSR-Connection	RTSR-Network	RTSR-Connection
UR	kWh	$0.0137	$0.0098	$0.0140	$0.0098
R1	kWh	$0.0128	$0.0092	$0.0130	$0.0092
R2	kWh	$0.0118	$0.0086	$0.0120	$0.0086
GSe	kWh	$0.0101	$0.0078	$0.0103	$0.0078
UGe	kWh	$0.0108	$0.0083	$0.0110	$0.0083
GSd	kW	$3.0836	$2.3487	$3.1416	$2.3535
GSd - EV Charging	kW			$0.5341	$0.4001
UGd	kW	$3.9828	$2.9815	$4.0577	$2.9876
UGd - EV Charging	kW			$0.6898	$0.5079
St Lgt	kWh	$0.0074	$0.0057	$0.0075	$0.0057
Sen Lgt	kWh	$0.0074	$0.0057	$0.0075	$0.0057
USL	kWh	$0.0085	$0.0062	$0.0087	$0.0062
ST	kW	$5.3280	$0.6882	$5.4282	Line Connection: $0.6896
			$3.4894		Transformation Connection: $3.4965
ST - EV Charging	kW			$0.9228	Line Connection: $0.1172
					Transformation Connection: $0.5944
DGen	kW	$1.6923	$1.0078	$1.7241	$1.0099
AUR	kWh	$0.0141	$0.0101	$0.0144	$0.0101
AUGe	kWh	$0.0109	$0.0082	$0.0111	$0.0082
AUGd	kW	$3.6695	$2.7384	$3.7385	$2.7440
AUGd - EV Charging	kW			$0.6355	$0.4665
AR	kWh	$0.0135	$0.0098	$0.0138	$0.0098
AGSe	kWh	$0.0107	$0.0081	$0.0109	$0.0081
AGSd	kW	$3.1603	$2.4176	$3.2197	$2.4225
AGSd - EV Charging	kW			$0.5474	$0.4118

2.0 SUB TRANSMISSION (ST) RATES

RTSRs are proposed to be updated effective January 1, 2026. As a result, the proposed 2026 HVDS-High charge, HVDS-Low charge, and the Common ST Line charge have been adjusted to reflect the proposed 2026 ST RTSR for Transformation Connection. The calculation of 2026 ST rates are detailed in Exhibit A-04-04, Attachment 2.

Hydro One will update the revised 2026 RTSRs, ST rates (namely HVDS-High; HVDS-Low; and Common ST Line), and corresponding bill impacts in the event that the 2026 UTRs are issued by the OEB prior to issuing the final rate order in this Application. An updated proposed 2026 tariff schedule will also be provided.

Orillia and Peterborough RZs

3.0 RETAIL TRANSMISSION SERVICE RATES (RTSRS)

The proposed 2026 RTSRs in this Application are determined using the OEB's 2026 IRM Model, (Tab 10. RTSR Current Rates) through (Tab 15. RTSR Rates to Forecast) of the IRM Models for respective rate zones in Exhibit A-04-05, Attachment 4 (Orillia RZ) and Exhibit A-04-05, Attachment 5 (Peterborough RZ), which reflect the current UTRs (effective January 1, 2025) and Hydro One's RTSR for its ST class (approved for January 1, 2025), as well as the approved loss factors.

Hydro One will update the transmission rates in (Tab 11. RTSR – UTRs & Sub-Tx) of the IRM Models in the event that 2026 UTRs are approved by the OEB prior to issuing the final rate order in this Application. The resulting updated 2026 RTSRs will be provided to the OEB in revised 2026 IRM Models, tariff schedules and bill impacts.

Following OPDC and PDI's integration with Hydro One, Hydro One's transmission charges have been settled on an overall basis, and consequently separate transmission demand details by rate zone are no longer available. In this Application, Hydro One uses the same OEB approved methodology to derive the proposed 2026 RTSRs, as in previous IRM applications and most recently in the 2025 IRM application for the Orillia and Peterborough

RZs.[4] As the 2020 rate year was the last year before the integration, the approved methodology to establish transmission charges applies the 2020 IESO billing information and billing quantities to the currently effective UTRs and Hydro One ST rates and losses. This approach will continue annually until all customers are fully transitioned to Hydro One's rate structure. The IRM Model allocates the resulting forecast transmission charges to the rate classes in proportion to the billed RTSR amount, which is based on current transmission rates and charge determinants from the 2020 RRR filing.

The current and proposed RTSRs for Orillia and Peterborough RZs are provided in Table 2 and Table 3, respectively.

Table 2 - Current (2025) and Proposed (2026) RTSRs for Orillia RZ

Rate Class	Billing Unit	Current (2025)		Proposed (2026)	
		RTSR-Network	RTSR-Connection	RTSR-Network	RTSR-Connection
RESIDENTIAL SERVICE CLASSIFICATION	$/kWh	$0.0104	$0.0077	$0.0106	$0.0081
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	$/kWh	$0.0086	$0.0074	$0.0088	$0.0078
GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION	$/kW	$3.8744	$2.9090	$3.9633	$3.0705
GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION – EV CHARGING	$/kW			$0.6738	$0.5220
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	$/kWh	$0.0086	$0.0074	$0.0088	$0.0078
SENTINEL LIGHTING SERVICE CLASSIFICATION*	$/kW				
STREET LIGHTING SERVICE CLASSIFICATION	$/kW	$2.8538	$2.1692	$2.9193	$2.2896

*There have not been any customers in the Orillia RZ Sentinel Light rate class since 2020, which is OPDC's last rate application before integration. As a result, transmission charges will not be allocated to this rate class during the deferred rebasing period.

[4] This approach was first approved by the OEB in the Decision on 2017 Rates for the Norfolk Power, Haldimand County and Woodstock RZs, EB-2016-0082, December 21, 2016, p. 6.

Table 3 - Current (2025) and Proposed (2026) RTSRs for Peterborough RZ

Rate Class	Billing Unit	Current (2025)		Proposed (2026)	
		RTSR-Network	RTSR-Connection	RTSR-Network	RTSR-Connection
RESIDENTIAL SERVICE CLASSIFICATION	$/kWh	$0.0111	$0.0084	$0.0113	$0.0086
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	$/kWh	$0.0103	$0.0076	$0.0105	$0.0078
GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION	$/kW	$4.1424	$2.9555	$4.2292	$3.0254
GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION – EV CHARGING	$/kW			$0.7190	$0.5143
LARGE USE SERVICE CLASSIFICATION	$/kW	$4.8806	$3.6209	$4.9828	$3.7066
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	$/kWh	$0.0103	$0.0076	$0.0105	$0.0078
SENTINEL LIGHTING SERVICE CLASSIFICATION	$/kW	$3.1454	$2.3471	$3.2113	$2.4026
STREET LIGHTING SERVICE CLASSIFICATION	$/kW	$3.1223	$2.2921	$3.1877	$2.3463

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2026 RETAIL TRANSMISSION SERVICE RATES

This attachment has been filed separately in MS Excel format.

2026 SUB-TRANSMISSION RATES

This attachment has been filed separately in MS Excel format.

GROUP 1 DEFERRAL AND VARIANCE ACCOUNT (DVA)

1.1 CONSOLIDATED GROUP 1 DVA BALANCE

Hydro One's consolidated Group 1 DVA balance as of December 31, 2024 along with projected carrying charges for 2025 proposed for disposition is a credit balance of $94.9M.[1, 2]

The individual Group 1 Retail Service Variance Account (RSVA) balances for Hydro One Distribution, Orillia RZ and Peterborough RZ are established based on an allocation methodology described in Section 1.3.4 below.

Hydro One's Consolidated DVA Continuity Schedule is provided in Exhibit A-04-05, Attachment 1. Hydro One confirms that the Reporting and Record Keeping Requirements (RRR) data presented in Attachment 1 are accurate.

1.2 VARIANCES WITH CONSOLIDATED RRR 2.1.7 BALANCES

As Hydro One only submits RRR Group 1 balances on a consolidated basis, the consolidated balances for the service areas of Hydro One Distribution, Orillia RZ and Peterborough RZ will not match with the balances allocated to Hydro One Distribution or other RZs individually. For a comparison of the RRR data and Hydro One's 2024 Group 1 DVA closing balances on a consolidated basis, please see Exhibit A-04-05, Attachment 1.

There are variances between the December 31, 2024 consolidated balances and RRR 2.1.7 data for the following two accounts: Account 1588 and Account 1589. These differences relate to the reversal of prior year RPP settlement true-up adjustments in the

[1] The Group 1 DVA balance as of December 31, 2024 is adjusted for dispositions during 2025, along with projected carrying charges to December 31, 2025.
[2] Hydro One Distribution is inclusive of the Norfolk, Haldimand and Woodstock service areas after their rates were harmonized with Hydro One Distribution starting in 2023 (EB-2021-0110) and Chapleau starting in 2025 (EB-2024-0032).

current year, as shown in the Consolidated GA Workform provided in Exhibit A-04-06, Attachment 3.[3]

1.3 ALLOCATION OF CONSOLIDATED GROUP 1 BALANCE

1.3.1 TRACKING AND ALLOCATION OF CONSOLIDATED GROUP 1 RSVA BALANCE

Hydro One tracks and records the Group 1 RSVA balance for Hydro One Distribution and its Acquired Utilities on a consolidated basis. This is because Hydro One receives one consolidated invoice from the Independent Electricity System Operator (IESO) for the settlement of commodity, bulk transmission and wholesale settlements for all of its service territories, including those of the Acquired Utilities. As a result, the RZ specific post-integration RSVA balances presented on the DVA continuity schedules have been determined using an approved allocation methodology.[4]

Orillia and Peterborough RZs are on a ten-year deferred rebasing period and their distribution rates will not be harmonized with Hydro One until at least the end of their deferred rebasing periods.[5] As such, there remains a need to allocate the consolidated RSVA balances between Hydro One Distribution, Orillia RZ, and Peterborough RZ to determine the rate zone specific RSVA balances. As described in the MAADs application for CPUC, Group 1 balances accumulated post CPUC integration are to be allocated to Chapleau customers as well. Chapleau was integrated into Hydro One's structure on August 1, 2024. As such, consolidated transactions between August 1 and December 31, 2024 need to be allocated between Hydro One Distribution, Orillia RZ, Peterborough RZ, and Chapleau customers.

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[3] Pursuant to the Decision and Rate Order, Appendix A, Settlement Proposal, in EB-2023-0030/EB-2023-0059, Hydro One agreed to use a consistent approach for any principal adjustments in Accounts 1588 and 1589 identified on the GA Analysis Workform and on the DVA Continuity Schedule effective January 1, 2023.

[4] Following the operational integration of Norfolk Power, Haldimand County Hydro and Woodstock Hydro into Hydro One in September 2015/2016, and more recently, the operational integration of OPDC and PDI into Hydro One in June 2021, the RSVA balances for all distribution utilities have been tracked and recorded on a consolidated basis within Hydro One.

[5] The ten-year deferred rebasing period for the Orillia and Peterborough RZs are set to expire on August 31, 2030 and July 31, 2030, respectively.

1.3.2 PLANNED DISPOSITION APPROACH FOR GROUP 1 BALANCE

Under the methodology described in the OEB's Inspection Report dated March 4, 2019, entitled "Inspection of Compliance of the RPP Settlement Process and Assessment of DVA Allocation Methodology to Assign Group 1 Balances to the Acquired Utilities", Hydro One uses the post-integration sales volume (kWh) of each of the utilities as the allocators to assign the post-integration consolidated RSVA balances to each of Hydro One Distribution, Orillia RZ, Peterborough RZ and Chapleau.

The Inspection Report concluded that Hydro One's Regulated Price Plan (RPP) settlement process complies with current regulatory requirements and approved the allocation methodology for the post-integration RSVA balances of the acquired utilities. The Inspection Report stated that:

> HONI's proposed allocation methodology of using applicable sales volume as the allocator for Group 1 Accounts 1588 and 1589 balances for Haldimand County Hydro, Norfolk Power and Woodstock Hydro is reasonable.[6]

Based on the Inspection Report, the OEB accepted that the Group 1 allocation methodology results in the same rate riders whether the balances are allocated to all utilities separately or as one single entity.[7]

In the Decision and Rate Order in EB-2019-0044, the OEB accepted Hydro One's disposition approach to establish the total balance and seek approval to dispose of the accounts for Hydro One Distribution and all other acquired utilities in the same year.[8]

This disposition approach has been accepted by the OEB on an annual basis, thereafter, including the following applications:

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[6] "Inspection of Compliance of the RPP Settlement Process and Assessment of DVA Allocation Methodology to Assign Group 1 Balances to the Acquired Utilities", March 4, 2019, p. 7.
[7] Ibid, p. 6.
[8] EB-2019-0044, Decision and Rate Order, Hydro One Networks Inc., December 12, 2019, pp. 8-9.

- Approval to dispose of the Group 1 balances as of December 31, 2019 for Hydro One Distribution and Norfolk, Haldimand and Woodstock RZs in 2021 rates, as noted in the Decision and Order for Hydro One and Norfolk, Haldimand and Woodstock RZ's 2021 rates.[9]
- Approval to defer Group 1 account disposition as of December 31, 2020 for Norfolk, Haldimand and Woodstock RZs to the 2023 Custom IR Application to facilitate review and disposition of all consolidated balances at the same time.[10]
- Approval to defer the disposition of 2021 Group 1 balances for Orillia and Peterborough RZs to the 2024 Application to facilitate the review and disposition of all 2021 Group 1 balances as part of the 2024 proceeding.[11]
- Approval to dispose of the Group 1 balances as of December 31, 2022, for Hydro One Distribution and the Acquired Utilities in 2024 rates, as noted in the Decision and Order for Hydro One and the Acquired Utilities' 2024 rates.[12]
- Approval to dispose of the Group 1 balances, on an interim basis, as of December 2023, for Hydro One Distribution and the Acquired Utilities in 2025 rates, except for the balances in Account 1588, 1589 and 1595 (2021).[13]

1.3.3 LV VARIANCE ACCOUNT CONSOLIDATED BALANCE

Post integration, the principal transactions in the LV variance account are directly attributed to Hydro One Distribution. This is due to the fact that post integration, OPDC and PDI are no longer considered embedded LDCs and their LV variances are no longer tracked in the LV Variance Account, consistent with the approval in the Orillia and Peterborough RZ's 2024 IRM Application (EB-2023-0059).

[9] EB-2020-0030, Decision and Rate Order, Hydro One Networks Inc., December 17, 2020, revised February 18, 2021, pp. 20-21; and EB-2020-0031, Decision and Rate Order, Hydro One Networks Inc., December 17, 2020, pp. 10-23.
[10] EB-2021-0033, Decision and Order, Hydro One Networks Inc., December 21, 2021, p. 8.
[11] EB-2022-0040, Decision and Order, Hydro One Networks Inc., December 8, 2022, p. 13.
[12] EB-2023-0030/EB-2023-0059, Decision and Rate Order, Hydro One Networks Inc. (Distribution)/Hydro One Networks Inc. (Peterborough and Orillia Rate Zones), June 13, 2024, pp. 3-5.
[13] EB-2024-0032, Decision and Order, Hydro One Networks Inc., December 11, 2024, p. 19. EB-2024-0033, Decision and Rate Order, Hydro One Networks Inc. (Peterborough and Orillia Rate Zones), December 11, 2024, p. 8

1.3.4 GROUP 1 DVA BALANCE ALLOCATIONS

Table 1 below presents the total Group 1 DVA balances by rate zone proposed for disposition. The allocation of the consolidated Group 1 balances to Hydro One Distribution, Orillia RZ, Peterborough RZ, and Chapleau is consistent with the approved Group 1 allocation methodology.[14]

Table 1 - Group 1 Deferral and Variance Account Balances Proposed for Disposition for Hydro One Distribution, Orillia RZ, Peterborough RZ and Chapleau ($)[15]

Deferral Variance Account (DVA)	Account Number	Hydro One Distribution	Orillia RZ	Peterborough RZ	Chapleau	Consolidated Total
LV Variance Account	1550	$2,415,845	($10,260)	($12,373)	$47,504	$2,440,716
Smart Metering Entity Charge Variance Account	1551	($1,447,403)	($15,137)	($38,113)	($3,108)	($1,503,760)
RSVA - Wholesale Market Service Charge	1580	($5,890,875)	($287,721)	($154,777)	($37,216)	($6,370,590)
Variance WMS – Sub-account CBR Class B	1580	($12,080,815)	($155,212)	($333,592)	$11,209	($12,558,410)
RSVA - Retail Transmission Network Charge	1584	($8,611,535)	($510,733)	($194,341)	$10,778	($9,305,831)
RSVA - Retail Transmission Connection Charge	1586	($34,668,457)	($644,658)	($728,579)	($8,012)	($36,049,706)
RSVA - Power (excluding Global Adjustment)	1588	($79,674,534)	($925,925)	($2,238,829)	($21,814)	($82,861,102)
RSVA - Global Adjustment	1589	$50,957,638	$988,511	$1,966,826	$49,861	$53,962,836
Disposition and Recovery/Refund of Regulatory Balances (2021) - HONI and Acquired LDCs	1595 (2021)	($2,631,108)				($2,631,108)
Disposition and Recovery/Refund of Regulatory Balances (2019, 2020, 2022) – Chapleau	1595 (2019, 2020, 2022)				$13,074	$13,074
TOTAL		**($91,631,244)**	**($1,561,136)**	**($1,733,778)**	**$62,276**	**($94,863,881)**

[14] This is in addition to directly allocating the LV charges and the adjustments attributed to the Orillia Wheeling Agreements discussed in Exhibit A-04-07.

[15] Reflects principal balances as of December 31, 2024, adjusted for dispositions in 2025, and projected interest balances, as of December 31, 2025.

The Allocation of Consolidated RSVA Balances for 2023 and 2024 to Hydro One Distribution, Orillia RZ, Peterborough RZ, and Chapleau is provided in Exhibit A-04-05, Attachment 2.

1.3.5 PRE-SET DISPOSITION THRESHOLD TEST

In accordance with the filing requirements, Hydro One has provided an analysis of the materiality of the Group 1 DVA balances for Hydro One Distribution, Orillia RZ, Peterborough RZ and Chapleau as shown in Table 2 below:[16]

Table 2 - Threshold Test

	Consolidated[1]	Hydro One Distribution	Orillia RZ	Peterborough RZ	Chapleau[2]
Total Group 1 Balance ($)	($94,863,881)	($91,631,244)	($1,561,136)	($1,733,778)	$62,276
Total kWh (2024 RRR)	38,491,768,863	37,377,679,713	321,952,948	769,813,177	22,323,025
$/kWh	**($0.002)**	**($0.002)**	**($0.005)**	**($0.002)**	**$0.003**

[1] Consolidated total kWh shown here is slightly different from the number reported in RRR since Hydro One's 2024 RRR data only includes Chapleau's post-integration consumption (i.e. August-December).
[2] 2023 RRR data is used for Chapleau as 2024 RRR data is not available due to integration with Hydro One in Aug 2024.

As the OEB pre-set disposition threshold of $0.001 per kWh has been exceeded for all Hydro One Distribution, Orillia and Peterborough RZs and Chapleau, Hydro One requests disposition of the Group 1 DVA balances.

1.4 HYDRO ONE DISTRIBUTION GROUP 1 DVA BALANCE

In the Decision and Order for Hydro One Distribution's 2024 rates (EB-2023-0030), the OEB approved the disposition of 2021 and 2022 Group 1 DVA balances on a final basis over a 1-year period from July 1, 2024 to June 30, 2025. Hydro One confirms it has not adjusted the Group 1 account balances that were previously approved by the OEB for disposition on a final basis.

[16] Chapter 3 Filing Requirements for Electricity Distribution Rate Applications – 2025 Edition for 2026 Rate Applications – Chapter 3, Section 3.2.6.

In the Decision and Order for Hydro One Distribution's 2025 rates (EB-2024-0032), the OEB did not approve the disposition of Accounts 1588, 1589 and 1595 (2021), but approved to dispose of all other Group 1 accounts on an interim basis. In that decision, the OEB ordered that Hydro One perform a detailed internal review of these accounts for all three RZs (Hydro One Distribution, Orillia RZ, Peterborough RZ) to ensure that its account balances being requested for disposition were correct. The results of the internal review on the above noted accounts, including an overall review of Group 1 accounts, are included in Exhibit A-04-06, Attachment 1.

In this Application, the December 31, 2024 Group 1 DVA closing balances for Hydro One Distribution is a credit of $91.6M.[17] Hydro One requests final disposition of its Group 1 DVA balances for Hydro One Distribution (Table 3), Orillia RZ (Table 5), Peterborough RZ (Table 6), and Chapleau (Table 4).

[17] The Group 1 DVA balances proposed for disposition are as of December 31, 2024, adjusted for dispositions during 2025, along with projected carrying charges to December 31, 2025.

Table 3 - Group 1 DVA Balances Proposed for Disposition for Hydro One Distribution (excluding Chapleau) ($)

Account Descriptions	Account Number	Closing Principal Balance as of Dec 31, 2024[18]	Total Interest as of Dec 31, 2025[19]	Total Balance for Disposition as of Dec 31, 2025
		A	B	A+B
LV Variance Account	1550	2,232,835	183,010	2,415,845
Smart Metering Entity Charge Variance Account	1551	(1,310,933)	(136,469)	(1,447,403)
RSVA - Wholesale Market Service Charge	1580	(24,246,790)	18,355,915	(5,890,914)
Variance WMS – Subaccount CBR Class B	1580	7,685,596	(19,766,411)	(12,080,815)
RSVA – Retail Transmission Network Charge	1584	(7,776,911)	(834,624)	(8,611,535)
RSVA – Retail Transmission Connection Charge	1586	(32,487,973)	(2,180,484)	(34,668,457)
RSVA – Power (excluding Global Adjustment)	1588	(73,818,980)	(5,855,555)	(79,674,534)
RSVA - Global Adjustment	1589	46,107,808	4,849,830	50,957,638
Disposition and Recovery/Refund of Regulatory Balances (2021) - HONI and Acquired LDCs	1595	(5,032,770)	2,401,662	**(2,631,108)**
Group 1 Sub-Total		**(88,648,118)**	**(2,983,125)**	**(91,631,244)**

[18] Total closing principal balance as of December 31, 2024 includes 2024 principal balances, adjusted for 2025 approved dispositions.
[19] Total interest as of December 31, 2025 includes 2024 closing interest and projected interest on the December 31, 2024 ending balance (inclusive of 2025 approved dispositions).

Table 4 - Group 1 DVA Balances Proposed for Disposition for Chapleau ($)

Account Descriptions	Account Number	Closing Principal Balance as of Dec 31, 2024[20]	Total Interest as of Dec 31, 2025[21]	Total Balance for Disposition as of Dec 31, 2025
		A	B	A+B
LV Variance Account	1550	$44,109	$3,396	$47,504
Smart Metering Entity Charge Variance Account	1551	($2,797)	($311)	($3,108)
RSVA - Wholesale Market Service Charge	1580	($34,659)	($2,558)	($37,216)
Variance WMS – Subaccount CBR Class B	1580	$10,983	$226	$11,209
RSVA – Retail Transmission Network Charge	1584	$10,133	$645	$10,778
RSVA – Retail Transmission Connection Charge	1586	($7,274)	($738)	($8,012)
RSVA – Power (excluding Global Adjustment)	1588	($19,723)	($2,091)	($21,814)
RSVA – Global Adjustment	1589	$44,507	$5,354	$49,861
Disposition and Recovery/Refund of Regulatory Balances (2019) – Chapleau	1595	($7,048)	$6,413	($636)
Disposition and Recovery/Refund of Regulatory Balances (2020) – Chapleau	1595	($1,879)	$10,779	$8,900
Disposition and Recovery/Refund of Regulatory Balances (2022) – Chapleau	1595	$1,814	$2,996	$4,810
Group 1 Sub-Total		**$38,165**	**$24,111**	**$62,276**

[20] Total closing principal balance as of December 31, 2024 includes 2024 principal balances, adjusted for 2025 approved dispositions.
[21] Total interest as of December 31, 2025 includes 2024 closing interest and projected interest on the December 31, 2024 ending balance (inclusive of 2025 approved dispositions).

1.5 ORILLIA AND PETERBOROUGH RZ – GROUP 1 DVA BALANCES

In the 2024 IRM Application for the Orillia and Peterborough RZs (EB-2023-0059), the OEB approved the disposition of Group 1 DVA balances as of December 31, 2022, on a final basis over a 1-year period from July 1, 2024 to June 30, 2025. In the 2025 IRM Application for the Orillia and Peterborough RZs (EB-2024-0033), the OEB approved the disposition of all Group 1 DVA balances (except Accounts 1588 and 1589) as of December 31, 2023, on an interim basis, pending the outcomes of the reviews ordered by the OEB on the main Hydro One Distribution rates case for both of the Account 1588 and 1589 balances and the wheeling credits for the subject periods.[22]

Hydro One confirms it has not adjusted the Group 1 account balances that were previously approved by the OEB for disposition on a final basis.

In this Application, the December 31, 2024 Group 1 DVA balances proposed for disposition for Orillia RZ and Peterborough RZ are:[23]

- a credit balance of $1,561,136 for Orillia RZ;[24] and
- a credit balance of $1,733,778 for Peterborough RZ.

The Group 1 DVA continuity schedules for Orillia RZ and Peterborough RZ are provided in the OEB's 2026 IRM Rate Generator issued by the OEB on July 17, 2025 (IRM Model) (Tab 3. Continuity Schedule), which are filed in Exhibit A-04-05, Attachments 4 and 5, respectively.

The Group 1 DVA balances for Orillia RZ and Peterborough RZ are also summarized in Tables 5 and 6 below.

[22] EB-2024-0033, Decision and Rate Order, December 19, 2024, p. 8
[23] The Group 1 DVA balances proposed for disposition are as of December 31, 2024, adjusted for dispositions during 2025, along with projected carrying charges to December 31, 2025.
[24] This includes the 2021 and 2022 wheeling credit amounts in 2023, pursuant to the terms of the Wheeling Agreements between HONI and OPGC.

Table 5 - Group 1 DVA Balances Proposed for Disposition for Orillia RZ ($)

Account Descriptions	Account Number	Closing Principal Balance as of Dec 31, 2024 [25]	Projected Interest as of Dec 31, 2025 [26]	Total Balance for Disposition as of Dec 31, 2025
		A	B	C = A + B
LV Variance Account	1550		(10,260)	(10,260)
Smart Metering Entity Charge Variance Account	1551	(13,726)	(1,411)	(15,137)
RSVA - Wholesale Market Service Charge	1580	(491,259)	203,538	(287,721)
Variance WMS – Subaccount CBR Class B	1580	63,707	(218,919)	(155,212)
RSVA – Retail Transmission Network Charge	1584	(510,783)	50	(510,733)
RSVA – Retail Transmission Connection Charge	1586	(626,395)	(18,263)	(644,658)
RSVA – Power (excluding Global Adjustment)	1588	(829,348)	(96,578)	(925,925)
RSVA - Global Adjustment	1589	873,406	115,105	988,511
Group 1 Sub-Total		**(1,534,398)**	**(26,738)**	**(1,561,136)**

[25] Total closing principal balance as of December 31, 2024 includes 2024 principal balances, adjusted for 2025 approved dispositions.
[26] Total interest as of December 31, 2025 includes 2024 closing interest and projected interest on the December 31, 2024 ending balance (inclusive of 2025 approved dispositions).

Table 6 - Group 1 DVA Balances Proposed for Disposition for Peterborough RZ ($)

Account Descriptions	Account Number	Closing Principal Balance as of Dec 31, 2024 [27]	Projected Interest as of Dec 31, 2025 [28]	Total Balance for Disposition as of Dec 31, 2025
		A	B	C = A + B
LV Variance Account	1550		(12,373)	(12,373)
Smart Metering Entity Charge Variance Account	1551	(34,430)	(3,684)	(38,113)
RSVA - Wholesale Market Service Charge	1580	(662,984)	508,207	(154,777)
Variance WMS – Subaccount CBR Class B	1580	205,041	(538,633)	(335,592)
RSVA – Retail Transmission Network Charge	1584	(173,336)	(21,005)	(194,341)
RSVA – Retail Transmission Connection Charge	1586	(676,522)	(52,057)	(728,579)
RSVA – Power (excluding Global Adjustment)	1588	(2,025,896)	(212,932)	(2,238,829)
RSVA - Global Adjustment	1589	1,790,281	176,545	1,966,826
Group 1 Sub-Total		**(1,577,845)**	**(155,933)**	**(1,733,778)**

[27] Total closing principal balance as of December 31, 2024 includes the 2024 closing principal balances, adjusted for 2025 approved dispositions.
[28] Total interest as of December 31, 2025 includes 2024 closing interest and projected interest on the December 31, 2024 ending balance (inclusive of 2025 approved dispositions).

CONSOLIDATED DVA CONTINUITY SCHEDULE

This attachment has been filed separately in MS Excel format.

ALLOCATION OF CONSOLIDATED RSVA BALANCES

This attachment has been filed separately in MS Excel format.

HYDRO ONE DVA CONTINUITY SCHEDULE

This attachment has been filed separately in MS Excel format.

IRM MODEL – ORILLIA RZ

This attachment has been filed separately in MS Excel format.

IRM MODEL – PETERBOROUGH RZ

This attachment has been filed separately in MS Excel format.

DVA CONTINUITY SCHEDULE – CHAPLEAU

This attachment has been filed separately in MS Excel format.

ACCOUNTS 1588 – RSVA POWER AND 1589 – RSVA GLOBAL ADJUSTMENT

1.1 ACCOUNTS 1588 – RSVA POWER AND 1589 – RSVA GLOBAL ADJUSTMENT

On February 21, 2019, the OEB issued a new Accounting Guidance related to Accounts 1588 RSVA Power and 1589 RSVA Global Adjustment (GA). The new Accounting Guidance is effective January 1, 2019 and was to be implemented by August 31, 2019.

In the 2021 Decision and Rate Order for Hydro One Distribution, the OEB approved Hydro One's proposal to adopt the new Accounting Guidance in a modified manner until the OEB otherwise directs Hydro One.[1]

In the 2024 Partial Decision and Rate Order for Hydro One Distribution, and in EB-2023-0059 for the Orillia and Peterborough RZs, the OEB ordered Hydro One to fully adopt the Accounting Guidance on a prospective basis, and ordered Hydro One to present a plan with costs and implications of fully adopting the OEB's Accounting Guidance on a prospective basis no later than its next Custom IR application.[2] The OEB stated that this plan should encompass all of Hydro One's service territories, including Orillia and Peterborough RZs. Hydro One confirmed its plans to present a plan to the OEB no later than the 2028 rebasing application to fully adopt the Accounting Guidance.[3]

In the 2025 Decision and Order for Hydro One Distribution, the OEB did not approve the disposition of Accounts 1588 and 1589 as of December 31, 2023 due to the concerns expressed in its decision.[4]

[1] EB-2020-0030, Decision and Rate Order, December 17, 2020, p. 17
[2] EB-2023-0030, Partial Decision and Rate Order (Hydro One Networks Inc.), December 14, 2023, p. 21; EB-2023-0059, Partial Decision and Rate Order (Hydro One Networks Inc. Peterborough and Orillia Rate Zones), December 19, 2023, p. 21.
[3] EB-2023-0030/EB-2023-0059, Decision and Rate Order, Schedule A, Settlement Proposal, June 13, 2024; Responses to pre-settlement clarification questions 6 and 15 filed May 24, 2024.
[4] EB-2024-0032, Decision and Order, December 11, 2024, p. 19

Pursuant to EB-2024-0032, the OEB directed that:

(i) An internal review be performed on Accounts 1588, 1589 and 1595 (2021) for all three rate zones, namely for Hydro One Distribution, and Orillia and Peterborough RZs, and;

(ii) Hydro One and OEB staff meet prior to the filing of the 2026 rate application to reach an agreement on the balances to be included for disposition.[5]

1.2 INTERNAL REVIEW OF ACCOUNTS 1588 AND 1589

In accordance with the EB-2024-0032 Decision and Order, Hydro One completed an internal review of the accounts (Internal Review Report), which has been filed in Exhibit A-04-06, Attachment 1.

In the Internal Review Report, Hydro One confirmed that the 2023 balances in the above noted accounts requested for disposition for Hydro One Distribution, and Orillia and Peterborough RZs are accurate.[6] The 2023 balances contemplated for disposition in the 2025 rate proceeding were unchanged since the Decision and Order was issued on December 11, 2024.

On June 18, 2025, Hydro One circulated the Internal Review Report with OEB staff. Based on OEB staff's follow-up questions (Follow-Up Questions), Hydro One updated its Internal Review Report to address a few clarification questions and explain a revision to the Note 5, Item 10 reconciling item on 2023 GA Tab – Commodity Accounts Analysis Workform (from a previously reported credit reconciling item of $27,492,434 to a revised credit reconciling item of $26,319,169[7]).

[5] EB-2024-0032, Decision and Order, December 11, 2024, pp. 19-20
[6] Exhibit A-04-06, Attachment 1 – Section A, p. 3
[7] Exhibit A-04-06, Attachment 1, Table 4

1.3 SUMMARY OF DISCUSSIONS WITH OEB STAFF PURSUANT TO DECISION AND ORDER IN EB-2024-0032

Hydro One met with OEB staff on multiple occasions to review the supporting documentation filed in the Internal Review, respond to Follow-Up Questions from OEB staff, and further reviewed the calculation of the reconciling adjustments in the Commodity Accounts Analysis Workform to justify the reasonability of the Account 1589 balance.[8]

On August 15, 2025, Hydro One and OEB staff met to discuss the Accounts 1588, 1589 and 1595 (2021) balances.

On August 27, 2025, Hydro One and OEB staff jointly prepared a report on the account balances pursuant to the Decision and Order in EB-2024-0032 (Hydro One Networks Inc./ OEB Staff Report on Account Balances for Accounts 1588, 1589 and 1595 (2021) Pursuant to the OEB's Decision and Order in EB-2024-0032). The report is filed in Exhibit A-04-06, Attachment 2. Below is a summary of the agreement:

- Hydro One and OEB staff have agreed on the disposition of the balance in Account 1595 (2021) on a final basis.

- There is no agreement at this time on the 2023 balances for Accounts 1588 and 1589, however, OEB staff will support disposition of the 2023 balances for Accounts 1588 and 1589 on an interim basis in the event that the OEB is not prepared to dispose of the balances on a final basis as part of its decision on Hydro One's 2026 rate application.

- Without limiting the generality of the disagreement on Account 1589, there was no agreement on Note 5, Reconciling Item 10 in the Commodity Accounts Workform (i.e. $26M credit reconciling item).

[8] April 10, June 2, July 9, August 12, 2025

- With regard to Account 1588, since the Account 1588 and 1589 balances are typically reviewed together, and given the interconnectivity of these accounts, there was also no agreement on final disposition of the 2023 balance in Account 1588.

- Hydro One agreed to file, on a best efforts basis, a modified Commodity Accounts Analysis Workform (customized to Hydro One's circumstances) during the 2026 proceeding to support the reasonability of the Account 1589 balance. There is no agreement at this time that the modified Commodity Accounts Analysis Workform will establish reasonability.

In accordance with the EB-2024-0032 Decision and Order, Hydro One is bringing forward the Accounts 1588, 1589 and 1595 (2021) for disposition in its 2026 rate application, with a joint report that Hydro One prepared with OEB staff on the Account 1589 balance for which there is no final agreement.[9]

1.4 COMMODITY ACCOUNTS ANALYSIS WORKFORM

In accordance with the Chapter 3 Filing Requirements, and pursuant to the OEB's 2024 Decision and Rate Order (EB-2023-0030 and EB-2023-0059), Hydro One was approved to file a Consolidated GA Analysis Workform (now, the Consolidated Commodity Accounts Analysis Workform) for all of its RZs. Hydro One receives one consolidated invoice from the settlement of commodity, bulk transmission and wholesale settlements for all its service territories from the Independent Electricity System Operator (IESO).[10] As such, the reasonability test for Accounts 1588 and 1589 is determined on a consolidated basis. The consolidated 2022 Account 1588 and 1589 balances for Hydro One Distribution were last approved for disposition, on a final basis, in the 2024 Annual Update proceeding (EB-2023-0030).

[9] Please see Exhibit A-04-06, Attachment 2
[10] EB-2023-0030 and EB-2023-0059, Decision and Rate Orders, June 13, 2024, p. 4

1.4.1 ACCOUNT 1589 REASONABILITY

The 2023 and 2024 Account 1589 balance is below 1% of the total annual IESO GA charges, taking into consideration the reconciling adjustments that are noted in the Commodity Accounts Analysis Workform.

Hydro One has identified reconciling adjustments in the Commodity Accounts Analysis Workform (Exhibit A-04-06, Attachment 3) to explain the net change in the principal balance in the general ledger. Reconciliations are required in Note 5 of the Commodity Accounts Analysis Workform to true-up the Workform's estimate. In this context, the comparison between expected GA revenue and actual GA revenue billed results in a variance that was recorded as a reconciling item. Specifically, any reconciling items recorded as a debit reflected under-recovery of GA revenue (or regulatory asset) relative to the Workform's expectations. A credit resulted in an over-recovery of GA revenue (or regulatory liability) relative to the Workform's expectations.

Of note, in 2023 and 2024, there are credit reconciling items of $26,319,169 (Note 5, Item 10) and $11,223,509 (Note 5, Item 8) in each respective year, which are specific Hydro One adjustments to the OEB's Workform Note 4 table. This specific reconciling item is required because the OEB's Workform Note 4 table does not reflect Hydro One's GA unbilled calculation which is done on each customer account. This item is in the general ledger, but excluded for the purpose of comparison to the Note 4 table.

As noted in the Follow-Up response to OEB staff: [11]

> Hydro One is currently unable to isolate separate reconciling items related to accrued revenue estimates due to the absence of calendarized meter data, which prevents alignment between accrued consumption and the Workform's monthly

[11] Exhibit A-04-06, Attachment 1, Internal Review Report – Attachment 8: Hydro One Responses to Follow-Up Question #1

GA rate expectations[12]. Hydro One has also previously advised OEB staff that calculating separate reconciling items for each transaction is not feasible given the volume and complexity of entries recorded in the general ledger. The OEB has acknowledged these limitations and has permitted utilities to propose alternative reconciliation methods where full alignment with the Workform is not feasible[13].

Hydro One's billing system is structured around meter reading cycles that do not align with calendar months. Consequently, the GA rate applied to customer bills is a blended rate, reflecting the timing of meter reads and billing cycles. The Workform, by contrast, applies a single GA rate to accrued consumption, which does not reflect Hydro One's actual revenue recognition practices. To reconcile these differences accurately, Hydro One would require calendarized consumption and revenue data, which is not currently available.

Hydro One has adopted the OEB's Accounting Guidance on a modified basis, consistent with the OEB's acceptance of a prospective implementation approach in EB-2020-0030. The company has implemented enhanced internal controls and continues to perform monthly meter to bill to revenue. These controls are subject to external audit, which reviews billing data at the individual document level to ensure financial accuracy.

In its Decision in EB-2023-0030, the OEB directed Hydro One to present a plan in its next Custom IR application to fully adopt the Accounting Guidance on a prospective basis, including the costs and implications of doing so. Hydro One intends to comply with this directive and expects to resolve the current limitations

[12] EB-2023-0030, OEB Staff Interrogatory #11 Response, October 27, 2023; where it stated:

> *In the EB-2020-0030 proceeding specifically, Hydro One indicated to the OEB that there was no systematic solution for Hydro One to conduct a meter reading calendarization calculation to comply with the OEB accounting guidance and settle with the IESO on a monthly basis.*

[13] Instructions for Completing GA Analysis Workform – 2023 Rates

through system enhancements and process changes in its next rebasing application.

As an outcome of the August 15, 2025 meeting with OEB staff, Hydro One committed to produce a modified Commodity Accounts Analysis Workform to support the reasonability of the Account 1589 balance and, on a best efforts basis, file that during the course of this proceeding to support final disposition of the 2023 and 2024 Account 1589 balances.

1.4.2 ACCOUNT 1588 REASONABILITY

The 2023 Account 1588 balance as a percentage of Account 4705 is -1.9%. After including the reconciling item of $41,214,479 to reflect the variance between commodity costs based on actual line losses and revenues calculated using approved line losses, the variance has been reduced to -0.2%, calculated as the sum of 2023 transactions, principal adjustments and reconciling items divided by the Account 4705 Power Purchased amount.[14]

The 2024 Account 1588 balance as a percentage of Account 4705 is -1.5%. Similar to the above, after including the reconciling item of $24,429,199 to reflect the variance between commodity costs based on actual line losses and revenues calculated using approved line losses, the variance has been reduced to -0.5%, calculated as the sum of 2024 transactions, principal adjustments and reconciling items divided by the Account 4705 Power Purchased amount.

Please see Exhibit A-04-06, Attachment 4 for details of loss factor equivalent calculation.

[14] Exhibit A-04-06, Attachment 1, Internal Review Report, p. 20 of 36

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Internal Review on Accounts 1588, 1589, 1595 (2021) for Hydro One Distribution and Orillia and Peterborough Rate Zones

Dated: August 18, 2025

EB-2024-0032 OEB Decision and Order

In the OEB's Decision and Order for Hydro One Distribution's 2025 Annual Update Application (EB-2024-0032 Decision and Order), the OEB directed Hydro One to perform a detailed internal review of Accounts 1588, 1589 and 1595 (2021) for all three rate zones, namely Hydro One Distribution, and the Hydro One – Orillia and Peterborough Rate Zones to ensure that its account balances being requested for disposition are correct.[1]

The EB-2024-0032 Decision and Order stated that the scope of the internal review shall address, but not be limited to, the five points listed below.[2]

1. As part of the Hydro One reply submission, certain Account 1589 reconciling items were corrected:
   a. A credit of $1,195,744 was corrected to a debit of $2,973,658.
   b. A credit of $22,461,232 was corrected to a credit of $2,342,682.
   c. A new item of a credit of $27,492,434 was identified.

2. The Hydro One reply submission **Attachment 2**, GA Analysis Workform, Tab "Account 1588", shows the "Account 1588 as % of Account 4705" of -4.0% which has not been explained by Hydro One. The *OEB's Instructions for Completing GA Analysis Workform – 2025 Rates* requires an explanation of annual Account 1588 variances greater than +/- 1% of the Cost of Power purchased for that year.

3. It is unclear whether there is any impact on customers from the principal and interest total columns (as well as some of the sub-components when broken down by account) of Table 7.1 of the EB-2020-0030 Decision and Rate Order that need to be corrected by the OEB to be consistent with the totals in Hydro One's DVA Continuity Schedule filed in that proceeding (as noted in the Hydro One reply submission). Any impacts could affect:

   a. The DVA amounts approved in the 2021 Annual Update proceeding.
   b. In the DVA Continuity Schedule for 2024 rates, the columns "OEB-Approved Principal Disposition during 2021" and "OEB-Approved Interest Disposition during 2021" incorporated into the 2021 balances approved by the OEB in Hydro One's 2024 rates proceeding.
   c. The Account 1595 (2021) balance being requested for disposition in the current proceeding.

4. **Attachment 4** to the Hydro One reply submission relating to Account 1595 (2021) reflects a debit balance of $3.2 million with the description "Note 1 - (2021 DVA & GA reallocation booked post OEB decision)" that has not been explained.

[1] EB-2024-0032, Decision and Order, p. 21
[2] EB-2024-0032, Decision and Order, pp. 21-22

5. **Attachment 4** to the Hydro One reply submission shows different interest and total claim amounts for Account 1595 (2021) compared to **Attachment 1** (albeit immaterial differences).

In addition the OEB further noted that the results of this review shall be filed with Hydro One's 2026 rate applications for all three rate zones (Hydro One Distribution, and the Orillia and Peterborough Rate Zones). Hydro One shall confirm that the balances in Accounts 1588, 1589, and 1595 (2021) that are being requested for disposition for Hydro One Distribution, and Orillia and Peterborough Rate Zones are accurate and have been adjusted accordingly based on the result of the internal review. Additionally, the OEB requested that Hydro One quantify the adjustments made to these account balances and provide supporting calculations and explanations for each adjustment.[3] Sufficient detail shall be filed with the OEB to support the balances proposed for disposition in Hydro One's next application, after completion of the internal review.[4]

Hydro One Review

Accordingly, Hydro One's internal review included:

A. Overall review of the calculations to derive the RSVA balances; and
B. Review relating to Accounts 1588, 1589 and 1595 (2021) to address the five points outlined in the OEB's decision.

The attachments referenced in the EB-2024-0032 Decision and Order, therein, were titled:

- Attachment 1: Hydro One Distribution DVA Continuity (revised)
- Attachment 2: 2025 Consolidated GA Workform (revised)
- Attachment 4: Account 1595 (2021) Reconciliation

Based on the review process undertaken, Hydro One confirms that the 2023 balances in Accounts 1588, 1589, and 1595 (2021) requested for disposition for Hydro One Distribution, and Orillia and Peterborough Rate Zones in EB-2024-0032 and EB-2024-0033 are accurate. The reconciliation adjustments that are the subject of this review relate to true-up of the difference between the expected balance in the GA Analysis Workform and Hydro One's actuals from the GL. Hydro One confirms that the reconciling items in the GA Analysis Workform were adjusted accordingly as part of the reply submission in the 2025 Annual Update Application to substantiate reasonability of the 2023 Account 1589 balance.

No further adjustments to Accounts 1588, 1589 or Account 1595 (2021) are required because account balances reflect actuals from Hydro One's accounting system.

No adjustments to Group 1 accounts were required as a result of this review. All other attachments relating to DVAs in the 2025 rates proceeding were also reviewed and no additional issues were identified.

[3] EB-2024-0032, Decision and Order, p. 22
[4] EB-2024-0032, Decision and Order, p. 22

A. Overall Review of RSVA Balances

Review Scope

The Decision and Order for Hydro One Distribution's 2025 Annual Update Application (EB-2024-0032) directed the internal review of Retail Service Variance Accounts (RSVA) to not be limited to the five points listed in the Decision. Accordingly, Hydro One reviewed the internal controls of the overall RSVA process across all three rate zones: Hydro One Distribution, Orillia and Peterborough. This included a detailed examination of the journal entry process, covering inputs, calculations, and outputs related to the recording of RSVA account balances in 2023 and 2024. Hydro One also performed a detailed review of the adjustments made to the Consolidated GA Analysis Workform during the 2025 rate proceeding, identified the source of the inaccuracy and implemented additional controls to mitigate the risk of a future adjustment.

Results

In terms of the overall review of RSVA balances, Hydro One has reviewed the journal entry process and calculations that went into the RSVA accounts to ensure accuracy of the Group 1 RSVA balances, including the three above noted accounts for 1588, 1589 and 1595 (2021). Hydro One confirms that adequate controls exist over the balances to be disposed. Hydro One concludes that no internal control weaknesses were identified in the entries recorded in the RSVA accounts. There are adequate segregation of duties and controls over the accounts. Hydro One has implemented additional controls around the preparation of reconciling items in the GA Analysis Workform for rate applications, and confirms that there are no issues with its internal processes that should raise concerns over the accuracy of the 2023 balances in Accounts 1588, 1589 and 1595 (2021).

The unreconciled items relating to the Consolidated GA Analysis Workform do not have an impact on the 2023 RSVA balances. There are no adjustments to the RSVA accounts requested for disposition following this review.

Hydro One has documented the details of the adjustments made to the GA Analysis Workform during the proceeding in the following section in support of these balances.

B. Detailed Results of Internal Review on Accounts 1588, 1589 and 1595 (2021)

The EB-2024-0032 Decision and Order included commentary on five specific points (herein, referred to as "issues" by Hydro One) that had arisen from Hydro One's Reply Submission:

- **Issue 1A:** Review accuracy of Note 5, Reconciling Item 8 on the GA Analysis Workform
- **Issue 1B:** Review accuracy of Note 5, Reconciling Item 9 on the GA Analysis Workform

- **Issue 1C:** Review accuracy of Note 5, Note 5, Reconciling Item 10 on the GA Analysis Workform
- **Issue 2:** "Account 1588 as % of Account 4705" was -4.0% in the revised GA Analysis Workform and was not explained as part of the reply submission
- **Issue 3:** Confirm whether the correction to Table 7.1 of EB-2020-0030 Decision and Rate Order (2021 Annual Update proceeding) had impacts on: (i) Amounts approved in the 2021 Annual Update proceeding; (ii) OEB-approved dispositions for 2021 rate year in 2024 DVA Continuity; and (iii) Account 1595 (2021) balance requested for disposition.
- **Issue 4:** Explain Note 1 "(2021 DVA & GA reallocation booked post OEB decision)" in Attachment 4 of Reply Submission
- **Issue 5:** Explain the immaterial difference in the interest and total claim amount for Account 1595 (2021) between Attachments 1 and 4 of the Reply Submission

The OEB requested that Hydro One quantify the adjustments made and provide supporting calculations and explanations for each adjustment.

Issue 1

As part of the Hydro One reply submission, certain Account 1589 reconciling items were corrected:

a. A credit of $1,195,744 was corrected to a debit of $2,973,658.
b. A credit of $22,461,232 was corrected to a credit of $2,342,682.
c. A new item of a credit of $27,492,434 was identified.

Each of the adjustments are discussed below.

(i) Issue 1A: A credit of $1,195,744 was corrected to a debit of $2,973,658

Background

Hydro One's reply submission stated the following:

- Note 5, Reconciling Item 8 on the GA Analysis Workform, entitled "LDC customer adjustment on rate used", was corrected from a credit of $1,195,744 to a debit of $2,973,658
- Hydro One submitted that this update was required due to a correction to the LDC billing volumes used in the calculation, which was linked to the incorrect source file

As part of the reply submission, a revised GA Analysis Workform was filed as Attachment 2 whereby the calculation, including inputs of the corrected debit balance of $2,973,658, was provided in Tab "Note 5, Item 8 LDC" of the revised GA Analysis Workform.[5]

[5] EB-2024-0032, Reply Submission, Attachment 2 (excel), Tab "Note 5, Item 8 LDC", November 27, 2024

Review

Hydro One has:

- Reviewed the source data for all inputs in the calculation
- Verified that volume and price data used for this reconciliation agrees to the data that is submitted to the IESO for RPP declarations
- Provided detailed calculations and reconciliation supporting expected GA variance due to GA actual rates used in billing embedded local distributors, in lieu of GA 1st estimate

Findings

Hydro One has reviewed the data and inputs into the calculation for Note 5 Reconciling Item 8 and confirms that the correction to the reconciling item was required due to an incorrect data pull of billing volumes used in the original calculation.

The review highlighted a design issue in the control to ensure that accurate billing volumes are used in the GA variance reconciliation. This led to discrepancies in the expected GA variance, as shown in Table 1 below. An excel copy of this before and after reconciliation is provided in **Attachment 6** to this Internal Review (Tab “Issue 1A”).

Table 1: Supporting documentation for Note 5, Reconciling Item 8

Class B LDC Pricing difference quantification

Before

	Prior Month Unbilled	Current Month Billed	Current Month Unbilled	Accrued Consumption	1st GA	Actual GA	GA Revenue based on 1st GA	GA revenue Based on Actual GA	Difference
	A	B	C	D = B + C - A	E	F	G = D * E	H = D * F	I = H - G
2023-Jan	157,464,580	110,973,759	110,973,759	64,482,938	0.03138	0.05377	2,023,474.59	3,467,247.56	1,443,772.98
2023-Feb	163,021,796	136,650,311	136,650,311	110,278,826	0.06285	0.08249	6,931,024.20	9,096,900.34	2,165,876.14
2023-Mar	156,806,813	119,239,137	119,239,137	81,671,461	0.06989	0.08031	5,708,018.38	6,559,035.00	851,016.62
2023-Apr	172,532,059	127,954,808	127,954,808	83,377,558	0.08249	0.09853	6,877,814.73	8,215,190.76	1,337,376.02
2023-May	151,567,095	98,670,420	98,670,420	45,773,745	0.08249	0.09962	3,775,876.24	4,559,980.49	784,104.25
2023-Jun	118,516,379	98,531,645	98,531,645	78,546,911	0.09853	0.08293	7,739,227.12	6,513,895.32	(1,225,331.81)
2023-Jul	118,738,952	141,540,816	141,540,816	164,342,681	0.09962	0.04949	16,371,817.83	8,133,319.26	(8,238,498.58)
2023-Aug	139,578,128	123,877,454	123,877,454	108,176,780	0.05377	0.07606	5,816,665.46	8,227,925.88	2,411,260.42
2023-Sep	124,311,244	95,959,494	95,959,494	67,607,744	0.05837	0.05093	3,946,264.01	3,443,262.39	(503,001.61)
2023-Oct	130,065,929	118,674,345	118,674,345	107,282,760	0.07332	0.08498	7,865,971.96	9,116,888.94	1,250,916.98
2023-Nov	122,954,237	113,798,399	113,798,399	104,642,561	0.0704	0.0709	7,366,836.29	7,419,157.57	52,321.28
2023-Dec	142,913,820	115,856,110	115,856,110	88,798,399	0.0834	0.06622	7,405,786.49	5,880,230.00	(1,525,556.50)
				1,104,982,361.89			81,828,777.29	80,633,033.49	(1,195,743.80)

After

	Prior Month Unbilled	Current Month Billed	Current Month Unbilled	Accrued Consumption	1st GA	Actual GA	GA Revenue based on 1st GA	GA revenue Based on Actual GA	Difference
	A	B	C	D = B + C - A	E	F	G = D * E	H = D * F	I = H - G
2023-Jan	157,464,580	140,973,759	163,021,796	146,530,975	0.03138	0.05377	4,598,141.99	7,878,970.52	3,280,828.53
2023-Feb	163,021,796	136,650,311	156,806,813	130,435,327	0.06285	0.08249	8,197,860.32	10,759,610.15	2,561,749.83
2023-Mar	156,806,813	119,239,137	172,532,059	134,964,383	0.06989	0.08031	9,432,660.70	10,838,989.57	1,406,328.87
2023-Apr	172,532,059	127,954,808	151,567,095	106,989,845	0.08249	0.09853	8,825,592.31	10,541,709.42	1,716,117.11
2023-May	151,567,095	128,670,420	118,516,379	95,619,704	0.08249	0.09962	7,887,669.34	9,525,634.87	1,637,965.52
2023-Jun	118,516,379	98,531,645	118,738,952	98,754,218	0.09853	0.08293	9,730,253.14	8,189,687.34	(1,540,565.81)
2023-Jul	118,738,952	111,540,816	139,578,128	132,379,992	0.09962	0.04949	13,187,694.80	6,551,485.80	(6,636,209.00)
2023-Aug	139,578,128	123,877,454	124,311,244	108,610,570	0.05377	0.07606	5,839,990.35	8,260,919.96	2,420,929.61
2023-Sep	124,311,244	95,959,494	130,065,929	101,714,179	0.05837	0.05093	5,937,056.63	5,180,303.13	(756,753.49)
2023-Oct	130,065,929	118,674,345	122,954,237	111,562,652	0.07332	0.08498	8,179,773.68	9,480,594.21	1,300,820.53
2023-Nov	122,954,237	113,798,399	142,913,820	133,757,982	0.0704	0.0709	9,416,561.95	9,483,440.94	66,878.99
2023-Dec	142,913,820	115,856,110	171,669,604	144,611,893	0.0834	0.06622	12,060,631.88	9,576,199.56	(2,484,432.32)
				1,445,931,721			103,293,887.11	106,267,545.48	2,973,658.37

Control Remediation

Hydro One has implemented the following controls as part of this review:

a. Ensure the source data is reviewed and approved by the corresponding line of business control owners
b. Maintain thorough documentation of all data mappings within the spreadsheet, particularly to ensure that each mapped link accurately references the appropriate source data
c. Implement version control to keep track of changes and ensure that links are updated appropriately when spreadsheets are modified
d. Enhance the review and sign-off procedure for reconciling items to ensure that the reconciling item is accurately calculated

(ii) Issue 1B: A credit of $22,461,232 was corrected to a credit of $2,342,682

Background

Hydro One's reply submission stated the following:

- Note 5, Reconciling Item 9 on the GA Analysis Workform, entitled "Retail Billed kWh at Weighted Average GA billed Paid Adjustment", was corrected from a credit of $22,461,232 to a credit of $2,342,682
- Hydro One submitted that this update was required, so that the calculation was consistent with the 2024 Annual Distribution Rate Update Application (EB-2023-0030), which used actual GA rates to calculate expected GA volume variance

As part of the reply submission, a revised GA Analysis Workform was filed as Attachment 2 whereby the calculation of the corrected credit balance of $2,342,682 was provided in Tab "Note 5, Item 9 LDC" of the revised GA Analysis Workform.[6]

Review

Hydro One has:

- Reviewed the source data for all inputs in the calculation
- Reviewed consistency of the calculation against what was disclosed on the 2022 GA workform in the 2024 HONI Annual Rate Application[7]

Findings

Hydro One has reviewed the data and inputs into the calculation for Note 5 Reconciling Item 9. Hydro One confirms that a correction to the reconciling item was required due to an incorrect variable used in the formula to calculate this reconciling item.

The review highlights a design issue in the control responsible for ensuring accurate true-up of expected GA dollar variance calculated within the GA Analysis Workform. The control failed to prevent or detect a change in the formula used in the prior year's internal spreadsheet prepared for the 2024 HONI Annual Rate Application. Specifically, Hydro One should have used the retail sales dollars based on actual GA rate ("$525,326,047", from Note 4 Table of the GA Analysis Workform) as opposed to the retail sales dollars calculated from the 1st GA estimate ("$505,207,497", from Note 4 Table of the GA Analysis Workform).

This correction led to a change in the reconciling amount from a credit of $22,461,232 to a credit of $2,342,682 that reflects the true-up of expected GA volume variance, as shown in Table 2

[6] EB-2024-0032, Reply Submission, Attachment 2 (excel), Tab "Note 5, Item 9 LDC", November 27, 2024
[7] EB-2023-0030/EB-2023-0059, 2024 HONI Annual Rate Application, Interrogatory I-01-13 and Interrogatory I-01-10, respectively

below. An excel copy of this before and after reconciliation is provided in **Attachment 6** to this Internal Review (Tab “Issue 1B”).

Table 2: Supporting documentation for Note 5, Reconciling Item 9

		Before		After	Remarks
GA retail sales cost per OEB's GA Workform schedule	K	505,207,497	M	525,326,047	Updated to retail sales using GA actuals vs 1st estimate
Retail volume	P	7,059,477,140		7,059,477,140	
Weighted average wholesale GA rate	R	0.074746		0.074746	
GA Workform's calculated retail sales amount	T = P * R	527,668,729		527,668,729	
Impact on reconciliation		(22,461,232)		(2,342,682)	
GA actual cost per GL	U	514,231,276		514,231,276 $	
Expected GA variance (Cost - Revenue)	V = U - K	9,023,778		(11,094,772)	
GA Workform's quantified amount	S $	(13,437,453.74)		(13,437,454)	
Impact on reconciliation	T = S - V	(22,461,231.9)		(2,342,682.2)	

Note 4 - Analysis of Expected GA Amount

Year	2023								
Calendar Month	Non-RPP Class B Including Loss Factor Billed Consumption (kWh)	Deduct Previous Month Unbilled Loss Adjusted Consumption (kWh)	Add Current Month Unbilled Loss Adjusted Consumption (kWh)	Non-RPP Class B Including Loss Adjusted Consumption, Adjusted for Unbilled	GA Rate Billed ($/kWh)	$ Consumption at GA Rate Billed	GA billed Rate Paid ($/kWh)	$ Consumption at billed Rate Paid	Expected GA Variance ($)
	F	G	H	I = F-G+H	J	K = I*J	L	M = I*L	=M-K
January	620,867,354	732,242,877	761,943,718	650,568,195	0.03138	$ 20,414,830	0.05377	$ 34,981,052	$ 14,566,222
February	602,399,571	761,943,718	761,678,956	602,134,810	0.06285	$ 37,844,173	0.08249	$ 49,670,100	$ 11,825,928
March	686,030,548	761,678,956	730,551,525	654,903,117	0.06989	$ 45,771,179	0.08031	$ 52,595,269	$ 6,824,090
April	577,586,956	730,551,525	692,680,224	539,715,655	0.08249	$ 44,521,144	0.09853	$ 53,178,183	$ 8,657,039
May	604,929,442	692,680,224	645,660,468	557,909,686	0.08249	$ 46,021,970	0.09962	$ 55,578,963	$ 9,556,993
June	543,649,836	645,660,468	630,118,207	528,107,575	0.09853	$ 52,034,439	0.08293	$ 43,795,961	$ (8,238,478)
July	528,438,270	630,118,207	672,257,805	570,577,868	0.09962	$ 56,840,967	0.04949	$ 28,237,899	$ (28,603,069)
August	605,352,962	672,257,805	668,615,540	601,710,697	0.05377	$ 32,353,984	0.07606	$ 45,766,116	$ 13,412,131
September	538,288,925	668,615,540	655,825,773	525,499,158	0.05837	$ 30,673,386	0.05093	$ 26,763,672	$ (3,909,714)
October	589,619,268	655,825,773	643,450,244	577,243,739	0.07332	$ 42,323,511	0.08498	$ 49,054,173	$ 6,730,662
November	559,066,523	643,450,244	694,720,640	610,336,918	0.07040	$ 42,967,719	0.07090	$ 43,272,888	$ 305,168
December	573,206,388	694,720,640	762,283,974	640,769,722	0.08340	$ 53,440,195	0.06622	$ 42,431,771	$ (11,008,424)
Net Change in Expected GA Balance in the Year (i.e. Transactions in the Year)	**7,029,436,043**	**8,289,745,977**	**8,319,787,074**	7,059,477,140		**$ 505,207,497**		**$ 525,326,047**	**$ 20,118,550**

Annual Non-RPP Class B Wholesale kWh *	Annual Non-RPP Class B Retail billed kWh**	Annual Unaccounted for Energy Loss kWh	Weighted Average GA billed Rate Paid ($/kWh)***	Expected GA Volume Variance ($)
O	P	Q=O-P	R	S= Q*R
6,879,702,611	7,059,477,140	-179,774,529	**0.074746**	$ (13,437,453.74)

Control Remediation

Hydro One has updated controls as part of this review:

a. Maintain thorough documentation of all formula links within spreadsheet, ensuring all formulas include the correct variables
b. Implement version control to document modifications to the spreadsheet and ensure links are updated appropriately
c. Enhance the review and sign-off procedure for reconciling items to ensure that the reconciling item is accurately calculated

(iii) Issue 1C: A new item of a credit of $27,492,434 was identified

Background

Hydro One's reply submission stated the following:

- A new credit reconciling item of $27,492,434 was added to the revised GA Analysis Workform (Note 5, Reconciling Item 10)
- Hydro One submitted that this update was required to align the GA Workform Note 4 GA revenue calculation to Hydro One's revenue recognition approach. The OEB's GA Workform applies *two* different GA rates billed to the same unbilled consumptions for the current month and following month's reversal. Hydro One's GA revenue accounting practice uses the *same* GA rate billed for the unbilled dollars for the current month accrual and following month's reversal
    - Sample calculation of the reconciliation amount was provided in Tab "Revenue Gap"

Review

Hydro One has:

- Reviewed the source data for all inputs in the calculation
    - Confirmed that the unbilled loss adjusted consumption for previous and current months are accurately populated and consistent with the estimated unbilled loss adjusted consumption from Hydro One's billing system
    - Ensured the GA rates applied are accurate and match the rates used in Hydro One's billing system
    - Reconciled accrued GA energy revenue to actual amounts extracted from Hydro One's financial records.
    - Compared actual accrued GA revenue against OEB GA Analysis Workform's estimate

- Compared amounts calculated using the OEB's GA Analysis Workform to GA revenue recorded in Hydro One's billing system; provided detailed explanation for any difference
- Incorporated the impact of preexisting reconciling items to determine true variance

Findings

Hydro One concludes that this reconciling adjustment was required to align the GA Analysis Workform's revenue calculations with Hydro One's GA revenue recognition approach. This is because the OEB's GA Analysis Workform applies *different* GA rates to the same unbilled consumption across two periods, while Hydro One's billing system uses a *consistent* GA rate billed for the unbilled dollars for the current month accrual and following month's reversal.

In footnote 17 of the Reply Submission, Hydro One provided its understanding of how the OEB's GA Analysis Workform applies *different* GA rates to the same unbilled consumption across two periods:

- Note 4 table of the GA Analysis Workform applies the same GA rate (column J) to the accrued consumptions (column I) which is derived from the sum of F, G, and H consumption.
- Inherently, the current month Unbilled Loss Adjusted Consumption (column I) is applied to the Current Month GA Rate Billed for the current month $ Consumption at GA Rate Billed amount (column K); however, it is applied to the following month GA rate billed ($/kWh) when it is reversed in the following month.

At the time of preparing the Reply Submission, this adjustment was identified as an additional reconciling item by Hydro One because there was a larger than expected variance attributed to methodological differences in how Hydro One's unbilled consumption is accounted for.

The sample calculation in the GA Analysis Workform (shown in Attachment 2 of Reply Submission) provided an example of the difference for a particular customer for only one month in a particular year. Table 3 outlines the calculation of the previously reported reconciling item of $27,492,434, which was based on an extract supporting Hydro One's actual accrued GA energy revenue of $535,673,589.

During the review, Hydro One identified that the originally reported credit reconciling item of $27,492,434 for the 2023 year included the $44,911,213 reclassification adjustment for Hydro One Distribution's embedded distributors. This was presented as a principal adjustment in the 2021 and 2022 years of the 2024 HONI Distribution DVA Continuity Schedule.[8] If this one-time reclass adjustment were excluded from the 2023 year, the reconciling item would have decreased to a debit of $17,418,779. Hydro One confirmed that the original credit reconciling was not a principal adjustment to Account 1589, as the amounts were part of the GL.

[8] EB-2023-0030/EB-2023-0059, HONI Dx and OP_Settlement Proposal_Attachment 1.2_HONI Dx Continuity Schedule_Settlement, May 24, 2024

Table 3: Initial supporting documentation for Note 5, Reconciling Item 10

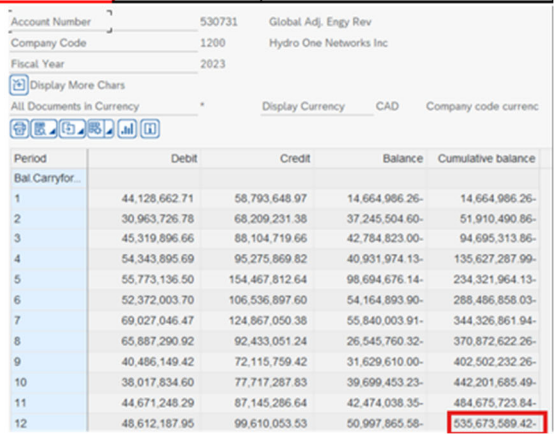
$ Consumption at GA Rate Billed	K	$	505,207,497
Reconciling item true-up: LDC Customers adjustment on the rate used	Note 5, Item 8	$	2,973,658
GA Workform's revenue estimate		$	508,181,156
Less: Hydro One's General Ledger (GL) records for GA revenue	O	$	535,673,589
Difference	Note 5, Item 10	$	(27,492,434)
Add: Impact of amount incorrectly booked to GL records for GA revenue (eLDC RPP declaration pass through)	Note 5, Item 11	$	44,911,213
True difference		$	17,418,779

Note 4 – Analysis of Expected GA Amount

Year	2023								
Calendar Month	**Non-RPP Class B Including Loss Factor Billed Consumption (kWh)**	**Deduct Previous Month Unbilled Loss Adjusted Consumption (kWh)**	**Add Current Month Unbilled Loss Adjusted Consumption (kWh)**	**Non-RPP Class B Including Loss Adjusted Consumption,**	**GA Rate Billed ($/kWh)**	**$ Consumption at GA Rate Billed**	**GA billed Rate Paid ($/kWh)**	**$ Consumption at billed Rate Paid**	**Expected GA Variance ($)**
	F	G	H	I = F-G+H	J	K = I*J	L	M = I*L	N=M-K
January	620,867,354	732,242,877	761,943,718	650,568,195	0.03138	$ 20,414,830	0.05377	$ 34,981,052	$ 14,566,222
February	602,399,571	761,943,718	761,678,956	602,134,810	0.06285	$ 37,844,173	0.08249	$ 49,670,100	$ 11,825,928
March	686,030,548	761,678,956	730,551,525	654,903,117	0.06989	$ 45,771,179	0.08031	$ 52,595,269	$ 6,824,090
April	577,586,956	730,551,525	692,680,224	539,715,655	0.08249	$ 44,521,144	0.09853	$ 53,178,183	$ 8,657,039
May	604,929,442	692,680,224	645,660,468	557,909,686	0.08249	$ 46,021,970	0.09962	$ 55,578,963	$ 9,556,993
June	543,649,836	645,660,468	630,118,207	528,107,575	0.09853	$ 52,034,439	0.08293	$ 43,795,961	$ (8,238,478)
July	528,438,270	630,118,207	672,257,805	570,577,868	0.09962	$ 56,840,967	0.04949	$ 28,237,899	$ (28,603,069)
August	605,352,962	672,257,805	668,615,540	601,710,697	0.05377	$ 32,353,984	0.07606	$ 45,766,116	$ 13,412,131
September	538,288,925	668,615,540	655,825,773	525,499,158	0.05837	$ 30,673,386	0.05093	$ 26,763,672	$ (3,909,714)
October	589,619,268	655,825,773	643,450,244	577,243,739	0.07332	$ 42,323,511	0.08498	$ 49,054,173	$ 6,730,662
November	559,066,523	643,450,244	694,720,640	610,336,918	0.07040	$ 42,967,719	0.07090	$ 43,272,888	$ 305,168
December	573,206,388	694,720,640	762,283,974	640,769,722	0.08340	$ 53,440,195	0.06622	$ 42,431,771	$ (11,008,424)
Net Change in Expected GA Balance in the Year (i.e. Transactions in the Year)	**7,029,436,043**	**8,289,745,977**	**8,319,787,074**	7,059,477,140		**$ 505,207,497**		**$ 525,326,047**	**$ 20,118,550**

Hydro One General Leger Records for GA Revenue

Month	Non-RPP Class B Billed $	Deduct Previous Month Unbilled $	Add Current Month Unbilled $	GA Rate Billed Accrued
January	28,746,970	40,878,762	26,796,778	14,664,986
February	23,107,215	26,796,778	40,935,068	37,245,505
March	35,218,583	40,935,068	48,501,308	42,784,823
April	35,910,214	48,501,308	53,523,068	40,931,974
May	102,114,428	53,523,068	50,103,316	98,694,676
June	45,401,151	50,103,316	58,867,059	54,164,894
July	49,565,404	58,867,059	65,141,659	55,840,004
August	51,819,629	65,141,659	39,867,790	26,545,760
September	33,961,764	39,867,790	37,535,636	31,629,610
October	33,284,881	37,535,636	43,950,209	39,699,453
November	38,988,441	43,950,209	47,435,806	42,474,038
December	39,357,291	47,435,806	59,076,381	50,997,866
				535,673,589
				O



Account Number	530731	Global Adj. Engy Rev	
Company Code	1200	Hydro One Networks Inc	
Fiscal Year	2023		
Display More Chars			
All Documents in Currency	*	Display Currency	CAD
Company code currenc			

Period	Debit	Credit	Balance	Cumulative balance
Bal.Carryfor...				
1	44,128,662.71	58,793,648.97	14,664,986.26-	14,664,986.26-
2	30,963,726.78	68,209,231.38	37,245,504.60-	51,910,490.86-
3	45,319,896.66	88,104,719.66	42,784,823.00-	94,695,313.86-
4	54,343,895.69	95,275,869.82	40,931,974.13-	135,627,287.99-
5	55,773,136.50	154,467,812.64	98,694,676.14-	234,321,964.13-
6	52,372,003.70	106,536,897.60	54,164,893.90-	288,486,858.03-
7	69,027,046.47	124,867,050.38	55,840,003.91-	344,326,861.94-
8	65,887,290.92	92,433,051.24	26,545,760.32-	370,872,622.26-
9	40,486,149.42	72,115,759.42	31,629,610.00-	402,502,232.26-
10	38,017,834.60	77,717,287.83	39,699,453.23-	442,201,685.49-
11	44,671,248.29	87,145,286.64	42,474,038.35-	484,675,723.84-
12	48,612,187.95	99,610,053.53	50,997,865.58-	535,673,589.42-

In response to OEB Staff Follow-up Questions (see Attachment 8), Hydro One conducted further review and updated the reconciliation to reflect the following adjustments:

- Removal of prior year-end unbilled to billed revenue differences (Note 5, Reconciling Item 2a; $5,321,189)
- Addition of current year-end unbilled to billed revenue differences (Note 5, Reconciling Item 2b; $3,579,201)
- Removal of the embedded LDC RPP adjustment for 2021 and 2022 (Note 5, Reconciling Item 11; $44,911,213)
- Removal of true-up of billed amounts for LDC Class B customers using actual GA rates (Note 5, Reconciling Item 8; $2,973,658)

These adjustments resulted in a revised GL revenue amount of $478,888,328, which was compared to the GA revenue calculated in Note 4 of the GA Analysis Workform ($505,207,497). The resulting difference of $26,319,169 was recorded as a credit reconciling item. Table 4 outlines the updated reconciliation, which leverages the same accrued GA energy revenue of $535,673,589. An excel copy of this before and after reconciliation is provided in **Attachment 6** to this Internal Review (Tabs “Issue 1C Old” and “Issue 1C New”).

Table 4: Revised supporting documentation for Note 5, Reconciling Item 10

GA Revenue Reconciliation		+Dr /-Cr	Remarks
Hydro One GL Records for Class B GA Revenue		(535,673,589)	This revenue amount is reflected in the RSVA Class B GA balance in Note 5 of the GA Workform (Cell C75)
Note 5 #11: Remove eLDC RPP Declaration pass through RPP Class B GA reclass adjustment recorded in 2023 GL for 2022 and 2021		44,911,213	
Note 5 #2a: Remove prior year end unbilled to actual revenue differences		5,321,189	Reduction of under-accrued revenue for December 2022
Note 5 #2b: Add current year end unbilled to actual revenue differences		3,579,201	Reduction of over-accrued revenue for December 2023
Note 5 #8: LDC Customer Adj On the Rate Used		2,973,658	True-up of billed amounts for LDC class B customers at actual GA rate, rather than 1st estimate
Adjusted Hydro One Class B GA Revenue reflected in Note 6	A	(478,888,328)	
Note 5 #10: Adjustment to expected "$ Consumption at GA rate billed" to reflect actual amounts from Hydro One's biling system;	C = B - A	(26,319,169)	A credit of $26M is required to match to Note 4 calculated expected Class B GA Revenue
Note 4 calculated $ Consumption at Class B GA Rate Billed	B	(505,207,497)	Note 4 Cell H53

Control Remediation

Hydro One has updated internal controls related to this reconciling item

a. Develop standardized checklist to ensure all potential sources of estimation variance, including impact of the OEB's GA Analysis Workform methodology with Hydro One's internal GA revenue recognition process on an annual basis
b. Maintain thorough documentation of all formula links within the spreadsheet, ensuring all links are pulling the appropriate source data
c. Enhance the review and sign-off procedure for reconciling items to ensure that the reconciling item is accurately calculated

Issue 2 - "Account 1588 as % of Account 4705" was -4.0% in the revised GA Analysis Workform and was not explained as part of the reply submission

Background

The EB-2024-0032 Decision and Order stated that the "Account 1588 as % of Account 4705" of -4.0% was not explained. The *OEB's Instructions for Completing GA Analysis Workform – 2025 Rates* requires an explanation of annual Account 1588 variances greater than +/- 1% of the Cost of Power purchased for that year.

For reference, Hydro One has included the Account 1588 Reasonability Test Result as filed in Reply Submission in **Table 5** below.

Table 5: Account 1588 Reasonability Test Result as filed in Reply Submission

Ontario Energy Board

Account 1588 Reasonability

Note 7 **Account 1588 Reasonability Test**

Year	Account 1588 - RSVA Power			Account 4705 - Power Purchased	Account 1588 as % of Account 4705
	Transactions[1]	Principal Adjustments[1]	Total Activity in Calendar Year		
2023	- 43,854,284	- 40,348,764	- 84,203,048	2,106,022,165	-4.0%
Cumulative	**- 43,854,284**	**- 40,348,764**	**- 84,203,048**	**2,106,022,165**	**-4.0%**

Source: EB-2024-0032, Revised GA Analysis Workform, Attachment 2, November 27, 2024

Review Procedure
Hydro One has:

- Reviewed 2023 transactions in Account 1588 of GA Analysis Workform against the revised 2023 transactions included in the Consolidated DVA Continuity Schedule

Findings

1. Account 1588 transactions of a credit of $43,854,284 in Tab "Account 1588" was incorrectly stated in the GA Analysis Workform (Attachment 2 of the Reply Submission).

2. It was identified that 2023 transactions for Account 1588 were not updated in the revised GA Analysis Workform following updates to the Consolidated DVA Continuity as part of the Reply Submission. Account 1588 as a percent of Account 4705 erroneously increased from -1.9% to -4.0%.

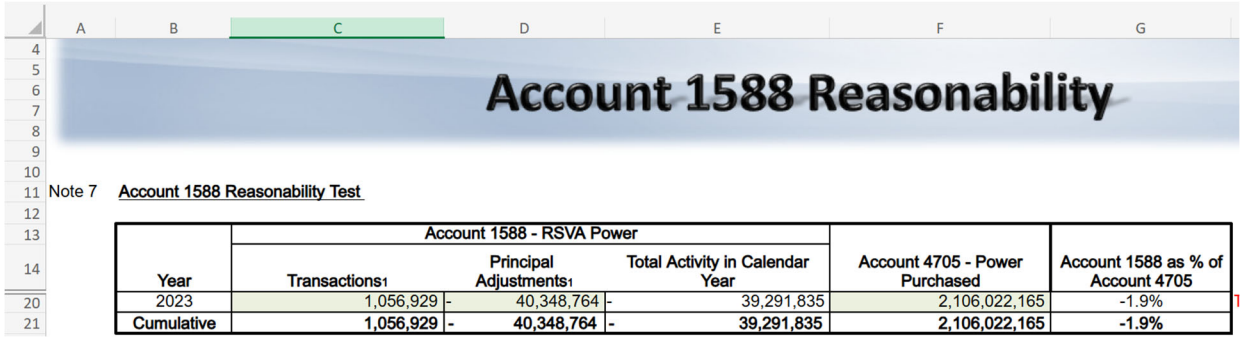
3. Upon correcting the Account 1588 transactions to a debit of $1,056,929 to align with the updated Consolidated DVA Continuity Schedule filed as part of the Reply Submission in the 2025 Custom IR proceeding, the total activity in Account 1588 reverts back to -1.9% of Account 4705, as shown below.

A corrected version of the GA Analysis Workform, Tab 1588, is included as **Attachment 6** to this Internal Review.[9]

As shown in **Tables 6 and 7** below, 2023 Account 1588 transactions of debit $1,056,929 (Note 7 of GA Analysis Workform) is now aligned to cell O15 of the Consolidated DVA Continuity Schedule filed as part of the Draft Rate Order process.

[9] Following the internal review process, Hydro One corrected the non-RPP class A and B volumes in Note 2 Table, which has resulted in a corrected loss factor impact on Account 1589 from 1.32 (per the Reply Submission in EB-2024-0032) to 1.12 (per Attachment 6 of this Internal Review).

Table 6: Account 1588 Reasonability Test Result (Updated)



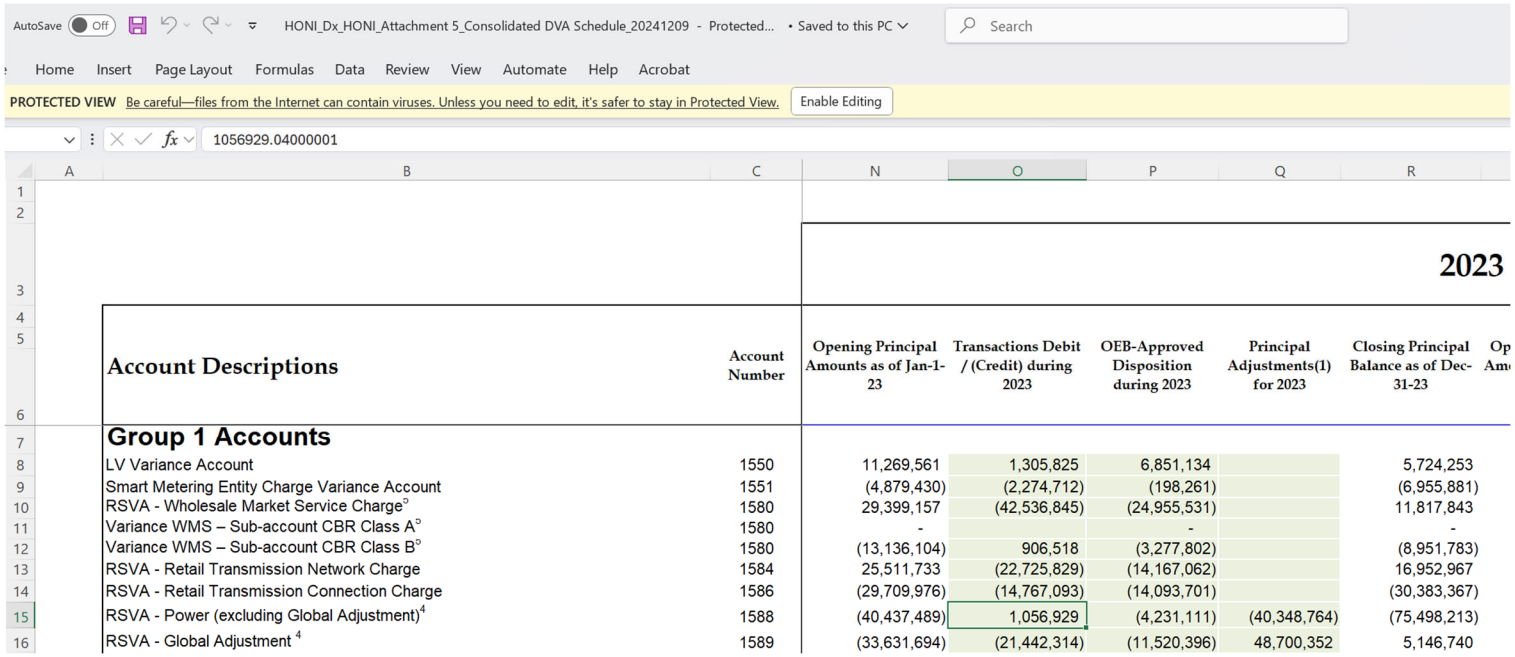
Account 1588 Reasonability

Note 7 Account 1588 Reasonability Test

Year	Account 1588 - RSVA Power			Account 4705 - Power Purchased	Account 1588 as % of Account 4705
	Transactions[1]	Principal Adjustments[1]	Total Activity in Calendar Year		
2023	1,056,929	- 40,348,764	- 39,291,835	2,106,022,165	-1.9%
Cumulative	**1,056,929**	**- 40,348,764**	**- 39,291,835**	**2,106,022,165**	**-1.9%**

Source: Attachment 5 to this Internal Review

Table 7: Consolidated DVA Continuity Schedule as filed in Draft Rate Order



HONI_Dx_HONI_Attachment 5_Consolidated DVA Schedule_20241209 - Protected... • Saved to this PC

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Account Descriptions	Account Number	2023 Opening Principal Amounts as of Jan-1-23	Transactions Debit / (Credit) during 2023	OEB-Approved Disposition during 2023	Principal Adjustments(1) for 2023	Closing Principal Balance as of Dec-31-23	Op Am
Group 1 Accounts							
LV Variance Account	1550	11,269,561	1,305,825	6,851,134		5,724,253	
Smart Metering Entity Charge Variance Account	1551	(4,879,430)	(2,274,712)	(198,261)		(6,955,881)	
RSVA - Wholesale Market Service Charge°	1580	29,399,157	(42,536,845)	(24,955,531)		11,817,843	
Variance WMS – Sub-account CBR Class A°	1580	-		-		-	
Variance WMS – Sub-account CBR Class B°	1580	(13,136,104)	906,518	(3,277,802)		(8,951,783)	
RSVA - Retail Transmission Network Charge	1584	25,511,733	(22,725,829)	(14,167,062)		16,952,967	
RSVA - Retail Transmission Connection Charge	1586	(29,709,976)	(14,767,093)	(14,093,701)		(30,383,367)	
RSVA - Power (excluding Global Adjustment)[4]	1588	(40,437,489)	1,056,929	(4,231,111)	(40,348,764)	(75,498,213)	
RSVA - Global Adjustment [4]	1589	(33,631,694)	(21,442,314)	(11,520,396)	48,700,352	5,146,740	

Source: EB-2024-0030, Revised Consolidated DVA Schedule, Attachment 5, December 9, 2024

The -1.9% variance to cost of power purchased for the 2023 year is consistent with the annual variance presented at the time of evidence filed on August 30, 2024. In **Attachment 6** (Tab "1588") of this Internal Review, Hydro One included a new reconciling item of $41,214,479 to reflect the variance between commodity costs based on actual line losses and revenues calculated using approved line losses. This item is not a principal adjustment, as it does not reflect a correction to the general ledger. With this update, the Account 1588 variance has been reduced to -0.2%, calculated as the sum of 2023 transactions, principal adjustments and reconciling items divided by the Account 4705 Power Purchased amount.

Control Remediations

Hydro One has:

- Implemented a reconciliation between the GA Analysis Workform and the Consolidated DVA Continuity prior to submission.
- Reviewed any deviations from allowable parameters.

Issue 3 – Confirm whether the correction to Table 7.1 of EB-2020-0030 Decision and Rate Order (2021 Annual Update proceeding) had impacts on: (i) Amounts approved in the 2021 Annual Update proceeding; (ii) OEB-approved dispositions for 2021 rate year in 2024 DVA Continuity; and (iii) Account 1595 (2021) balance requested for disposition

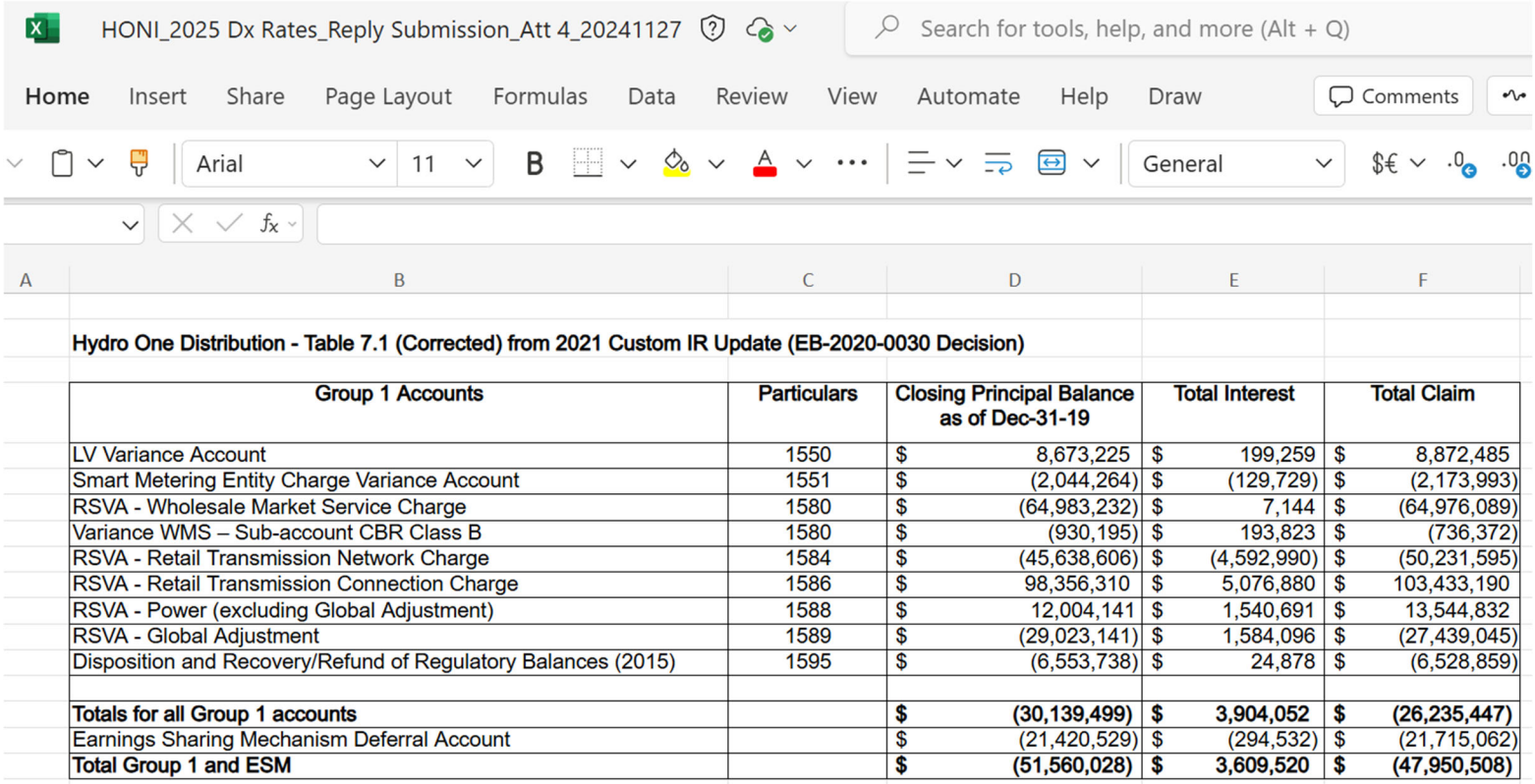
Background

Hydro One's Reply Submission noted that Table 7.1 of EB-2020-0030 Decision and Rate Order of the 2021 Annual Update proceeding required a correction by the OEB to be consistent with the approved totals in the DVA Continuity Schedule filed in that proceeding. The Reply Submission clarified that the Table 7.1 of EB-2020-0030 Decision and Rate Order should have been a total credit of $48M (comprised of a credit principal balance of $51.6M and debit of $3.6M from total carrying charges).[10]

[10] EB-2024-0032, Reply Submission, p. 11

In Attachment 4 of the Reply Submission, Hydro One provided a correction to Table 7.1 of EB-2020-0030 Decision and Rate Order, as follows:

Table 8: Corrected Table 7.1 of EB-2020-0030 Decision and Rate Order



Hydro One Distribution - Table 7.1 (Corrected) from 2021 Custom IR Update (EB-2020-0030 Decision)

Group 1 Accounts	Particulars	Closing Principal Balance as of Dec-31-19	Total Interest	Total Claim
LV Variance Account	1550	$ 8,673,225	$ 199,259	$ 8,872,485
Smart Metering Entity Charge Variance Account	1551	$ (2,044,264)	$ (129,729)	$ (2,173,993)
RSVA - Wholesale Market Service Charge	1580	$ (64,983,232)	$ 7,144	$ (64,976,089)
Variance WMS – Sub-account CBR Class B	1580	$ (930,195)	$ 193,823	$ (736,372)
RSVA - Retail Transmission Network Charge	1584	$ (45,638,606)	$ (4,592,990)	$ (50,231,595)
RSVA - Retail Transmission Connection Charge	1586	$ 98,356,310	$ 5,076,880	$ 103,433,190
RSVA - Power (excluding Global Adjustment)	1588	$ 12,004,141	$ 1,540,691	$ 13,544,832
RSVA - Global Adjustment	1589	$ (29,023,141)	$ 1,584,096	$ (27,439,045)
Disposition and Recovery/Refund of Regulatory Balances (2015)	1595	$ (6,553,738)	$ 24,878	$ (6,528,859)
Totals for all Group 1 accounts		**$ (30,139,499)**	**$ 3,904,052**	**$ (26,235,447)**
Earnings Sharing Mechanism Deferral Account		$ (21,420,529)	$ (294,532)	$ (21,715,062)
Total Group 1 and ESM		**$ (51,560,028)**	**$ 3,609,520**	**$ (47,950,508)**

Source: EB-2024-0032, Reply Submission, Attachment 4, November 27, 2024

The EB-2024-0032 Decision and Order expressed the following[11]:

It is unclear whether there is any impact on customers from the principal and interest total columns (as well as some of the sub-components when broken down by account) of Table 7.1 of the EB-2020-0030 Decision and Rate Order that need to be corrected by the OEB to be consistent with the totals in Hydro One's DVA Continuity Schedule filed in that proceeding (as noted in the Hydro One reply submission). Any impacts could affect:

a. The DVA amounts approved in the 2021 Annual Update proceeding.
b. In the DVA Continuity Schedule for 2024 rates, the columns "OEB-Approved Principal Disposition during 2021" and "OEB-Approved Interest Disposition during 2021" incorporated into the 2021 balances approved by the OEB in Hydro One's 2024 rates proceeding.
c. The Account 1595 (2021) balance being requested for disposition in the current proceeding.

Review

Hydro One has confirmed that:

- Amounts approved in the 2021 Annual Update proceeding (per DVA Continuity Schedule) reconcile to the amounts disposed through rate riders
- OEB-approved dispositions for 2021 rate year included in the 2024 DVA Continuity Schedule have been reviewed and confirmed to align with the final DVA Continuity Schedule. Hydro One confirms there is no impact on the 2024 approved DVA balances, as the rate riders were based on the final DVA Continuity Schedule reflecting accurate principal and interest amounts
- Account 1595 (2021) balance requested for disposition is accurate

Findings

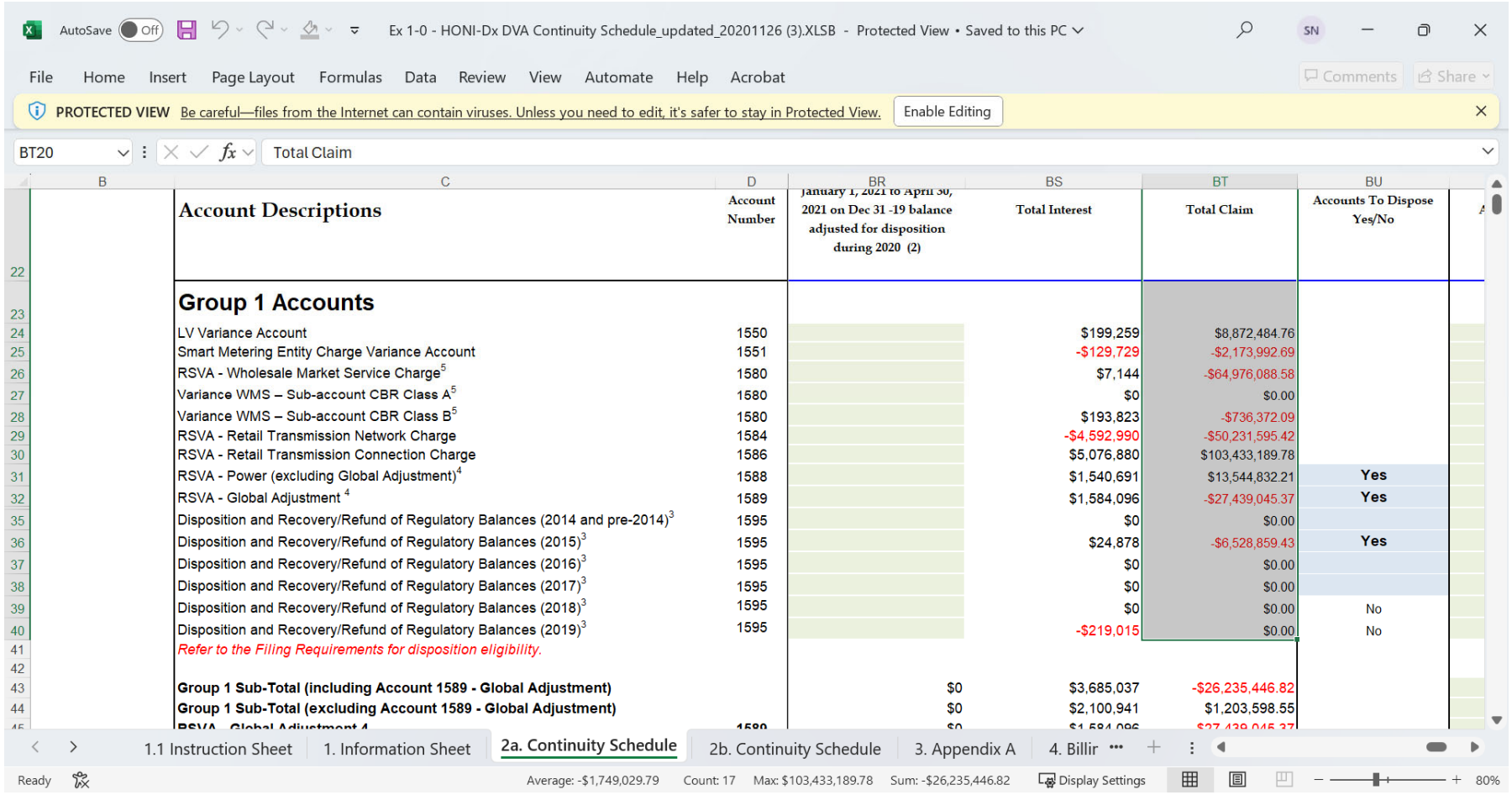
Hydro One confirms that Table 7.1 of the EB-2020-0030 Decision and Rate Order contained incorrect principal and interest amounts compared to the final DVA Continuity Schedule submitted on the record of the 2021 rate proceeding. As such, Hydro One confirms that there is no impact on approved DVA balances in the 2024 proceeding. There was no impact to customers from the incorrect principal and interest totals presented in Table 7.1 of the EB-2020-0030 Decision and Rate Order. This is because the total amounts for each Group 1 DVA in the final DVA Continuity Schedule (i.e. Accounts 1550, 1551, 1580, 1584, 1586, 1588, 1589 and 1595 (2015)) as filed in "Attachment Ex 1-0 – HONI-Dx DVA Continuity Schedule_updated_20201126" in the 2021 Annual Update proceeding (**Table 9**) reconcile to the rate rider collected/refunded to customers as filed in "Attachment Ex 4-0 – 2021 Deferral and Variance Account ESM Rate Rider - updated_20201126" of the same proceeding (**Table 10**). On a total basis, the Group 1 DVA balance in the final DVA Continuity Schedule is a credit balance of $26,235,447 (**Table 9**) and ties to the total amount disposed by way of rate riders (**Table 10**). Hydro One confirms that the total

[11] EB-2024-0032, Decision and Order, p. 21

amounts for each DVA in Table 7.1 reconcile to the underlying DVA Continuity Schedule used to generate the rate riders collected/refunded to customers, as shown in **Tables 9 and 10** below.

The record from the 2021 Annual Update proceeding is reproduced below (**Tables 9 and 10**) to demonstrate that the derivation in the rate riders align with the HONI Distribution DVA Continuity Schedule filed in the 2021 Annual Update proceeding.

Table 9: Hydro One Distribution DVA Continuity filed in 2021 Annual Update proceeding



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BT20 — Total Claim

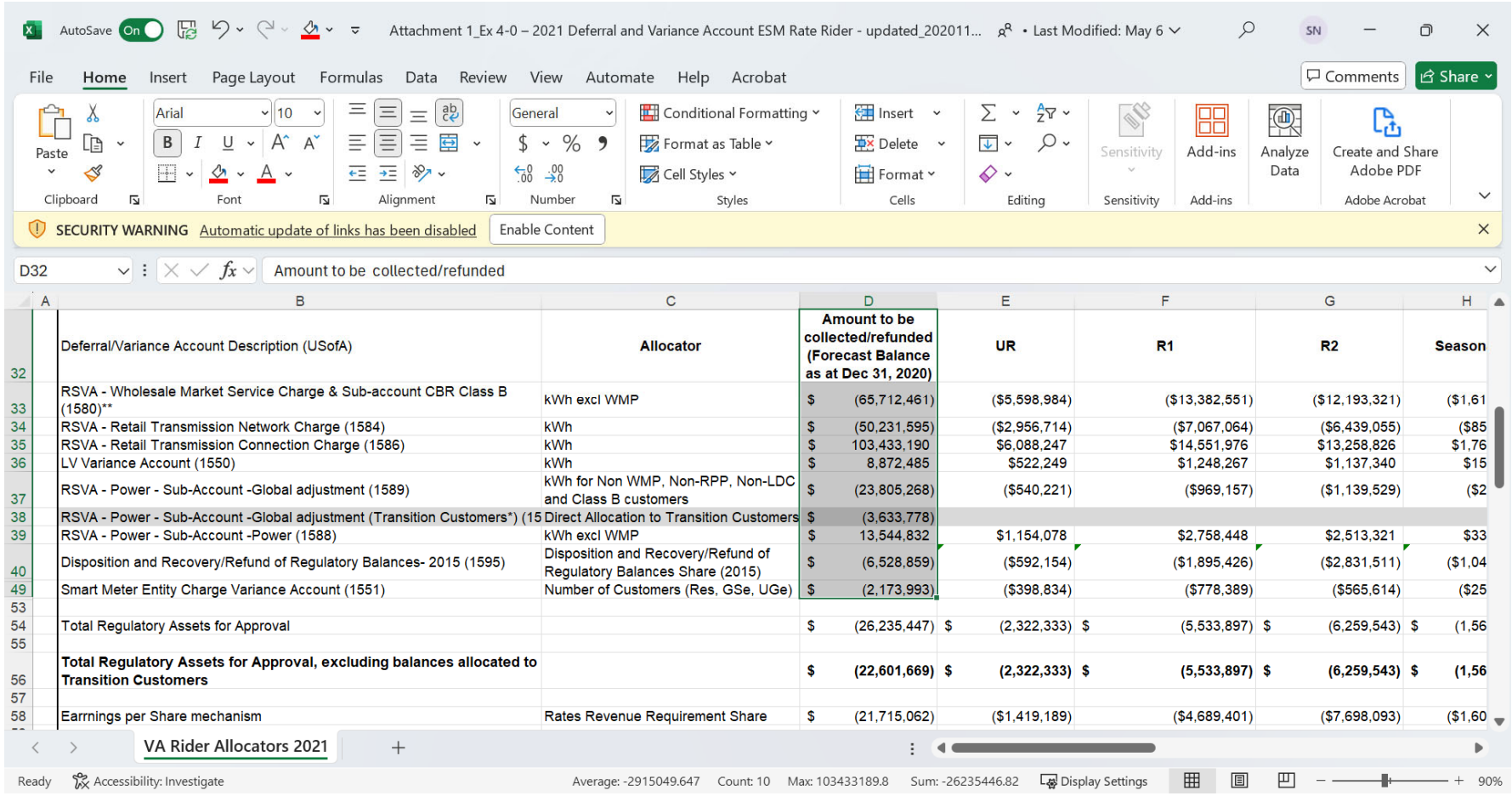
	B	C	D	BR	BS	BT	BU
22		**Account Descriptions**	Account Number	January 1, 2021 to April 30, 2021 on Dec 31 -19 balance adjusted for disposition during 2020 (2)	Total Interest	Total Claim	Accounts To Dispose Yes/No
23		**Group 1 Accounts**					
24		LV Variance Account	1550		$199,259	$8,872,484.76	
25		Smart Metering Entity Charge Variance Account	1551		-$129,729	-$2,173,992.69	
26		RSVA - Wholesale Market Service Charge[5]	1580		$7,144	-$64,976,088.58	
27		Variance WMS – Sub-account CBR Class A[5]	1580		$0	$0.00	
28		Variance WMS – Sub-account CBR Class B[5]	1580		$193,823	-$736,372.09	
29		RSVA - Retail Transmission Network Charge	1584		-$4,592,990	-$50,231,595.42	
30		RSVA - Retail Transmission Connection Charge	1586		$5,076,880	$103,433,189.78	
31		RSVA - Power (excluding Global Adjustment)[4]	1588		$1,540,691	$13,544,832.21	Yes
32		RSVA - Global Adjustment [4]	1589		$1,584,096	-$27,439,045.37	Yes
35		Disposition and Recovery/Refund of Regulatory Balances (2014 and pre-2014)[3]	1595		$0	$0.00	
36		Disposition and Recovery/Refund of Regulatory Balances (2015)[3]	1595		$24,878	-$6,528,859.43	Yes
37		Disposition and Recovery/Refund of Regulatory Balances (2016)[3]	1595		$0	$0.00	
38		Disposition and Recovery/Refund of Regulatory Balances (2017)[3]	1595		$0	$0.00	
39		Disposition and Recovery/Refund of Regulatory Balances (2018)[3]	1595		$0	$0.00	No
40		Disposition and Recovery/Refund of Regulatory Balances (2019)[3]	1595		-$219,015	$0.00	No
41		*Refer to the Filing Requirements for disposition eligibility.*					
42							
43		**Group 1 Sub-Total (including Account 1589 - Global Adjustment)**		$0	$3,685,037	-$26,235,446.82	
44		**Group 1 Sub-Total (excluding Account 1589 - Global Adjustment)**		$0	$2,100,941	$1,203,598.55	
45		**RSVA - Global Adjustment 4**	1589	$0	$1,584,096	-$27,439,045.37	

1.1 Instruction Sheet | 1. Information Sheet | 2a. Continuity Schedule | 2b. Continuity Schedule | 3. Appendix A | 4. Billir

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*Source: EB-2020-0030, HONI Dx DVA Continuity Schedule, Ex 1-0, November 26, 2020. This file is re-filed as **Attachment 1** to this Internal Review*

Table 10: Derivation of DVA and ESM Rate Riders in 2021 Annual Update proceeding



	Deferral/Variance Account Description (USofA)	Allocator	Amount to be collected/refunded (Forecast Balance as at Dec 31, 2020)	UR	R1	R2	Season
32							
33	RSVA - Wholesale Market Service Charge & Sub-account CBR Class B (1580)**	kWh excl WMP	$ (65,712,461)	($5,598,984)	($13,382,551)	($12,193,321)	($1,61
34	RSVA - Retail Transmission Network Charge (1584)	kWh	$ (50,231,595)	($2,956,714)	($7,067,064)	($6,439,055)	($85
35	RSVA - Retail Transmission Connection Charge (1586)	kWh	$ 103,433,190	$6,088,247	$14,551,976	$13,258,826	$1,76
36	LV Variance Account (1550)	kWh	$ 8,872,485	$522,249	$1,248,267	$1,137,340	$15
37	RSVA - Power - Sub-Account -Global adjustment (1589)	kWh for Non WMP, Non-RPP, Non-LDC and Class B customers	$ (23,805,268)	($540,221)	($969,157)	($1,139,529)	($2
38	RSVA - Power - Sub-Account -Global adjustment (Transition Customers*) (15	Direct Allocation to Transition Customers	$ (3,633,778)				
39	RSVA - Power - Sub-Account -Power (1588)	kWh excl WMP	$ 13,544,832	$1,154,078	$2,758,448	$2,513,321	$33
40	Disposition and Recovery/Refund of Regulatory Balances- 2015 (1595)	Disposition and Recovery/Refund of Regulatory Balances Share (2015)	$ (6,528,859)	($592,154)	($1,895,426)	($2,831,511)	($1,04
49	Smart Meter Entity Charge Variance Account (1551)	Number of Customers (Res, GSe, UGe)	$ (2,173,993)	($398,834)	($778,389)	($565,614)	($25
53							
54	Total Regulatory Assets for Approval		$ (26,235,447)	$ (2,322,333)	$ (5,533,897)	$ (6,259,543)	$ (1,56
55							
56	**Total Regulatory Assets for Approval, excluding balances allocated to Transition Customers**		**$ (22,601,669)**	**$ (2,322,333)**	**$ (5,533,897)**	**$ (6,259,543)**	**$ (1,56**
57							
58	Earrnings per Share mechanism	Rates Revenue Requirement Share	$ (21,715,062)	($1,419,189)	($4,689,401)	($7,698,093)	($1,60

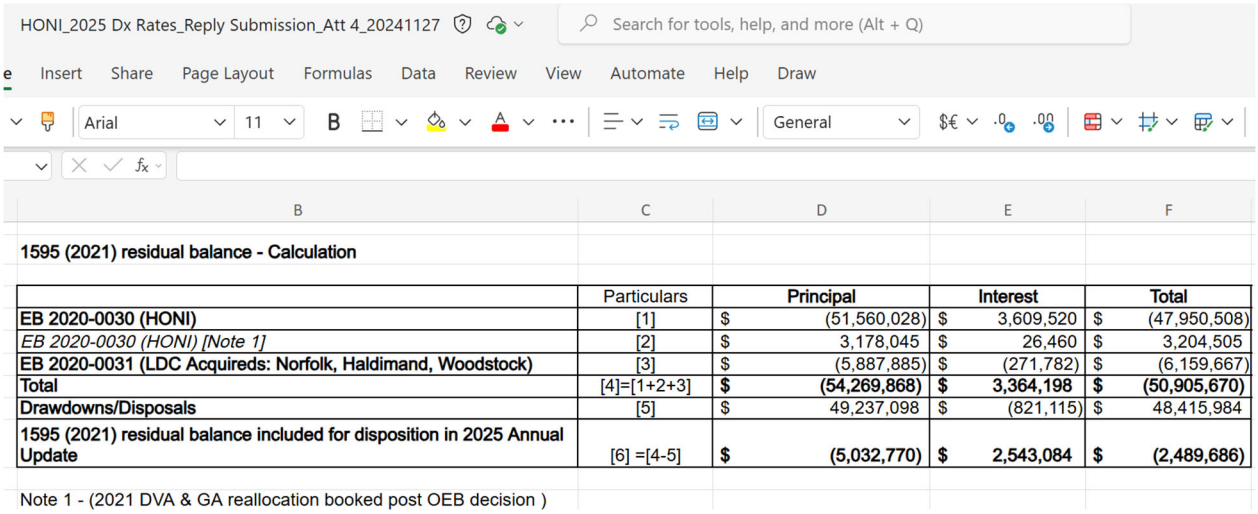
*Source: EB-2020-0030, 2021 DVA account ESM rate rider, Ex 4-0, November 26, 2020. This file is re-filed as **Attachment 2** to this Internal Review*

Issue 4 – Explain Note 1 "(2021 DVA & GA reallocation booked post OEB decision)" in Attachment 4 of Reply Submission

Background

The EB-2024-0032 Decision and Order stated: Attachment 4 to the Hydro One reply submission relating to Account 1595 (2021) reflects a debit balance of $3.2 million with the description "Note 1 - (2021 DVA & GA reallocation booked post OEB decision)" that has not been explained.[12] This observation is re-produced in **Table 11** below.

Table 11: Origin of Note 1 in Attachment 4 of Reply Submission



1595 (2021) residual balance - Calculation

	Particulars	Principal	Interest	Total
EB 2020-0030 (HONI)	[1]	$ (51,560,028)	$ 3,609,520	$ (47,950,508)
EB 2020-0030 (HONI) [Note 1]	[2]	$ 3,178,045	$ 26,460	$ 3,204,505
EB 2020-0031 (LDC Acquireds: Norfolk, Haldimand, Woodstock)	[3]	$ (5,887,885)	$ (271,782)	$ (6,159,667)
Total	[4]=[1+2+3]	**$ (54,269,868)**	**$ 3,364,198**	**$ (50,905,670)**
Drawdowns/Disposals	[5]	$ 49,237,098	$ (821,115)	$ 48,415,984
1595 (2021) residual balance included for disposition in 2025 Annual Update	[6] =[4-5]	**$ (5,032,770)**	**$ 2,543,084**	**$ (2,489,686)**

Note 1 - (2021 DVA & GA reallocation booked post OEB decision)

Source: EB-2024-0032, Reply Submission, Attachment 4, November 27, 2024

Review

- Confirm nature of $3.2M credit adjustment with the description "Note 1 – (2021 DVA & GA reallocation booked post OEB decision)".
- Demonstrate that $3.2M credit adjustment related to the GA rate rider in 2021 that was disposed as part of Account 1589, and settled in the EB-2023-0030/EB-2023-0059 proceeding.
- Demonstrate why post decision entries were required.
- Demonstrate that the reversal of $3.2M credit adjustment from Account 1595 was in accordance with the 2024 Rate Application in EB-2023-0030/EB-2023-0059.

[12] EB-2024-0032, Decision and Order, p. 22

Findings

1. The EB-2023-0030/EB-2023-0059 settlement agreed to a credit adjustment of $3.2M to be disposed through Account 1589 due to the GA pricing error.[13] The adjustment was clarified in the OEB staff discussion question #3 and settled in the EB-2023-0030/EB-2023-0059 proceeding.[14] As noted in Hydro One's responses in the 2024 Annual Update proceeding, there was a $3.2M under-refunded GA balance from a "pricing calculation error" that was to be disposed in Account 1595 (2021) but subsequently agreed by the Parties to be transferred to Account 1589 as part of 2022 transactions in the DVA Continuity so that specific legacy customers fully receive the under-refunded GA balance as soon as possible.[15]

2. Due to the timing of the OEB's decision for Hydro One Distribution's 2024 rates on June 13, 2024, the $3.2M credit adjustment relating to the approval of the GA rate rider in 2021 was presented as a separate line item into Account 1595 (2021) after the OEB's decision for 2021 rates (see **Table 11, Note 1** above). This amount was then debited out of the Account 1595 (2021) and correspondingly credited into Account 1589 in accordance with the 2024 Decision and Rate Order in EB-2023-0030/EB-2023-0059.[16] Hydro One confirms that the amount disposed in Account 1589 was a credit of $3.2M and not a debit of $3.2M in EB-2023-0030/EB-2023-0059.

3. Accordingly, Attachment 4 of Reply Submission in EB-2024-0032 shows a debit entry of $3.2M related to the GA rate rider in 2021 as part of Account 1595 (2021) balance. This aligns with the disposition of Account 1595 (2021) which includes a debit balance of $3.2M related to the GA rate rider in 2021 that was disposed as part of Account 1589. This reversing entry is further illustrated in Issue 5, Table 12, Reference Note 2.

[13] EB-2023-0030/EB-2023-0059, Decision and Rate Order, June 13, 2024
[14] EB-2023-0030/EB-2023-0059, HONI Responses to OEB Staff Question #3, dated August 29, 2023; and Pre-settlement Conference OEB Staff Question-14, May 24, 2024
[15] EB-2023-0030, Interrogatory Response to Staff 11, November 1, 2023; Pre-settlement Conference OEB Staff Question-14, May 24, 2024
[16] EB-2023-0030/EB-2023-0059, Decision and Rate Order, June 13, 2024

Issue 5 – Explain the immaterial difference in the interest and total claim amount for Account 1595 (2021) between Attachments 1 and 4 of the Reply Submission

Background

Attachment 4 of Reply Submission shows a credit balance of $2,489,686, but the revised DVA Continuity Schedule (Attachment 1) shows a credit balance of $2,472,323 to be disposed.

Review

- Review Table 7.1 from the EB-2020-0030 Decision
- Confirm accuracy of the principal and interest entries in Account 1595 (2021) and drawdowns
- Identify the reason why there is a difference in the total claim amount for Account 1595 (2021) between Attachments 1 and 4 of the Reply Submission

Findings

Hydro One has reviewed the accuracy of the entries into Account 1595 (2021) and has identified that the immaterial difference of $(17,363) was the result of using different interest rates in the projected interest calculation on the December 31, 2023 balance in Account 1595 (2021).

In Attachment 4, the table showed a residual balance in Account 1595 (2021) of $(2,489,686) to be disposed. In the DVA Continuity Schedule filed with the Reply Submission, a balance of $(2,472,323) is requested for disposition. The $(2,472,323) balance shown in the DVA Continuity Schedule is the correct amount to be disposed.

Hydro One reviewed all approved dispositions for Hydro One Distribution in EB-2020-0030 Decision (see Reference Note 1 in Table 12 below), approval of the GA pricing reclass from Account 1595 to 1589 as approved as part EB-2023-0030/EB-2023-0059 settlement process (see Reference Note 2 below), approved dispositions for its Acquired Utilities in EB-2020-0031 (see Reference Note 3 below), drawdowns (see Reference Note 4 below), and interest amounts (see Reference Note 5 below).

Table 12: Attachment 4 of the Reply Submission (Updated)

1595 (2021) Residual balance - Calculation		As of Nov 2024 (Reply Submission)					As of May 2025 (Updated)			Reference Note
	Particulars	**Principal**	**Interest**	**Total**	**Reference to Approved Amounts**		**Principal**	**Interest**	**Total**	
Hydro One Distribution Total Group 1 Accounts (EB-2020-0030)	[1]	$(30,139,499)	$ 3,904,052	$(26,235,447)	Attachment 1 of Internal Review		$(30,139,499)	$ 3,904,052	$(26,235,447)	
Earnings Sharing Mechanism Deferral Account (EB-2020-0030)	[2]	$(21,420,529)	$ (294,532)	$(21,715,061)	Attachment 2 of Internal Review		$(21,420,529)	$ (294,532)	$(21,715,061)	
TOTAL Approved Disposition Amount for Hydro One	**[3]=[1+2]**	**$(51,560,028)**	**$ 3,609,520**	**$(47,950,508)**			**$(51,560,028)**	**$ 3,609,520**	**$(47,950,508)**	Reference Note 1
EB 2020-0030 [Note 1]	[4]	$ 3,178,045	$ 26,460	$ 3,204,505	Reversal of $3.2M credit adjustment per 2024 HONI settlement		$ 3,178,045	$ 26,460	$ 3,204,505	Reference Note 2
TOTAL Approved Disposition Amount for Hydro One	**[5]=[3+4]**	**$(48,381,983)**	**$ 3,635,980**	**$(44,746,003)**			**$(48,381,983)**	**$ 3,635,980**	**$(44,746,003)**	
Acquired LDC - NORFOLK (EB-2020-0031)	[6]	$ (477,395)	$ (1,435)	$ (478,830)	Attachment 3 of Internal Review		$ (477,395)	$ (1,435)	$ (478,830)	
Acquired LDC - HALDIMAND (EB-2020-0031)	[7]	$ (2,239,448)	$ (206,055)	$ (2,445,503)	Attachment 4 of Internal Review		$ (2,239,448)	$ (206,055)	$ (2,445,503)	
Acquired LDC - WOODSTOCK (EB-2020-0031)	[8]	$ (3,171,041)	$ (64,292)	$ (3,235,333)	Attachment 5 of Internal Review		$ (3,171,041)	$ (64,292)	$ (3,235,333)	
TOTAL Approved Disposition Amount for Acquired LDCs	**[9]=[6+7+8]**	**$ (5,887,884)**	**$ (271,782)**	**$ (6,159,666)**			**$ (5,887,884)**	**$ (271,782)**	**$ (6,159,666)**	Reference Note 3
Total Approved Consolidated Disposition Amount	**[10]=[5+9]**	**$(54,269,868)**	**$ 3,364,198**	**$(50,905,669)**			**$(54,269,868)**	**$ 3,364,198**	**$(50,905,669)**	
Drawdowns/Disposals[Note 2]	[11]	$49,237,098	$ (821,115)	$48,415,984			$ 49,237,098	$ (544,816)	$ 48,692,283	Reference Note 4
Projected Interest from Jan 1, 2024 - Dec 31, 2024	[12]							**$ (258,936)**	**$ (258,936)**	Reference Note 5
1595 (2021) residual balance included for disposition in 2025 Annual Update	**[13] =[10+11+12]**	**$ (5,032,769)**	**$ 2,543,083**	**$ (2,489,686)**			**$ (5,032,769)**	**$ 2,560,446**	**$ (2,472,322)**	

Note 1 - (2021 DVA & GA reallocation booked post OEB decision)
Note 2 - The ($821,115) interest quoted in Nov 2024 Reply Submission is made up of 2 components: ($544,816) in interest drawn down, and ($276,299) in projected interest from Jan 1, 2024 - Dec 31, 2024

Source: Updated Attachment 4 table filed in Reply Submission in EB-2024-0032. The updated table is refiled as Attachment 7 to this Internal Review (Tab "Variance Explanation 1595(2021)").

Please note, in **Attachment 7 to this Internal Review**, there are references to other attachments 1 through 5that are filed with this Internal Review. These attachments are re-filed from EB-2020-0031 to cross reference the totals disposed for the Norfolk, Haldimand and Woodstock service territories in the EB-2020-0031 rate proceeding.

Detailed documentation of the review procedures and findings are set out below for each corresponding reference note.

Reference Note 1 – This amount represents the Hydro One Distribution Rider balance that was approved for disposition from the EB-2020-0030 Decision.

Review

- Reviewed Table 7.1 from the EB-2020-0030 Decision.

Findings

1. Hydro One's last filed DVA Continuity Schedule was the basis upon which the rate riders were prepared for approval in the EB-2020-0030 Decision and represents the starting point of this continuity for the Account 1595 (2021) balance requested for disposition in EB-2024-0032.

2. Through this review, Hydro One confirms that Table 7.1 of the EB-2020-0030 Decision and Rate Order had incorrect principal and interest amounts when compared to the final DVA Continuity Schedule filed in the 2021 rate proceeding. The interest column in the Decision only reflected forecasted interest amounts. As a result, Table 7.1 of the EB-2020-0030 Decision did not align with the final DVA Continuity Schedule which was relied upon for disposition in the 2021 rate proceeding. Hydro One confirms that the total amounts for each DVA in Table 7.1 reconcile to the underlying final DVA Continuity Schedule used to generate the rate riders collected/refunded to customers, as shown in **Tables 9 and 10** above.

Reference Note 2 - This amount represents the $3.2M debit into Account 1595 (2021) (which had a corresponding $3.2M credit into Account 1589) which was settled in EB-2023-0030/EB-2023-0059.

Review

- Verified that this amount matches what was recorded in the accounting system.

Findings

1. The amount is appropriate and correctly reflected in the table.

2. For the purposes of settlement in the 2024 HONI Dx proceeding (EB-2023-0030/0059), Hydro One acknowledges that OEB Staff did not oppose keeping the $3.2M credit adjustment in Account 1589 as originally proposed by Hydro One.

Reference Note 3 - This amount represents the Acquired LDCs' (Norfolk, Haldimand, Woodstock) rate rider balances that were approved for disposition from the EB-2020-0031 Decision.

Review

- Reviewed the EB-2020-0031 Decision and verified that the rate riders were correctly calculated in accordance with the Decision.

Findings

1. The amount is appropriate and correctly reflected in the table. Records show that they were reviewed and approved prior to set-up in the accounting system.

Reference Note 4 - This amount represents the returns to ratepayers which are netted against the established rate riders above.

Review

- Verified that this amount matches what was recorded in the accounting system.

Findings

1. These entries in the accounting system reflect the amounts drawn down against the Account 1595 (2021) rate riders. This total included the projected interest from January 1, 2024 to December 31, 2024 on the December 31, 2023 balance in Account 1595 (2021), which Hydro One has presented on a separate line in the updated table above. An additional note (Note 2) has been added to Table 11 above for clarification.

Reference Note 5 - This amount represents the projected interest from January 1, 2024 to December 31, 2024 on the December 31, 2023 balance in Account 1595 (2021). This was calculated using the OEB prescribed rates for DVAs.

Findings

- The immaterial difference of $(17,363) in the Account 1595 (2021) balance between Attachment 4 and the DVA Continuity Schedule is due to a difference in the prescribed interest rates used to calculate forecasted interest.
    - At the time of preparing Attachment 4, the Q2 2024 OEB prescribed interest rate was used to derive the projected interest.
    - In the DVA Continuity Schedule filed with the Reply Submission (Attachment 1), the projected interest calculation was prepared using all the quarterly 2024 OEB prescribed interest rates known at the time.

- As such, the total claim of $(2,472,323) in Account 1595 (2021) of the DVA Continuity Schedule filed with the Reply Submission (Attachment 1) is the correct balance requested for disposition.

Control Remediations

A review shall be performed to ensure that interest calculations use the most recent prescribed interest rate prior to submission.

Supplemental Attachments

Att.	Title of Attachment
1	Attachment 1_Ex 1-0 – HONI-Dx DVA Continuity Schedule_updated_20201126
2	Attachment 2_EB-2020-0030_Ex 4-0 – 2021 Deferral and Variance Account ESM Rate Rider - updated_20201126
3	Attachment 3_ EB-2020-0031_HONI Rate Generator Model_NDPI_20201217
4	Attachment 4_ EB-2020-0031_HONI Rate Generator Model_HCHI_20201217
5	Attachment 5_ EB-2020-0031_HONI_Rate Generator Model_WHSI_20201217
6	Attachment 6_EB-2024-0032_HONI_2025 Dx Rates_Reply Submission_Att 2_20241127_UPDATED
7	Attachment 7_ EB-2024-0032_HONI_2025 Dx Rates_Reply Submission_Att 4_20241127_UPDATED
8	Attachment 8_Responses to Follow-Up Questions to Hydro One Networks

ATTACHMENT 1: EB-2020-0030 _EX 1-0 - HONI-DX DVA CONTINUITY SCHEDULE_UPDATED_20201126

This attachment has been filed separately in MS Excel format.

ATTACHMENT 2: EB-2020-0030_EX 4-0 – 2021 DEFERRAL AND VARIANCE ACCOUNT ESM RATE RIDER - UPDATED_20201126

This attachment has been filed separately in MS Excel format.

ATTACHMENT 3: EB-2020-0031_HONI RATE GENERATOR MODEL_NDPI_20201217

This attachment has been filed separately in MS Excel format.

ATTACHMENT 4: EB-2020-0031_HONI RATE GENERATOR MODEL_HCHI_20201217

This attachment has been filed separately in MS Excel format.

ATTACHMENT 5: EB-2020-0031_HONI_RATE GENERATOR MODEL_WHSI_20201217

This attachment has been filed separately in MS Excel format.

ATTACHMENT 6: EB-2024-0032_HONI_2025 DX RATES_REPLY SUBMISSION_ATT 2_20241127_UPDATED_08142025

This attachment has been filed separately in MS Excel format.

ATTACHMENT 7: EB-2024-0032_HONI_2025 DX RATES_REPLY SUBMISSION_ATT 4_20241127_UPDATED

This attachment has been filed separately in MS Excel format.

Responses to Follow-Up Questions to Hydro One Networks Inc.

Internal Review of Accounts 1588, 1589, and 1595 (2021)

Received on July 21, 2025

Filed August 18, 2025

Overall Comments

The OEB expressed concerns in Hydro One Networks' decisions (EB-2024-0032 and EB-2024-0033) issued in December 2024 regarding Accounts 1588, 1589, and 1595 (2021) balances.

Subsequent to these decisions, Hydro One conducted an internal review of Accounts 1588, 1589, and 1595 (2021), culminating in a report prepared by Hydro One.

In accordance with these decisions, Hydro One and OEB staff have been meeting prior to Hydro One filing its 2026 rate application. The goal of these meetings is to reach an agreement on the balances to be included for disposition in 2026 rates.

OEB staff has remaining concerns with the balances, primarily related to Account 1589, which are described below. OEB staff notes that it is not conducting an audit of these balances, but is instead relying on the OEB's Commodity Accounts Analysis Workform (Workform) to assess the reasonability of Accounts 1588 and 1589.

OEB staff is of the view that if the adjustments proposed by Hydro One in Issue 1A, Issue 1B, and Issue 1C are not accepted by the OEB, there are material differences that need to be resolved by Hydro One. Materiality is assessed on an annual basis based on a threshold of +/- 1% of the annual Global Adjustment (GA) charges for Account 1589 and a threshold of +/-1% of the cost of power purchased in the year for Account 1588.

Follow-up Questions

Please note that some of these questions have been asked already to Hydro One in previous meetings.

General Questions

1. OEB staff maintains its concern that it is not appropriate for Hydro One to calculate "plug" reconciling items (i.e., simply comparing the Accounts 1588 and 1589 transactions in the GL to that shown in the Workform on an aggregate basis) and that separate reconciling items should be calculated instead. Please confirm that Hydro One's response was that it would be difficult to calculate separate reconciling items, due to the numerous entries that are recorded in the general ledger (GL) for various reasons.
2. If no, please explain.

Hydro One Response

1. Hydro One confirms it is currently unable to isolate separate reconciling items related to accrued revenue estimates due to the absence of calendarized meter data, which prevents alignment between accrued consumption and the Workform's monthly GA rate expectations[1]. Hydro One has also previously advised OEB staff that calculating separate reconciling items for each transaction is not feasible given the volume and complexity of entries recorded in the general ledger. The OEB has acknowledged these limitations and has permitted utilities to propose alternative reconciliation methods where full alignment with the Workform is not feasible[2].

   Hydro One's billing system is structured around meter reading cycles that do not align with calendar months. Consequently, the GA rate applied to customer bills is a blended rate, reflecting the timing of meter reads and billing cycles. The Workform, by contrast, applies a single GA rate to accrued consumption, which does not reflect Hydro One's actual revenue recognition practices. To reconcile these differences accurately, Hydro One would require calendarized consumption and revenue data, which is not currently available.

   Hydro One has adopted the OEB's Accounting Guidance on a modified basis, consistent with the OEB's acceptance of a prospective implementation approach in EB-2020-0030. The company has implemented enhanced internal controls and continues to perform monthly meter to bill to revenue. These controls are subject to

[1] See EB-2023-0030, OEB Staff Interrogatory #11 Response, October 27, 2023; where it states:

In the EB-2020-0030 proceeding specifically, Hydro One indicated to the OEB that there was no systematic solution for Hydro One to conduct a meter reading calendarization calculation to comply with the OEB accounting guidance and settle with the IESO on a monthly basis.

[2] Instructions for Completing GA Analysis Workform – 2023 Rates

external audit, which reviews billing data at the individual document level to ensure financial accuracy.

In its Decision in EB-2023-0030, the OEB directed Hydro One to present a plan in its next Custom IR application to fully adopt the Accounting Guidance on a prospective basis, including the costs and implications of doing so. Hydro One intends to comply with this directive and expects to resolve the current limitations through system enhancements and process changes in its next rebasing application.

Hydro One maintains that its current approach is reasonable and consistent with prior OEB decisions. While separate reconciling items cannot be produced at this time, Hydro One continues to work collaboratively with OEB staff and remains committed to improving transparency and alignment with the Workform in future applications.

2. Not applicable.

Issue 1C

Regarding Account 1589, Hydro One has calculated a reconciling item of a credit of $27,492,434 and a "true difference" of a debit of $17,418,779. OEB staff has calculated a reconciling item of a debit of $33,439,750. These numbers are shown in Table 1 below.

Table 1 – Reconciling Item Issue 1C – Account 1589

	Hydro One's calculations	OEB staff's calculations
$ Consumption at GA Rate Billed	505,207,497	(505,207,497)
Reconciling item true-up: LDC Customers adjustment on the rate used	2,973,658	2,973,658
GA Workform's revenue estimate	508,181,156	(502,233,839)
Less: Hydro One's General Ledger (GL) records for GA revenue	535,673,589	(535,673,589)
Difference	(27,492,434)	33,439,750
Add: Impact of amount incorrectly booked to GL records for GA revenue (eLDC RPP declarat	44,911,213	-
True difference	17,418,779	33,439,750

Netting the $3.0 M Debit Adjustment

3. Please explain whether Hydro One agrees with OEB staff's calculations that the $505,207,497 represents revenue and should be a credit and not a debit.
4. If yes, please confirm that the credit of $505,207,497 should be netted against the debit of $2,973,658 (as noted in Issue 1A), resulting in a net credit of $502,233,839 (and not a net debit of $508,181,156).
5. If no, please explain.

Hydro One Response

3. Hydro One agrees with OEB staff's interpretation that the amount of $505,207,497 represents revenue and, from an income statement reporting perspective, should be treated as a credit. This amount reflects retail GA revenue calculated using the first estimate GA rate and is presented in Note 4, Column H (cell H53) of the GA Analysis Workform.

4. Not confirmed. See response to #5 below.

5. Hydro One notes that the reconciliation was required to true up the GA Analysis Workform's estimate from the perspective of regulatory accounting. In this context, the comparison between expected GA revenue and actual GA revenue billed resulted in a variance that was recorded as a reconciling item. Specifically, Hydro One adjusted the expected revenue upward by $2,973,658 to reflect billing at actual GA rates for embedded LDCs, resulting in a debit entry to Account 1589 (i.e., a regulatory asset).

Therefore, while the $505M represents revenue and is appropriately treated as credit in financial terms, the associated reconciling item was recorded as a debit in regulatory accounting to reflect the under-recovery of GA revenue relative to the Workform's expectations. This treatment is consistent with Hydro One's methodology and aligns with the approach taken in Issue 1A.

Comparison of Amounts in GL to Workform

6. Please explain whether Hydro One agrees with OEB staff's calculations that a reconciling item debit of $33,439,750 is needed (and not a credit of $27,492,434), given that the credit amount in the GL is higher than that in the credit amount in the Workform (i.e., an offsetting debit is needed to reduce the credit amount in the GL to that shown in the Workform).
7. If no, please explain, also given that Hydro One has done a similar adjustment for Issue 1A as OEB staff is describing in #6 above (i.e., a credit of $106,267,545 of GA revenue in GL was compared to a credit of $103,293,887 in the Workform, resulting in a net debit adjustment of $2,973,658. Specifically, an offsetting debit is needed to reduce the credit amount in the GL to that shown in the Workform).

Hydro One Response (to #6 and 7)

Hydro One does not agree with OEB staff's calculation that a reconciling item debit of $33,439,750 is required in place of the previously presented credit of $27,492,434. Hydro One has subsequently updated its reconciliation for Issue 1C, and the revised reconciling item is now a credit of $26,319,169. In the revised reconciliation, Hydro One adjusted its GL records for GA revenue by:

- Removing prior year-end unbilled to billed revenue differences (Note 5, Reconciling Item 2a; $5,321,189)
- Adding current year-end unbilled to billed revenue differences (Note 5, Reconciling Item 2b; $3,579,201)
- Removing the embedded LDC RPP adjustment for 2021 and 2022 (Note 5, Reconciling Item 11; $44,911,213)
- Removing the true-up of billed amounts for LDC Class B customers using actual GA rates (Note 5, Reconciling Item 8; $2,973,658)

These adjustments resulted in a revised GL revenue amount of $478,888,328, which was then compared to the GA revenue calculated in Note 4 of the GA Analysis Workform ($505,207,497). The difference of $26,319,169 was recorded as a credit reconciling item. While Hydro One acknowledges that the approach used in Issue 1A involved offsetting a higher GL credit with a lower Workform credit to derive a net debit (regulatory asset), the nature of the variance in Issue IC reflects a credit true-up of the GL to the Workform's expectations.

Netting of $44.9 Debit Principal Adjustment

8. Please explain why the 2023 principal adjustment of a debit of $44,911,213 is added to Hydro One's credit of $27,492,434, to calculate a "true difference" of a debit of $17,418,779.

Hydro One Response

Hydro One confirms that the "true difference" originally presented as a debit of $17,418,779 was calculated by netting the previously reported credit of $27,492,434 against the principal adjustment of $44,911,213 related to the reclassification of embedded LDC GA revenue. Following further review, Hydro One has updated the reconciling item to a credit of $26,319,169 as outlined in its response to follow up questions 6 and 7 above.

Hydro One emphasizes that the $44,911,213 principal adjustment was already recorded in the GL and disclosed separately in the Workform. The netting of this amount against the reconciling item was presented solely to illustrate the directional impact on the 2023 balance.

Hydro One maintains that the updated reconciling item should be preserved as a standalone reconciling item.

9. Please explain that because a credit of $44,911,213 was recorded in the 2023 GL (as well as in the Workform Net Change in Principal Balance in the GL (i.e. Transactions in the Year)), the offsetting 2023 principal adjustment of a debit of $44,911,213 would result in a net $0 impact on the 2023 balances included in the DVA Continuity schedule.

Hydro One Response

Hydro One agrees with the above.

10. If yes, please confirm that it is not appropriate to add the debit of $44,911,213 to the credit of $27,492,434, given that there is a net $0 impact on the 2023 balances included in the DVA Continuity schedule resulting from this principal adjustment.

Hydro One Response

Hydro One confirms that it is not appropriate to add the debit of $44,911,213 to the updated credit of $26,319,169 when calculating the reconciling item, given that the principal adjustment results in a net $0 impact on the 2023 balances included in the DVA Continuity Schedule. The $44,911,213 debit was recorded to offset a corresponding credit already present in the 2023 general ledger and Workform, and therefore does not affect the net balance for disposition.

Hydro One maintains that this credit should be preserved as a standalone reconciling item.

11. If no, please explain.

Hydro One Response

Not applicable

Issue 1A

12. Please note that the outcomes of resolving Issue 1C may also impact the calculations of Issue 1A. Please indicate whether these calculations need to be revised.

Hydro One Response

Hydro One confirms that there are no adjustments required.

Issue 1B

13. Please note that the outcomes of resolving Issue 1C may also impact the calculations of Issue 1B. Please indicate whether these calculations need to be revised.
14. Hydro One is of the view that the "Weighted Average GA Actual Rate Paid" applied to the wholesale volumes is not the same rate applied to the retail billed volumes, as contemplated in the Workform instructions.[3] Please confirm that for Issue IB, Hydro One is attempting to calculate a more precise retail volume analysis on the retail side, by making an adjustment to the volume variance calculated in the Workform by adding the incremental difference between:
    a. The total "$ Consumption at Actual Rate Paid" (cell J53) and
    b. The "Annual Non-RPP Class B Retail billed kWh" (cell H57) multiplied by the "Weighted Average GA Actual Rate Paid ($/kWh)" (cell J57)

Hydro One Response (to #13 and 14)

Hydro One confirms that for Issue 1B, it is attempting to calculate a more precise retail volume analysis by adjusting the volume variance calculated in the GA Analysis Workform as described.

This adjustment reflects Hydro One's view that the "Weighted Average GA Actual Rate Paid" applied to wholesale volumes is not the same rate applied to retail billed volumes, as contemplated in the Workform instructions. The adjustment ensures that the retail-side analysis more accurately reflects the actual GA revenue billed to customers, consistent with Hydro One's billing practices and regulatory accounting approach.

[3] EB-2023-0030, Exhibit I, Tab 1, Schedule 13, October 27, 2023

15. OEB staff is concerned that inconsistent treatments are being proposed by Hydro One in its 2024 rates proceeding versus its 2025 rates proceeding. Please clarify why Hydro One is using the "Annual Non-RPP Class B Retail billed kWh" (cell H57) as noted in #14b) above for 2023 balances, instead of the "Annual Non-RPP Class B Wholesale kWh" (cell G57), as calculated in Hydro One's 2024 rates proceeding reconciling items for 2021 and 2022 balances.[4]

Hydro One Response

Hydro One confirms that the treatment of volumes used in the GA Analysis Workform is consistent across the 2024 and 2025 rates proceedings for the fiscal years 2021, 2022, and 2023. In each case, Hydro One applied the same methodology to calculate the proposed adjustments. The calculation shown in the 2024 rates proceeding (2021 and 2022) has been mathematically truncated to a shorter formula when calculating the 2023 amounts as illustrated in Table 1 below.

Table 1:

Current Presentation		**2021**	**2022**	**2023**
"$ Consumption at Actual Rate Paid" (cell J53)	a	525,557,401.91	369,876,263.35	525,326,047.09
"Annual Non-RPP Class B Retail billed kWh" (cell H57)	b	6,663,013,081	7,024,930,465	7,059,477,140
"Weighted Average GA Actual Rate Paid ($/kWh)" (cell J57)	c	0.07675	0.05290	0.07475
	d=bxc	511,391,844.27	371,629,915.53	527,668,729.26
Retail billed kWh at Weighted Average GA Actual Rate adjustment	a-d	14,165,557.63	(1,753,652.17)	(2,342,682.17)
Presented on HONI IR 13 EB-2023-0030		**2021**	**2022**	**2023**
"Annual Non-RPP Class B Wholesale kWh" (cell G57)	a	6,736,692,587	6,950,838,205	6,879,702,611
"Weighted Average GA Actual Rate Paid ($/kWh)" (cell J57)	b	0.07675	0.05290	0.07475
"$ Consumption at Actual Rate Paid" (cell J53)	c	525,557,401.91	369,876,263.35	525,326,047.09
The revised Expected GA Volume Variance ($)	d=axb-c	(8,510,593.74)	(2,165,945.40)	(11,094,771.57)
"Annual Non-RPP Class B Wholesale kWh" (cell G57)	a	6,736,692,587	6,950,838,205	6,879,702,611
"Annual Non-RPP Class B Retail billed kWh" (cell H57)	e	6,663,013,081	7,024,930,465	7,059,477,140
"Weighted Average GA Actual Rate Paid ($/kWh)" (cell J57)	b	0.07675	0.05290	0.07475
Note 4 Calculated Expected GA Volume Variance ($) (cell K57)	g=(a-e)xb	5,654,963.89	(3,919,597.57)	(13,437,453.74)
Retail billed kWh at Weighted Average GA Actual Rate adjustment	g-d	14,165,557.63	(1,753,652.17)	(2,342,682.17)

Specifically, for all three years in 2021, 2022 and 2023, Hydro One used the "Annual Non-RPP Class B Retail billed kWh" (cell H57) in conjunction with the "Weighted Average GA Actual Rate Paid" (cell J57) to derive a more precise retail-side adjustment. This approach was used to reconcile the difference between the Workform's calculated "$ Consumption at Actual Rate Paid" (cell J53) and the expected retail GA revenue based on actual billed volumes and rates.

[4] Ibid.

This methodology reflects Hydro One's view that the weighted average GA rate applied to wholesale volumes does not necessarily reflect the rate applied to retail billed volumes, and that a retail-based adjustment provides a more accurate representation of GA revenue variances. The same logic and calculation structure were applied consistently across all three fiscal years.

HYDRO ONE NETWORKS INC./
ONTARIO ENERGY BOARD STAFF
REPORT ON ACCOUNT BALANCES FOR ACCOUNTS 1588, 1589, 1595 (2021) PURSUANT TO THE OEB'S DECISION AND ORDER IN EB-2024-0032

Dated: August 27, 2025

In its Decision and Order on Hydro One's 2025 distribution rate application (EB-2024-0032), Hydro One and OEB staff were directed to meet prior to the filing of Hydro One's 2026 rate application to reach an agreement on Account 1588, 1589, and 1595 (2021) balances to be included for disposition in 2026 rates for its three rate zones (Hydro One Distribution, Hydro One Orillia, and Hydro One Peterborough).

Specifically, the OEB directed that:

- If an agreement is reached between Hydro One and OEB staff, Hydro One is to bring forward the Accounts 1588, 1589 and 1595 (2021) resolved balances in its 2026 rate applications together with an explanation of the agreed upon amounts.
- Failing an agreement, Hydro One shall bring forward the Accounts 1588, 1589 and 1595 (2021) for disposition in its 2026 rate application with a report on the account balances for which there is disagreement with OEB staff[1]

On August 15, 2025, Hydro One and OEB staff met to discuss the Account 1588, 1589, and 1595 (2021) balances.

Hydro One and OEB staff have agreed on the disposition of the balance in Account 1595 (2021) on a final basis.

There is no agreement at this time on the 2023 balances for Accounts 1588 and 1589. However, OEB staff will support disposition of the 2023 balances for Accounts 1588 and 1589 on an interim basis in the event that the OEB is not prepared to dispose of the balances on a final basis as part of its decision on Hydro One's 2026 rate application.

Without limiting the generality of the disagreement on Account 1589, there was no agreement on Note 5, Reconciling Item 10 in the Commodity Accounts Workform (i.e. $26M credit reconciling item). With regard to Account 1588, since the Account 1588 and 1589 balances are typically

[1] EB-2024-0032, Decision and Order, pp. 19-20

reviewed together, and given the interconnectivity of these accounts, there was also no agreement on final disposition of the 2023 balance in Account 1588. OEB staff may make submissions on the accuracy and disposition of the balances in either or both of these accounts.

Hydro One agreed to file, on a best efforts basis, a modified Commodity Accounts Analysis Workform (customized to Hydro One's circumstances) during the 2026 proceeding to support the reasonability of the Account 1589 balance. There is no agreement at this time that the modified Commodity Accounts Analysis Workform will establish reasonability. Hydro One acknowledges that the modified Commodity Accounts Analysis Workform may be the subject of further OEB staff questions and submissions through the course of the upcoming 2026 Hydro One rate proceedings.

In its Decision and Order in EB-2024-0032, the OEB also directed Hydro One to perform a detailed internal review of its Account 1588, Account 1589, and Account 1595 (2021) balances for its three rate zones to ensure that its account balances being requested for disposition were correct. Hydro One will file results of this review with its application for 2026 rates for its three rate zones. There is no agreement at this time that the 2023 balances shown in the review for Accounts 1588 and 1589 are correct, and Hydro One acknowledges that the review may be the subject of further OEB staff questions and submissions through the course of the upcoming 2026 Hydro One rate proceedings.

CONSOLIDATED COMMODITY ACCOUNTS ANALYSIS WORK FORM

This attachment has been filed separately in MS Excel format.

COMMODITY LINE LOSS IMPACT FOR 2023 AND 2024

This attachment has been filed separately in MS Excel format.

ORILLIA WHEELING AGREEMENTS

1.0 BACKGROUND

In the 2025 Annual Rate Applications for Hydro One Distribution and areas formerly served by Orillia Power Distribution Corporation and Peterborough Distribution Inc. (EB-2024-0032 and EB-2024-0033), Hydro One proposed to provide wheeling benefits to the Orillia RZ customers in accordance with the Wheeling Agreements related to two Orillia Power Generation Corporation (OPGC)'s generation stations over the 2021 to 2023 period. The Wheeling Agreements were established since the 1990s between Ontario Hydro (now Hydro One) and OPGC (which was then Orillia Water, Light and Power Commission), and were amended in 2016 to reflect the changes, resulting from Hydro One's acquisition of OPDC, in how the wheeling benefits are determined. The Wheeling Agreements include amounts related to Retail Transmission Service Rates (RTSR) and Market Service Charge (WMSC) that affect Accounts 1580, 1584 and 1586.

Post-integration, Hydro One no longer bills OPDC as an ST customer, and so there continues to be a need to calculate the wheeling benefits for Orillia RZ customers on an annual basis. The credit wheeling amounts are added to the Orillia RZ Group 1 DVA balances, and reciprocal debit wheeling amounts are added to the Hydro One Distribution Group 1 DVA balances.

2.0 EB-2024-0032 DECISION AND ORDER

In the 2025 Decision and Order for Hydro One Distribution, the OEB approved on an interim basis the values for wheeling-related adjustments for the years 2021[1] to 2023. The OEB outlined three concerns about the methodology used to determine the wheeling adjustments, specifically the billing quantities used to calculate the RTSR benefits:[2]

[1] 2021 is a partial year from May-December 2021 (based on integration period).
[2] EB-2024-0032, Decision and Order, December 11, 2024, pp. 29-30

- *Hydro One provided no evidence to support a finding of accuracy beyond an unsubstantiated assertion in its reply argument that it can confirm that examined billing quantities after 2016 are consistent, with no material differences from the billing quantities in the existing Wheeling Agreements.*

- *It is not clear to the OEB how Hydro One is determining those quantities when it is the OEB's understanding that Hydro One removed the necessary measurement facilities after its integration of OPDC and it has not updated the billing kWs in the amended Wheeling Agreements since 2016.*

- *The OEB is concerned that differences between the deemed generation quantities set out in the Wheeling Agreements and actual quantities could be significant enough that inappropriate subsidies are being created among rate zones.*

Therefore, the OEB directed Hydro One to bring forward a proposal in its application for 2026 rates to address the potential discrepancies between deemed and actual RTSR billing quantities used to determine the credits and the associated debits based on the Wheeling Agreements to make the disposition on a final basis.[3]

3.0 OUTCOME OF REVIEW OF RTSR BILLING QUANTITIES

Hydro One performed a detailed review of the agreed upon RTSR billing quantities in the existing Wheeling Agreements. Hydro One notes that the Wheeling Agreements were created in 2016 based on the most up to date information at that time (namely 2011-2015 RTSR billing quantities). In order to validate and confirm that the existing RTSR billing quantities are still appropriate, Hydro One reviewed more recent RTSR billing quantities from 2016-2021.[4] Upon review and validation of the RTSR billing quantities relied upon in the Wheeling Agreements against more recent RTSR billing quantities from 2016-2021, there is a less than 2% difference between RTSR benefits calculated using the billing

[3] EB-2024-0032, Decision and Order, December 11, 2024, p. 31
[4] Hydro One has the RTSR billing quantities up to the point of integration of OPDC and Hydro One.

quantities in the Wheeling Agreements and more recent data (see Table 1 below). As such, the RTSR billing quantities used in the Wheeling Agreement remain appropriate, and a proposal to reconcile the discrepancies between deemed and actual RTSR billing quantities was not required.

As further discussed in response to Concern #3 below, OPGC is in agreement with Hydro One that the RTSR billing quantities stipulated in the Wheeling Agreements continue to be appropriate. Therefore, Hydro One is of a view that the RTSR billing quantities stipulated and agreed upon by both parties in the Wheeling Agreement continue to be appropriate and the 2021-2023 balances previously approved on an interim basis should be approved as final.

4.0 RESPONSE TO OEB CONCERNS IN EB-2024-0032

Each of the OEB's concerns are addressed below:

CONCERN #1

- *Hydro One provided no evidence to support a finding of accuracy beyond an unsubstantiated assertion in its reply argument that it "can confirm that examined billing quantities after 2016 are consistent, with no material differences from the billing quantities in the existing Wheeling Agreements.*

Response

To validate appropriateness of the RTSR billing quantities in the Wheeling Agreements (which were established based on 2011-2015 data), Hydro One calculated the 2021-2023 RTSR benefits using average monthly billing quantities based on more recently available data from July 2016 to April 2021.[5]

[5] Data from January to July 2016 is no longer available due to system changes at that time.

As shown in Tables 1 and 2 below, an analysis of the annual peak kW quantities for both generation stations shows that the net difference in billing quantities is negligible.

Table 1 - RTSR Billing Quantities for Connection Pool (kW)

	[redacted]		[redacted]	
Month	[redacted]		[redacted]	
	Wheeling Agreement	**Avg 2016-2021 Billing Quantities**	**Wheeling Agreement**	**Avg 2016-2021 Billing Quantities**
	A	**B**	**A'**	**B'**
Jan	[redacted]			
Feb				
Mar				
Apr				
May				
Jun				
Jul				
Aug				
Sep				
Oct				
Nov				
Dec				
Total				
Difference	$C=B_{Total}-A_{Total}$	[redacted]	$C'= B'_{Total}-A'_{Total}$	[redacted]
Net difference	**C + C'**	[redacted]		

Table 2 - RTSR Billing Quantities for Network Pool (kW)

	[redacted]		[redacted]	
	[redacted]		[redacted]	
Month	**Wheeling Agreement**	**Avg 2016-2021 Billing Quantities**	**Wheeling Agreement**	**Avg 2016-2021 Billing Quantities**
	A	**B**	**A'**	**B'**
Jan	[redacted]			
Feb				
Mar				
Apr				
May				
Jun				
Jul				
Aug				
Sep				
Oct				
Nov				
Dec				
Total				
Difference	$C=B_{Total}-A_{Total}$	[redacted]	$C'= B'_{Total}-A'_{Total}$	[redacted]
Net difference	**C + C'**	[redacted]		

An analysis of the RTSR benefits using more recent billing quantities is provided in Table 3 below:

Table 3 - Comparison of RTSR Benefits 2021-2023

Year	RTSR Wheeling Benefits			
	Using RTSR Quantities in Wheeling Agreements (Avg 2011-2015) [A]		Using RTSR Quantities Based on More Recent Data (Avg 2016-2021) [B]	
	Network ($)	Connection ($)	Network ($)	Connection ($)
2021	($210,727)	($161,591)	($195,733)	($151,474)
2022	($389,431)	($260,916)	($390,321)	($255,924)
2023	($416,950)	($303,672)	($417,903)	($297,861)
Total	($1,017,108)	($726,179)	($1,003,956)	($705,259)
		($1,743,287)		($1,709,215)
Credit Amount Difference Between Approaches ($) [C = B_{Total}-A_{Total}]				$34,072
Credit Amount Difference Between Approaches (%) [D=C/A_{Total}]				**1.95%**

By using the billing quantities stipulated in the Wheeling Agreements for both generation stations (based on 2011-2015 monthly data) and more recent billing quantities (based on 2016-2021 monthly data), the difference in RTSR dollar benefits is 1.95%. As there is in an immaterial difference in the calculated RTSR benefits for 2021-2023, it demonstrates that the RTSR billing quantities in the Wheeling Agreements remain appropriate.

The derivation of the 2021-2023 RTSR benefits using billing quantities in the Wheeling Agreement is shown in Exhibit A-04-07, Attachment 1. The derivation of the 2021-2023 RTSR benefits using more recent billing quantities is provided in Exhibit A-04-07, Attachment 2.

CONCERN #2

It is not clear to the OEB how Hydro One is determining those quantities when it is the OEB's understanding that Hydro One removed the necessary measurement facilities after its integration of OPDC and it has not updated the billing kWs in the amended Wheeling Agreements since 2016.

Response

It is correct that the measurement facilities were removed after the integration of OPDC. Since the integration took place in June 2021, Hydro One still has access to data between July 2016 and May 2021. As mentioned above, the billing quantities stipulated in the Wheeling Agreements were derived using an average for 2011 to 2015. As such, Hydro One was able to use billing quantities derived based on more recent data to show that the resulting RTSR benefits are not materially different from those calculated using the billing quantities based on 2011 to 2015 data.

CONCERN #3

The OEB is concerned that differences between the deemed generation quantities set out in the Wheeling Agreements and actual quantities could be significant enough that inappropriate subsidies are being created among rate zones.

Response

Hydro One would like to clarify that the RTSR billing quantities stipulated in the Wheeling Agreements do not represent generation quantities. Rather, they are generator's contribution to the peak load for Orillia RZ.

In preparation for this Application, Hydro One met with OPGC to discuss the OEB's concerns. OPGC confirmed and agreed that there have not been any material changes to the operation of the two generation stations (Swift Rapids and Minden) in the past, nor do they expect it to change in future. OPGC is in agreement with Hydro One that the RTSR

billing quantities stipulated in the Wheeling Agreements continue to be appropriate. Therefore, OPGC and Hydro One are of the view that the billing quantities in the Wheeling Agreements remain appropriate.

Based on the review performed above, Hydro One is of a view that the RTSR billing quantities stipulated in the Wheeling Agreements continue to be appropriate, and request that the 2021-2023 balances previously approved on an interim basis be approved on a final basis.

5.0 CALCULATION OF 2024 WHEELING ADJUSTMENTS

Hydro One has reflected the wheeling adjustments shown in Table 4 below in the allocation of 2024 transactions between the Hydro One Distribution and Orillia RZ.[6] There are no changes to the 2021-2023 wheeling benefits that were calculated in the 2025 Annual Update Application (EB-2024-0032/EB-2024-0033).

[6] Exhibit A-04-05, Attachment 2.

Table 4 - Impact of Orillia RZ Wheeling Agreements on Hydro One Distribution ($)[7]

Account Descriptions	Account Number	2021-2023 Principal and Interest Impact of Orillia Wheeling Agreements	2024 Principal and Interest Impact of Orillia Wheeling Agreements[8]
RSVA – Wholesale Market Service Charge	1580	451,895	228,304
Variance WMS – Subaccount CBR Class B	1580	67,864	22,427
RSVA – Retail Transmission Network Charge	1584	1,081,115	462,496
RSVA – Retail Transmission Connection Charge	1586	771,827	361,266
Total		**2,372,702**	**1,074,492**

The derivation of the principal 2024 wheeling benefits has been provided in Exhibit A-04-07, Attachment 3.

[7] Equivalent credits were applied to Orillia RZ.
[8] Projected interest for January 1, 2025 - December 31, 2025 is calculated in Tab 3 of IRM Model for Orillia RZ provided in Exhibit A-04-05, Attachment 4.

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DERIVATION OF 2021-2023 ORILLIA WHEELING CREDIT AMOUNTS (EXISTING AGREEMENTS)

This attachment has been filed separately in MS Excel format. Confidential treatment of this attachment has been requested separately.

DERIVATION OF 2021-2023 ORILLIA WHEELING CREDIT AMOUNTS (2016-2021)

This attachment has been filed separately in MS Excel format. Confidential treatment of this attachment has been requested separately.

DERIVATION OF 2024 ORILLIA WHEELING CREDIT AMOUNTS

This attachment has been filed separately in MS Excel format. Confidential treatment of this attachment has been requested separately.

ACCOUNT 1595 DISPOSITIONS

1.1 BACKGROUND

In accordance with Section 3.2.6.3 of the Chapter 3 Filing Requirements, distributors are expected to provide a detailed explanation, including quantifying any significant drivers of the residual balance in the 1595 sub-account that is being disposed.

1.2 REVIEW OF ACCOUNT 1595 (2021) AND AGREEMENT WITH OEB STAFF

In the 2025 Hydro One Distribution Annual Update rate proceeding, the OEB did not approve the disposition of the residual balance in Account 1595 (2021) on a final basis. The entries into Account 1595 (2021) were further addressed in the Internal Review (Exhibit A-04-06, Attachment 1). As an outcome of Hydro One's internal review, there were no further issues identified for Account 1595 (2021).

In the August 15, 2025 meeting with OEB staff, they were supportive of Account 1595 (2021) balance to be disposed of on a final basis (Exhibit A-04-06, Attachment 2). As such, Hydro One is bringing forward Account 1595 (2021) for disposition, and confirms that the residual balance in this sub-account will be disposed only once.

1.3 ELIGIBILITY OF ACCOUNT 1595 BY RATE ZONE

Hydro One Distribution

- **Account 1595 (2021) – sub-account for disposition and recovery/refund of balances from HONI and Norfolk/Haldimand/Woodstock 2021 rates**

  This account was created to dispose of the approved DVA balances as a result of the OEB's Decision on Hydro One Distribution's 2021 annual update (EB-2020-0030). In the EB-2020-0030 decision, Hydro One was approved to dispose of audited 2019 Group 1 balances on a final basis, and the audited 2019 ESM balance on an interim basis, amounting to a credit of $48.0M.[1] In the acquired utilities' application for 2021

[1] The 2019 ESM balance was subsequently approved on a final basis in the 2023-2027 Custom IR rebasing application for Transmission and Distribution rates (EB-2021-0110).

rates (EB-2020-0031), Hydro One was approved to dispose on a final basis the 2019 Group 1 balances totaling $6.2M for the Norfolk, Haldimand and Woodstock.

As the sunset date of the rider is on December 31, 2021, Hydro One Distribution is eligible to dispose of the residual balance in the 2025 rate year. There is a credit residual balance of $2.6M to be disposed in Account 1595 (2021) as of December 31, 2025. This residual balance does not exceed the threshold for materiality.

- **Account 1595 (2022) - Acquired LDCs Group 2 from EB-2021-0033**
- **Account 1595 (2022) - Acquired LDCs LRAMVA from EB-2021-0033**
- **Account 1595 (2022) - CGAAP-Woodstock from EB-2021-0033**

As shown in the Consolidated DVA Continuity Schedule (Exhibit A-04-05, Attachment 1), there is a residual balance for each of the above noted 1595 sub-accounts related to Norfolk Power, Haldimand County Hydro, and Woodstock Hydro service territories. However, Hydro One will not be requesting disposition of these residual balances and instead will write off these balances for the following reasons:

- Based on the EB-2021-0033 Decision and Order[2], OEB staff supported the disposition of Group 2 accounts on a final basis and approved Hydro One's request to discontinue all Group 2 accounts of the acquired utilities.
- Norfolk, Haldimand and Woodstock ratepayers are already fully integrated with Hydro One Distribution customers as of January 1, 2023.
- The account balances are not material.

[2] EB-2021-0033, Decision and Order, Application for rates and other charges for the Norfolk Power, Haldimand County Hydro, and Woodstock Hydro service territories, December 21, 2021

Orillia RZ

There are no 1595 sub-accounts eligible for disposition.

- Account 1595 (2022) balance was to be disposed of over a period of 24 months, with a sunset date on December 31, 2023.
- Account 1595 (2023) balance was to be disposed of over a period of 12 months, with a sunset date on December 31, 2023.
- Account 1595 (2024) balance was to be disposed of over a period of 12 months effective July 1, 2024, with a sunset date on June 30, 2025.

Peterborough RZ

There are no 1595 sub-accounts eligible for disposition.

- Account 1595 (2023) balance was to be disposed of over a period of 12 months, with a sunset date on December 31, 2023.
- Account 1595 (2024) balance was to be disposed of over a period of 12 months effective July 1, 2024, with a sunset date on June 30, 2025.

Chapleau

Account 1595 (2019, 2020, 2022)

As approved in EB-2023-0328, CPUC sold its distribution system assets to Hydro One Networks Inc.. The Account 1595 (2019 to 2022) balances for Chapleau were recorded in Hydro One Distribution's financial ledgers as part of the purchase. This total consists of audited balances at the time of integration with Hydro One, and have accumulated interest improvement to December 31, 2025.

Hydro One acknowledges that the balance in Accounts 1595 (2019), Account 1595 (2020) and Account 1595 (2022) are eligible for disposition in this Application.[3] The residual balance is not considered to be material. Hydro One confirms the residual balance the Chapleau Account 1595 sub-accounts will be disposed only once.

[3] There were no DVA dispositions in 2021 rate year for former CPUC.

- Accounts 1595 (2019) balance was to be disposed of over a period of 24 months, with a sunset date on May 31, 2021
- Account 1595 (2020) balance was to be disposed of over a period of 12 months, with a sunset date on April 30, 2021
- Account 1595 (2022) balance was to be disposed of over a period of 12 months, with a sunset date on April 30, 2023

DISPOSITION OF EARNINGS SHARING MECHANISM (ESM)

The disposition of ESM balances is applicable to Hydro One Distribution.

1.1 2021-2024 ESM BALANCE

Hydro One Distribution's ESM deferral account records 50% of earnings that exceed the regulatory return on equity (ROE) by more than 100 basis points in any year of its rate term. The calculation of the actual ROE uses the OEB-approved mid-year rate base for that period. The ROE calculation is normalized for items such as entries that are recorded in the year which relate to prior years to normalize the in-year net income. Due to the asymmetrical nature of this account, this account ensures that ratepayers receive the benefit of any applicable over-earnings. This account will also capture any applicable tax gross up on earnings to be shared with ratepayers.

In accordance with the OEB's Decision and Order for Hydro One's 2023-2027 Custom IR Application (EB-2021-0110)[1], Hydro One Distribution is requesting disposition of the ESM balances for 2021-2024 in this Application.

The ESM balance includes interest forecast through to December 31, 2025 to reflect carrying charges anticipated through to the proposed effective date. This will result in a forecast balance of ($66,768,985) as at December 31, 2025, as shown in the ESM Continuity Schedule filed at Exhibit A-05-01, Attachment 1. The nature of the principal adjustments identified in 2021-2024 have been explained therein.

Hydro One Distribution is also requesting to dispose of a $2.2M credit amount that was identified in 2021 and should have been presented as part of the 2020 disposed ESM balance. This is further discussed in Section 1.2 below.

[1] EB-2021-0110, Decision on Settlement Proposal and Order on Rates, Revenue Requirement and Charge Determinants, p. 13

The total ESM principal requested for disposition is $59.1M ($56.9M + $2.2M), which agrees to the closing December 31, 2024 principal balance per DVA Continuity for ESM balance filed in Exhibit A-05-01, Attachment 1.

Table 1 below provides a summary of the calculations for the 2021 to 2024 ESM

Table 1 - Hydro One Distribution (2021- 2024 ESM) ($M)

Particulars	Calculation	2021	2022	2023	2024	Total
Mid-Year Rate Base (OEB approved) [+]		$8,514.1	$8,803.5	$9,460.0	$9,979.0	
Adjustments to Rate Base [^]				($5.2)	($67.9)	
Adjusted Rate Base	A	$8,514.1	$8,803.5	$9,454.8	$9,911.1	
Capital Structure:						
Long-term debt	B	56%	56%	56%	56%	
Short-term debt	C	4%	4%	4%	4%	
Common equity	D	40%	40%	40%	40%	
Allowed Return:						
Long-term debt	E	4.47%	4.47%	4.22%	4.22%	
Short-term debt	F	2.29%	2.29%	4.79%	4.79%	
Allowed ROE	G	9.00%	9.00%	9.36%	9.36%	
Regulated Net Income (actual)	H	$376.6	$364.3	$419.0	$415.3	
Achieved ROE	I = H / (A x D)	11.06%	10.35%	11.08%	10.48%	
Allowed ROE	J	9.00%	9.00%.	9.36%	9.36%	
Over/(under) earning (%)	K = H - I	2.06%	1.35%	1.72%	1.12%	
OEB allowed earnings threshold	L	1%	1%	1%	1%	
Over/(under) earning to allowed threshold (%)	M = K - L	1.06%	0.35%	0.72%	0.12%	
Excess Earnings Pool	N = A x D x M	$36.0	$12.2	$27.2	$4.6	
Sharing with ratepayers (%)	O	50%	50%	50%	50%	
Sharing with ratepayers ($)	P = N x O	$18.0	$6.1	$13.6	$2.3	
Tax Grossed-Up Amount	Q = P / 0.735	$24.5	$8.3	$18.5	$3.1	
Adjustment Entry in 2022 - Accelerated CCA	R	$4.5 [2A]				
Adjustment Entry in 2024 - DG OMA Corrections	S	($0.9) [2B]	($0.8) [3B]			
Adjustment Entry in 2024 - Out of Period expenses	T	($0.2) [2C]	($0.2) [3C]			
Total ESM Sharing (Principal)	**U = Q + R + S + T**	**$28.0**	**$7.3**	**$18.5**	**$3.1**	**$56.9 [4]**

Notes to Table 1

[+] 2021/2022 Mid-Year Rate base aligns with EB 2019-0043 (2020 Annual Update, p. 11) filed on August 30, 2019. 2023/2024 Mid-Year Rate base aligns with EB-2021-0110, Decision of Settlement Proposal and Order on Rates, Revenue Requirement and Charge Determinants, Attachment 2, Schedule 1.4.

[^] Rate base has been adjusted to account for the corresponding net income impact, mainly related to the Advanced Metering Infrastructure (AMI) 2.0 project and Distribution externally driven work. This ensures that the calculation of the ESM accurately takes into account both elements – regulated net income and the rate base.

[2A] As a result of recomputing accelerated CCA calculated using actual additions as agreed to in the EB-2021-0110 (Decision on Settlement Proposal and Order on Rates, Revenue Requirements and Charge Determinants page 46), there was a reduction in the associated regulatory tax account liability, resulting in additional earnings. This resulted in more sharing from 2018 to 2021, resulting in an additional ESM liability of $4.5M being recorded in 2022. This $4.5M was appropriately excluded from the 2022 regulated net income calculation. For simplicity, the $4.5M is presented in just the 2021 year as Hydro One Distribution was in a sharing position from 2018-2021.

[2B / 3B] In EB-2023-0291 (Application for Renewable Generation Connection Rate Protection Compensation Amount), historical RGCRP revenue requirement models were recalculated to only include Start-up OM&A costs. Ongoing OM&A costs were considered not applicable for DG funding for 2021 and 2022. This deduction was appropriately excluded from the 2023 regulated net income calculation. The ESM impact of this expense was recorded in 2024. This would have resulted in less sharing in 2021 and 2022.

[2C / 3C] An out-of-period, non-recurring expense relating to 2021 and 2022 was identified and this deduction was appropriately excluded from the 2024 regulated net income calculation. The ESM impact of this expense was recorded in 2024. This would have resulted in less sharing in 2021 and 2022.

[4] The 2021-2024 total credit balance of $56.9M in Table 1, plus the $2.2M credit adjustment, equals a total credit ESM balance of $59.1M, which is referenced in Exhibit A-05-01-01 column BD “Closing Principal Balances as of Dec 31-24 Adjusted for Dispositions during 2025”

1.2 ADJUSTMENT TO 2020 ESM BALANCE

The 2020 ESM balance was last disposed on a final basis in the 2023-2027 Custom IR application. Hydro One subsequently identified the need for a one-time inclusion of a credit of $2.2M (in 2021) to reverse an over-depreciation on distribution fixed assets (in 2020), which understated earnings in 2020. As this post-audit adjustment was not reflected in the audited 2020 DVA balances after the 2023-2027 Custom IR Application was filed, the ESM balance proposed for disposition at the time of settlement was a credit balance of $14.9M (aligned to 2020 audited balances). The ESM balance disposed should have been presented as $17.1M as of 2020 to include this additional $2.2M credit amount (see Table 2 below).

Hydro One proposes to include this amount to the 2020 ESM balance, as it results in greater sharing to the benefit of ratepayers. This $2.2M adjustment has been appropriately reflected in the principal adjustments column during 2021 in the DVA continuity for ESM for the year of 2020 (Exhibit A-05-01, Attachment 1). The total ESM requested for disposition is $59.1M considering both the total 2021-2024 ESM amount of $56.9M, per Table 1, and this $2.2M adjustment.[2]

Table 2 - Reconciliation of the 2021 adjustment to the 2020 ESM balance previously approved for disposition

Particulars	2020	Reference
2020 ESM disposed [1]	$14.9M	Exhibit A-05-01-01, Cell E8
An out-of-period, non-recurring expense relating to 2020 was identified and the ESM impact of this expense was recorded in 2021. [2]	$2.2M	Exhibit A-05-01-01, cell G8
Final 2020 ESM	$17.1M	

[1] EB-2021-0110, Decision on Settlement Proposal and Order on Rates, Revenue Requirement and Charge Determinants
[2] This adjustment resulted in more earnings sharing in 2020 and was appropriately excluded from the 2021 regulated net income calculation.

[2] This aligns with Exhibit A-05-01, Attachment 01, ESM DVA Continuity, cell BD8

Despite the fact that the October 31, 2019 OEB Letter on correcting for retroactive adjustments does not apply in this instance, as the ESM account balance is not classified as a Group 1 account, Hydro One is addressing the criteria in the October 2019 Letter to justify the prudence of including the $2.2M credit adjustment as part of the 2020 approved ESM balance.

Criteria Applied for Review of Retroactive Adjustments	Applicability
• Whether the error was within the control of the distributor	Yes; however, due to timing of the application being filed and the time the application being settled, there was no appropriate opportunity for Hydro One to update the DVA balances for post-audited adjustments
• The frequency with which the distributor has made the same error	Due to the nature of the ESM account, post-audit adjustments have been identified more frequently in subsequent rate applications. The practice of updating for post-audited results is now part of process for other rate applications
• Failure to follow guidance provided by the OEB	Not applicable
• The degree to which other distributors are making similar errors	Not applicable

GROUP 2 DVA CONTINUITY SCHEDULE – ESM BALANCE

This attachment has been filed separately in MS Excel format.

Z-FACTOR APPLICATION SUMMARY

1.0 INTRODUCTION

Starting on March 29, 2025, a major storm system caused extensive damage to Hydro One's distribution infrastructure, as accumulated ice brought down trees, poles, and conductors across much of the company's service territory. This was the most damaging weather event Hydro One has experienced since its incorporation in 1999. Responding to the damage and restoring customers' power required extensive work efforts by Hydro One crews, contractors and mutual aid partners over the hours, days, and months that followed. Approximately 1.2M[1] customer restorations occurred as result of the freezing rain which coated trees and power lines in heavy ice. The weight of the ice caused widespread destruction, including the collapse of power lines and the breakage of more than 3,000 utility poles.

This event was outside of Hydro One's control, significantly impacted operations, and resulted in Hydro One incurring capital expenditures and asset removal costs of approximately $223.0M, all of which meets the OEB's Z-factor eligibility criteria.[2] Hydro One notified the OEB of its intent to file this application in a letter dated April 29, 2025 (see Attachment 1), and is hereby seeking recovery of $69.4M of revenue requirement impacts associated with this Z-factor event. These revenue requirement impacts include $64.3M for Hydro One Distribution, $4.0M for the Peterborough Rate Zone (Peterborough RZ), and $1.1M for the Orillia Rate Zone (Orillia RZ). Hydro One proposes to recover these

[1] Hydro One generally records and reports outage and restoration data on a province-wide basis. Accordingly, throughout this application, figures related to customer restorations reflect province-wide customer impacts, including approximately 1,220,000 customer restorations between March 29, 2025, and April 14, 2025. Of these, approximately 1,151,000 restorations occurred in the geographic areas that directly experienced damage from the Z-factor event. However, to maintain consistency across the application, including in instances where data is only available on a province-wide basis, Hydro One has presented all outage and restoration statistics on a province-wide basis. While outage and restoration details are presented province wide, costs and recovery sought include only amounts that are directly attributable to the Z-factor event.

[2] Section 2.6 of the *Report of the Board on 3rd Generation Incentive Regulation for Ontario's Electricity Distributors* dated July 14, 2008 (the Incentive Regulation Report) and Section 3.2.9 of the OEB's Chapter 3 Filing Requirements for Electricity Distribution Rate Applications, dated June 19, 2025 (Chapter 3 Filing Requirements).

amounts from rate payers through rate riders effective January 1, 2026, as described in Section 4.

2.0 BACKGROUND

2.1 THE MARCH 2025 ICE STORM SYSTEM

In late March through early April of 2025, severe weather hit the province of Ontario and significantly impacted Hydro One's distribution system resulting in widespread outages across its numerous service areas. Over the course of the event, Hydro One recorded approximately 1.2M customer service interruptions. Figure 1 summarizes some of the impacts experienced as a result of the event.



Figure 1: Z-Factor Impacts

The severe weather began on March 29, 2025, bringing prolonged periods of freezing rain and significant ice accumulation on trees and powerlines. While restoration efforts began immediately, subsequent freezing rain and high winds resulted in further and compounding damage. Figures 2 and 3 illustrate the damage caused by the Z-factor event. Additional examples are provided in Attachment 2.



Figure 2: Downed Powerlines in Orillia, ON



Figure 3: Fallen Trees on Damaged Powerline, Orillia, ON

On June 5, 2025, Hydro One filed a Major Event Response Report (See Attachment 3), covering the 9 days from March 29 to April 6. Each of the days from March 29 – April 6 qualified as a Major Event Day based on the IEEE 1366 reliability methodology.[3]

Restoration efforts extended beyond April 6 due to the extensive damage and logistical challenges posed by the prolonged period of severe weather. The majority of customer restorations related to the Z-factor event took place between March 29 and April 14, during which time the control room remained in emergency operations mode. While normal

[3] IEEE 136 methodology is the preferred approach for identifying Major Event Days per the OEB's Electricity Reporting & Record Keeping Requirements.

operations resumed on April 14, 2025, the final customer outage due to the Z-factor event was not resolved until early May.

In some remote or hard-to-access areas, customer restorations included temporary measures implemented to restore service. Permanent infrastructure replacements continued beyond May, with nearly all final restorations completed by June 30. For the purpose of this application, Hydro One has included only those costs incurred up to and including June 30, 2025.

The areas most severely affected by the Z-factor event were Hydro One's Southern, Eastern, and Central regions.[4] Below, Figure 4 shows the magnitude of customers without power between March 29 and April 14 within each of the Hydro One operations centre geographic boundaries.

[4] Damages occurred across the following Operations Centre: Ashburnham, Alliston, Aylmer, Bancroft, Barrie, Beachville, Bolton, Bowmanville, Bracebridge, Brockville, Clinton, Couchiching, Essex, Guelph, Fenelon Falls, Huntsville, Kent, Kingston, Listowel, Minden, Newmarket, Orangeville, Orillia, Owen Sound, Parry Sound, Penetanguishene, Perth, Peterborough, Picton, Strathroy, Trenton, Tweed, Walkerton, Woodstock.

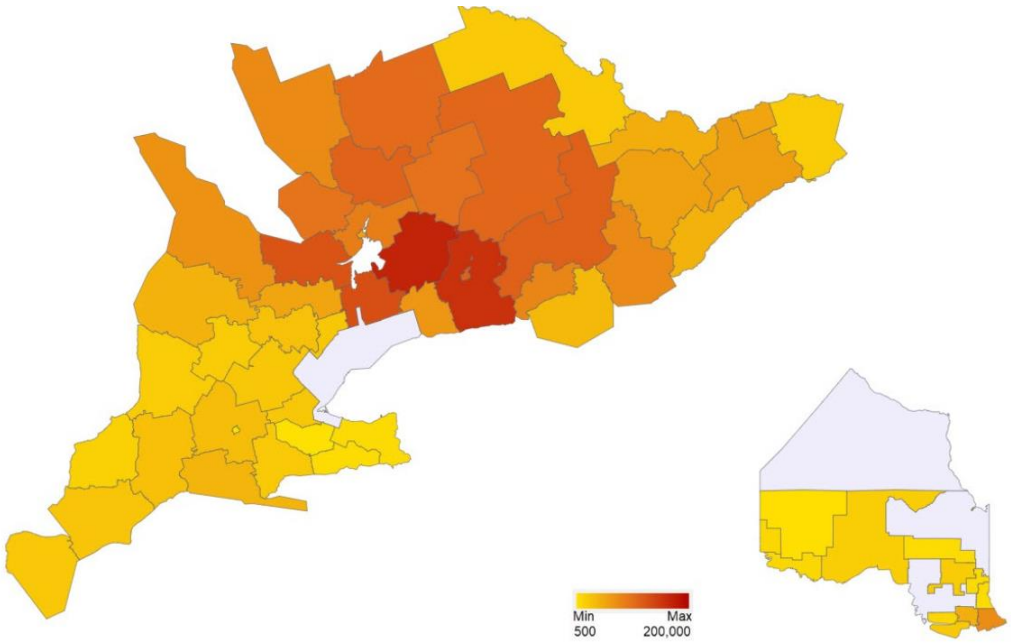


Figure 4: Customer Outages by Operation Centres

Across the impacted areas, freezing rain coated power lines, poles, and vegetation with significant amounts of ice. The added weight led to extensive tree contact and breakage, downed wires, and the failure of over 3,000 utility poles, resulting in large-scale outages across residential, commercial, and institutional customers. Table 1 summarizes the damage resulting from the Z-factor event.

Table 1 - Z-Factor Event Damage

	Total
Total Broken Poles:	3,088
Broken Cross Arms:	3,527
Damaged Transformers:	759
Transformer Spills:	170

Between March 29 and April 14, 2025, Hydro One recorded approximately 1.2M service interruptions across the company's service territory. Table 2 provides the number of customer interruptions and hours of customer interruptions.

Table 2 - Summary of Impacts to Customers

	Total
Customer Interruptions	1,220,000
Customer Hour of Interruptions	49,008,000

The impact of this Z-factor event far exceeded any other major weather event that Hydro One has experienced. Table 3 below compares the impacts of this Z-factor event to all major events since 2020.

Table 3 - Comparison of the Z-Factor Event to Recent Historical Major Events[5]

Date	**NOV 2020**	**DEC 2021**	**MAY 2022**	**DEC 2022**	**APR 2023**	**MAR 2025[6]**
Type of Event	**Wind Storm**	**Wind Storm**	**Derecho**	**Winter Storm**	**Freezing Rain**	**Ice Storm**
Customer Interruptions (in 1000s)	572	761	890	525	359	1,220
Customer Hours of Interruption (in 1000s)	7,043	8,908	24,141	5,701	5,966	49,008
SAIFI	0.4	0.5	0.6	0.4	0.2	0.8
SAIDI	5.0	6.2	17.0	3.8	4.1	32.7
Net Cost	$24.4M	$25.6M	$109.3M	$45.5M	$29.9M	$196.2M

2.2 HYDRO ONE'S RESPONSE AND RESTORATION EFFORTS

Figure 5 provides the key timeline milestones of the Z-factor event.

[5] 2020 – 2023 Figures per the Major Event Response Reports as filed on the Hydro One website: Reports and Scorecards | Hydro One
Net Costs are inclusive of all distribution rate zones
[6] 2025 impacts spanning March 29 – April 14

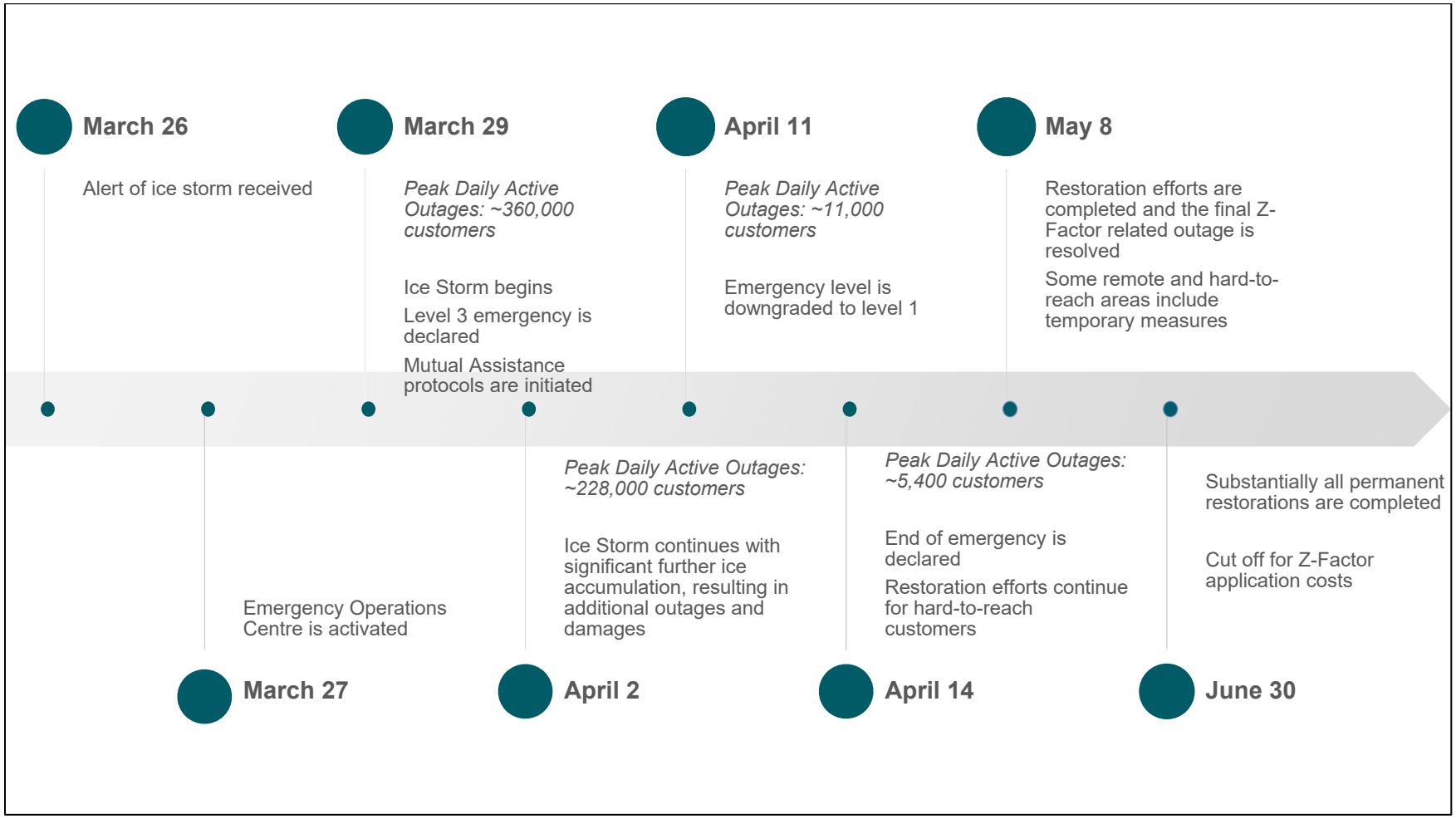


Figure 5: Timeline of Z-Factor Event

On March 26, 2025 Hydro One received early warning of a severe storm and began monitoring activities. Hydro One's restoration efforts during the storm event were guided by established emergency response protocols, including the activation of its Distribution Emergency Management Procedure (DEMP). This procedure is an integrated response plan across key internal functions—including Distribution System Operations, Lines, Work Management, Design Services, Forestry Services, and Emergency Management & Business Continuity - to support a coordinated response during large-scale outages.

In preparation for the extreme weather, Hydro One activated its Emergency Operations Centre (EOC) on March 27 at 2:00 PM following early storm alerts. Regional and Local Area Command Centres (RACCs and LACCs) were activated across Central, Eastern, and Northeastern Ontario.

Hydro One uses a four-level emergency classification system to guide resource management for storms:

- **Elevated (Local):** Managed local with one to three LACCs. A minor to moderate system impact and less than 24-hour estimated restoration times.
- **Level 1 (Regional):** Requires regional coordination with at least one RACC active. A moderate impact with up to 48-hour restoration times.
- **Level 2 (Provincial):** Involves the EOC and two RACCs. It's a high impact storm across multiple regions with more than 120-hour restoration times
- **Level 3 (Corporate):** Corporate-wide coordination involving the EOC. An extreme impact, more than 120-hour restoration, significant mobilization and reputational risk

On March 29, the extreme weather arrived and the situation escalated as the storm and its impacts progressed. Hydro One declared Level 1, 2, and 3 emergencies throughout the day, with Level 3 - the highest level - declared at 11:17 PM.

The declaration of a Level 3 emergency was based on geographically widespread damage across the province and over 500 active or assigned incidents in the Outage Response

Management System (ORMS). By that evening, more than 360,000 customers were without power. Mutual assistance was formally initiated with support from Ontario Mutual Assistance Group (OnMAG) and Canadian Mutual Assistance Group (CanMAG) partners, and restoration efforts prioritized critical infrastructure, including the Ontario Grid Control Centre and Integrated System Operating Centre, both of which were operating on backup power.

Between March 30 and April 2, 2025, the weather intensified. Outages impacted approximately 1.2M customers, with more than 23,000 incidents reported. Fuel shortages emerged in Central Ontario, complicating logistics and restoration efforts. Mutual Assistance resources expanded to over 1,500 personnel, including crews from Quebec and New Brunswick. Twenty-six municipalities and First Nations communities declared states of emergency.

In total, Hydro One deployed more than 4,500 resources to aid in the storm response and restore power as quickly as possible. These efforts resulted in Hydro One restoring approximately 44% of customers within twelve hours of the onset of their outage. However, some customers experienced significantly longer service interruptions due to extensive damage in certain areas. For example, in the community of Coboconk there were over 17 poles broken in a single stretch in flooded swampy areas which introduced challenges to personnel access and material transportation (see Figure 6 Figure 6 below).



Figure 6: Crews Completing Repairs in Flooded Area in Coboconk

Crews faced hazardous and complex conditions throughout the restoration efforts. Roads were coated in ice, and fallen trees collapsed power lines blocking key routes, forcing rerouting through equally challenging and sometimes impassable terrain. In many cases, only off-road units, utility task vehicles, or helicopters could reach critical sites. The scale of the damage meant that demand for specialized access equipment quickly exceeded supply.

Hydro One was able to restore power to 90% of impacted customers within 4 to 5 days. Figure 7 demonstrates the number of outages experienced by impacted customers, and Figure 8 shows the number and percentage of customers restored by resolution time.

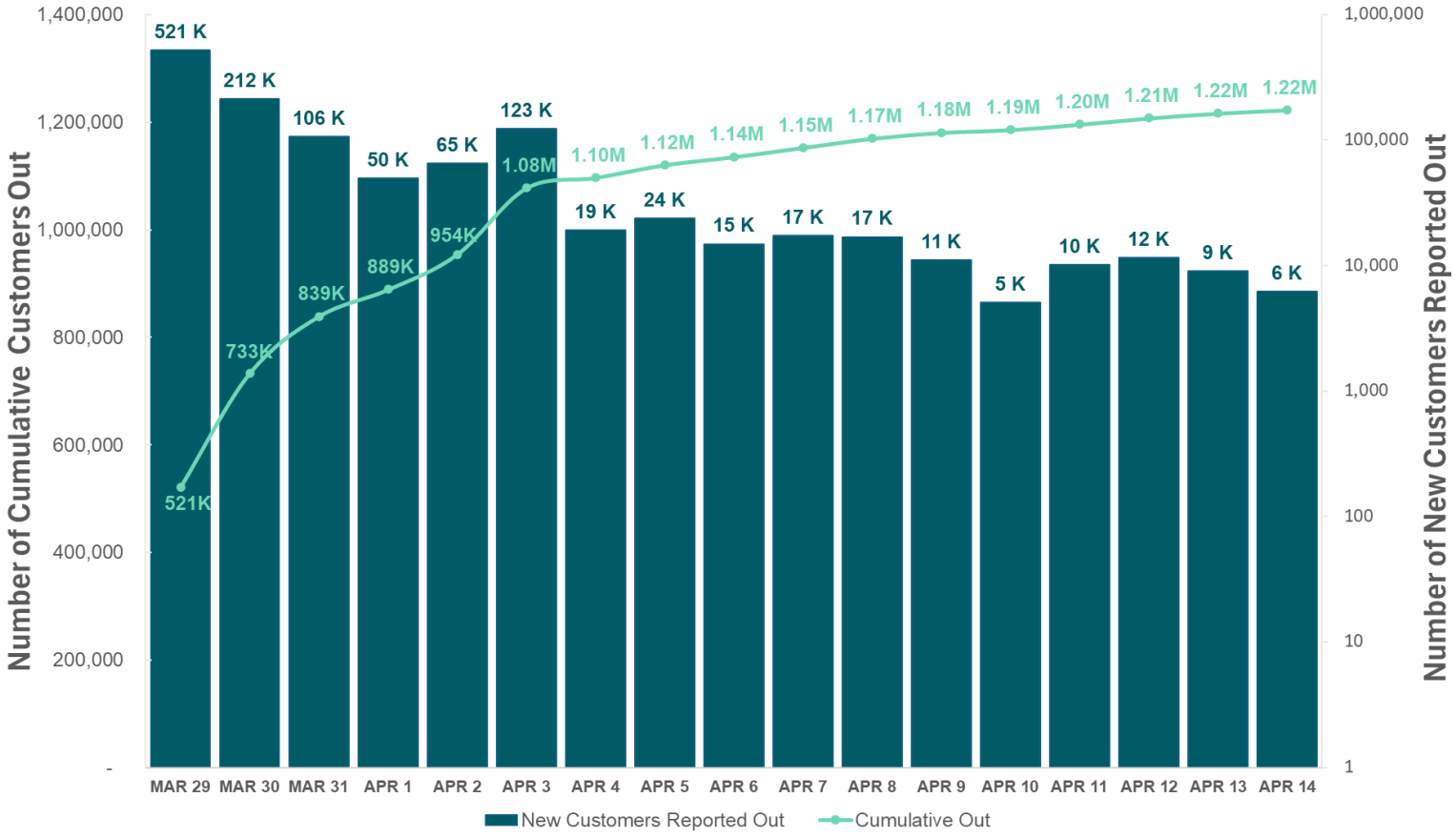


Figure 7: Z-Factor Event Customer Outages

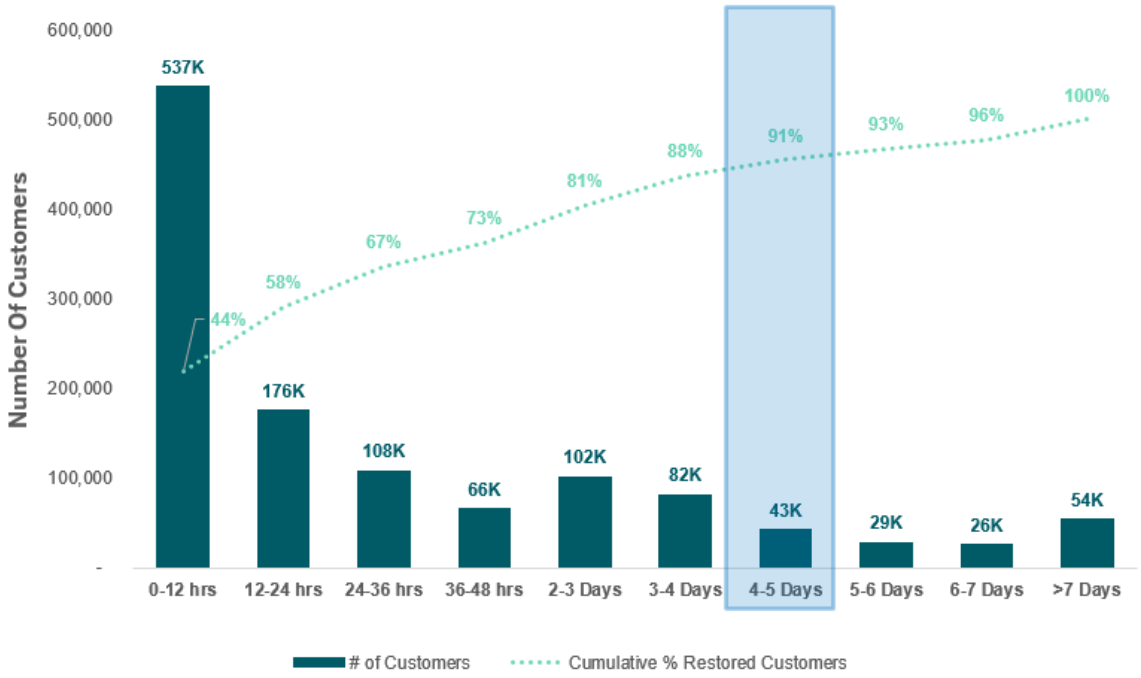


Figure 8: Resolution Times of Z-Factor Customer Outages from Onset of Customer Outage

The response to the extreme weather event required extensive logistical coordination. Over 3,000 field personnel were deployed in hazardous conditions, including downed lines and heavy ice-laden branches. To ensure safe and effective deployment, onboarding processes were critical for all incoming crews, including those arriving through mutual assistance arrangements. These processes reinforced safety expectations, worksite procedures, and system specific hazards.

Fatigue management and crew rotation were implemented as staff worked extended shifts and performed physically demanding work. Logistics hubs were operated continuously throughout the event to support field operations. These combined efforts helped maintain safe working conditions while enabling efficient restoration activities under challenging circumstances.

Customer contact was a major focus of the storm response efforts, with over 140 call centre agents deployed daily to manage the increased volume of calls received from customers. On March 29, the call centre received 5,210 outage and emergency related calls which is equal to approximately one third of outage and emergency related calls typically received across an entire month. Hydro One lines of business that engage with the media, communities, First Nations and Emergency Management partners were actively engaging with their contacts throughout the event.

As of April 11, Hydro One began its demobilization efforts starting with the release of the first batch of mutual assistance crews and downgrading the emergency to Level 1. By April 14, Hydro One had restored power to the majority of impacted customers and declared a return to normal operations. Restoration efforts for the remaining customers continued into May, with the final restoration occurring on May 8. The restorations completed by May 8 included temporary measures for remote and hard-to-reach customers, with permanent infrastructure replacements put in place in the following months.

3.0 Z-FACTOR ELIGIBILITY

The eligibility criteria for recovering the amounts requested in a Z-factor application are as follows:[7]

- Materiality: The amounts must exceed the OEB-defined materiality threshold and have a significant influence on the operation of the distributor; otherwise, they should be expensed in the normal course and addressed through organizational productivity improvements.
- Causation: Amounts should be directly related to the Z-factor event. The amount must be clearly outside of the base upon which rates were derived.
- Prudence: The amounts must have been prudently incurred. This means that the distributor's decision to incur the amount must represent the most cost-effective option (not necessarily least initial cost) for ratepayers.

[7] *Supra* note 2.

The Chapter 3 Filing Requirements specify that a utility applying to recover the costs of a Z-factor event must also:

- Demonstrate that its achieved regulatory return on equity (ROE), during its most recently completed fiscal year, does not exceed 300 basis points above its deemed ROE embedded in its base rates. Hydro One addresses this requirement in the context of the Materiality criterion in Section 3.13.1.
- Demonstrate that the utility could not have been able to plan and budget for the event and that the harm caused by the extraordinary event is genuinely incremental to its experience and reasonable expectations. Hydro One addresses this requirement in the context of the Causation criterion in Section 3.23.2.
- Demonstrate that the costs were incurred within a 12-month period and are incremental to those already being recovered in rates as part of ongoing business risk. Hydro One addresses this requirement in the context of the Causation criterion in Section 3.23.2.

3.1 MATERIALITY

Hydro One's materiality threshold for Z-factor applications is $3.0M, as specified in EB-2021-0110, Exhibit A-04-01, Page 7.

The relief requested in this Z-factor application is $69.4M revenue requirement, shown in Table 4. Detailed cost breakdowns and revenue requirement calculations are provided in Section 4.0. For each rate zone, the costs incurred exceed the applicable materiality threshold.

Table 4 - Relief Sought by Rate Zone ($M)

	Calculation	Hydro One Distribution	Peterborough	Orillia	All Rate Zones
Z-factor Related Net Capital Expenditures		$187.0	$7.4	$1.8	$196.2
Revenue Requirement Impact of Capital Expenditures[8]	A	$38.8	$3.0	$0.9	$42.7
Asset Removal Costs	B	$25.5	$1.0	$0.2	$26.7
Total Relief Sought	**A+B**	**$64.3**	**$4.0**	**$1.1**	**$69.4**

The majority of costs incurred due to the Z-factor event are capital expenditures and associated asset removal costs which were necessary to replace damaged equipment and restore power to customers. Asset removal costs are expenses associated with dismantling, decommissioning, or disposing of assets that are damaged or have reached the end of their useful life that need to be replaced or removed. These costs typically cover labour and equipment for dismantling or demolition, transportation and disposal of materials, and, when necessary, site restoration to meet environmental standards.

In the interest of regulatory efficiency, Hydro One is not seeking recovery of the OM&A costs it incurred due to the Z-factor event. The majority of the costs incurred were capital, and Hydro One expects that limiting the scope of this application to those costs will promote a focused and efficient process.

In addition, Table 8 below provides Hydro One's distribution capital expenditures for 2023 and 2024. Due to demand-driven and input cost pressures, Hydro One has faced significantly higher than planned expenditures over the current rate period, and

[8] Revenue Requirement Impact of Capital Expenditures includes annual amounts until the time of next rebasing for each rate zone which is assumed to be 2028 for Hydro One Distribution, and 2031 for Peterborough and Orillia. Hydro One Distribution Revenue Requirements includes 2025-2027 impacts. Peterborough and Orillia includes 2025-2030 Impacts.

reprioritization of planned capital work is underway and expected to continue over the remainder of the rate term to manage the overall capital portfolio in the context of these emerging needs and challenges. Further reprioritization of capital investments to absorb the impacts of this extraordinary weather event would increase risks to system performance and customer outcomes.

Tables 5, 6, and 7 demonstrate the magnitude of the cost of responding to the Z-factor event relative to the 2025 capital expenditures approved by the OEB. As shown in Table 5, the Z-factor capital costs for Hydro One Distribution were $187.0M, or approximately 18% of total OEB approved capital expenditures for 2025. The unplanned costs that Hydro One incurred to respond to this one Z-factor event are greater than 65% of each of the System Service, System Access, and System Renewal categories. The approved capital expenditures for subsequent years are similar to the 2025 amounts. Hydro One cannot absorb incremental costs of this magnitude within the existing capital envelopes approved by the OEB. These results are more pronounced for Peterborough and Orillia RZs, as shown in Tables 6 and 7.

Table 5 - Hydro One Distribution Z-factor Costs as a Percentage of 2025 OEB Approved Capital Expenditures ($M)

	Z-Factor Costs	System Access	System Renewal	System Service	General Plant	Total
OEB Approved Capital Expenditures ($M)	187.0	238.9	280.6	212.6	149.5	1,040.0
Z Factor Costs as a % of OEB Approved Capital Expenditures		78%	67%	88%	125%	18%

Table 6 - Peterborough RZ's Z-Factor Costs as a Percentage of 2025 OEB Approved Capital Expenditures ($M)

	Z-Factor Costs	System Access	System Renewal	System Service	General Plant	Total
OEB Approved Capital Expenditures ($M)[9]	7.3	2.4	2.7	0.3	0.0	5.4
Z Factor Costs as a % of OEB Approved Capital Expenditures		304%	270%	2433%	N/A	135%

Table 7 - Orillia RZ's Z-Factor Costs as a Percentage of 2025 OEB Approved Capital Expenditures ($M)

	Z-Factor Costs	System Access	System Renewal	System Service	General Plant	Total
OEB Approved Capital Expenditures ($M)[10]	1.7	1.1	3.8	0.2	0.0	5.1
Z Factor Costs as a % of OEB Approved Capital Expenditures		155%	45%	850%	N/A	33%

In addition, Table 8 below provides Hydro One's distribution capital expenditures for 2023 and 2024. Due to demand-driven and input cost pressures, Hydro One has faced significantly higher than planned expenditures over the current rate period, and reprioritization of planned capital work is underway and expected to continue over the remainder of the rate term to manage the overall capital portfolio in the context of these emerging needs and challenges. Further reprioritization of capital investments to absorb the impacts of this extraordinary weather event would increase risks to system performance and customer outcomes.

[9] Per EB-2018-0270; EB-2018-0242 DSP Section 1, Page 9 of 12, Filed 2022-11-30
[10] Per EB-2018-0270; EB-2018-0242 DSP Section 1, Page 9 of 12, Filed 2022-11-30

Table 8 - Hydro One Distribution Capital Expenditures

	Capital Expenditures ($M) – 2023			Capital Expenditures ($M) - 2024		
OEB Category	**OEB Approved[11]**	**Actual**	**Variance**	**OEB Approved[1] [1]**	**Actual**	**Variance**
System Access	252.2	335.9	83.7	253.3	355.2	101.8
System Renewal	314.5	292.6	-21.9	356.5	436.6	80.1
System Service	182.0	166.9	-15.1	157.2	164.9	7.7
General Plant	172.2	194.5	22.3	182.2	158.9	-23.3
Total	**920.8**	**989.8**	**69.0**	**949.2**	**1,115.6**	**166.4**

For the remainder of the rate period, Hydro One's capital program must remain focused on meeting the utility's mandated service obligations, which means prioritizing areas such as new connections, service upgrades, relocations, trouble calls, storm response, and system service investments to address load growth and capacity constraints. Absorbing the capital-related impacts of the Z-factor event within its existing OEB-approved capital envelopes would require Hydro One to defer urgent and necessary investments in these portfolios, including investments which support housing and infrastructure, economic growth, development and electrification throughout the province of Ontario. Failure to recover the proposed Z-factor amounts would also challenge Hydro One's ability to respond to trouble calls and further storm events and address urgent reliability, safety and environmental performance risks on its system in a timely manner.

In accordance with the OEB's Z-factor eligibility criteria, Hydro One confirms that its achieved regulatory ROE in 2024 did not exceed the OEB deemed ROE by more than 300 basis points. The achieved ROE for 2024 was 9.79%, 43 basis points above the deemed ROE of 9.36%.

[11] EB-2021-0110, Decision on Settlement Proposal and Order on Rates, Revenue Requirement and Charge Determinants, Hydro One Networks Inc., November 29, 2022, Schedule A, pp. 257-58 (Tables 25 and 26)

3.2 CAUSATION

The amounts sought for recovery are outside of the base upon which rates were set. As shown in Table 9 below, the capital expenditures incurred related to storm restoration and trouble call response efforts exceed the amounts included in base rates for this investment driver.

Table 9 - Hydro One Distribution Lines Trouble Call and Storm Damage Response Program (D-SR-05) Capital Expenditures

		Capital Expenditures ($M) - 2023		Capital Expenditures ($M) - 2024			Capital Expenditures ($M) – 2025		
Program	**Forecast[12]**	**Actual**	**Variance**	**Forecast[12]**	**Actual**	**Variance**	**Forecast[12]**	**YTD Act***	**Variance***
D-SR-05	111.6	141.4	29.8	113.8	168.5	54.7	116.1	271.9	155.8

* Year-to-date Actual and Variance, as of July 31, 2025

For 2023 and 2024, the Distribution Lines Trouble Call and Storm Damage Response capital expenditures are approximately $83.9M greater than what was forecasted for the purpose of setting base rates. As of July 31, 2025, year-to-date actual capital expenditures in this program, including the Z-factor event ($187.0M), are approximately $155.8M greater than the full year forecast.

The total capital expenditures for the Z-factor event are broken down in Table 10 below, by asset class.

[12] In December 2022, Hydro One revised the capital expenditure and ISA forecast on a multi-year envelope and OEB-category basis to implement the OEB-approved Settlement proposal (the "Forecast"). This allocated the impact of the Settlement Proposal to the project and program level.

Table 10 - Total Capital Expenditures by Asset Class

Asset Class	Capital Expenditure ($M)
Poles, Towers, and Fixtures	**$92.2**
Overhead Conductors and Devices	**$58.9**
Lines Transformer	**$45.1**
Total	**$196.2**

Asset removal costs are the necessary expenses associated with dismantling, decommissioning, or disposing of assets that are damaged or have reached the end of their useful life. As Hydro One continues with its capital work over the course of the year, these costs will continue to be incurred. The asset removal costs incurred as a result of the Z-factor event also exceed the basis upon which rates were established.

Table 11 provides the OEB approved and Actual Asset Removal costs for Hydro One Distribution from 2023 – 2025.

Table 11 - Hydro One Distribution Asset Removal Costs ($M)[13]

2023		2024		2025	
OEB Approved	**Actual**	**OEB Approved**	**Actual**	**OEB Approved**	**Forecast[14]**
$72.1	$68.9	$72.0	$87.1	$77.0	$96.4

Prior rate applications for the Peterborough and Orillia RZs do not break out their asset removal costs. As a result, Hydro One has provided the actual 2023 and 2024 asset removal costs, and the forecast asset removal costs for 2025, inclusive of the costs associated with the Z-factor event in Table 12.

[13] The approved Asset Removal Costs are included within the settled distribution rate base in EB-2021-0110, Decision on Settlement Proposal and Order on Rates, Revenue Requirement and Charge Determinants, Hydro One Networks Inc., Appendix A, Settlement Proposal, October 24, 2022, p. 35 (Table 24)

[14] The 2025 forecast of Asset Removal Costs represents amounts incurred YTD as of July 31 2025, and includes the Asset Removal Costs associated with the Z-factor event

Table 12 - Peterborough and Orillia RZ Asset Removal Costs ($M)

	2023 Actual	2024 Actual	2025 Forecast[8]
Peterborough RZ	$0.4	$0.3	$1.6
Orillia RZ	$0.3	$0.2	$0.7

The costs included in this application were directly related to restoration of service in response to the extreme weather experienced between March 29 and April 6, 2025, with restoration activities occurring until June 30, 2025.

3.3 PRUDENCE

The costs that Hydro One incurred in response to the Z-factor event were prudent, reasonable, and necessary to ensure the safe and timely restoration of service to affected customers. The magnitude of the extreme weather experienced and associated restoration efforts was a rare and extraordinary event. The company responded by activating established emergency protocols, mobilizing internal and external resources, and undertaking extraordinary logistical and operational measures to manage restoration efforts.

Pre-Storm Planning and Preparedness

Hydro One has a well-defined emergency response plan, aligned with industry best practices, that identifies position holders across Planning, Operations, Logistics, Emergency Information, and Finance & Administration. For this event, the Distribution Emergency Operations Centre was activated at Level 3 (the highest response level). This designation helps ensure top-level oversight and strategic decision-making throughout the response.

In advance of the storm, Hydro One leveraged its DEMP, which ensures coordinated cross-functional efforts during major events. Forecast monitoring, staff mobilization readiness, and stakeholder engagement (including weather service consultations) were initiated in accordance with protocol.

Upon receiving early weather alerts, Hydro One activated its emergency response plan, which includes protocols to ensure safe mobilization of personnel and resources. Pre-storm briefings were conducted with internal and mutual assistance crews, emphasizing hazard awareness, system specific risks, and the importance of adhering to work procedures. Crews were also provided with location specific advisories related to predicted ice loading, tree hazards, and road access conditions.

Real-Time Response and Operational Decisions

During the storm, Hydro One made timely, risk-based decisions to prioritize safety and restoration efficiency:

- Restoration triage followed a public safety-first model, beginning with downed wires and hazards, followed by restoration of critical infrastructure (e.g., hospitals), and then largest customer blocks.
- Resource mobilization included over 3,000 internal staff and 1,500 mutual aid line personnel from 30 organizations via the OnMAG and the North Atlantic Mutual Assistance Group.
- Field deployment of emergency crews, logistics teams, and damage assessors was adjusted in real time as conditions evolved.
- Helicopter Services conducted aerial reconnaissance, expedited restoration in inaccessible areas (including isolated islands), and provided slinging services for material delivery.

Throughout the storm event, Hydro One maintained a safety-first approach in all operational decisions and real-time response actions. The EOC was active to support removing barriers to support local and regional response. Safety briefings were conducted daily, with updates on evolving hazards such as falling ice, unstable trees, or damaged

equipment. Operational decisions, including the sequencing of restoration, isolation of energized areas, and deployment of mutual assistance resources, were made with safety as a primary consideration.

Communicating with Customers

Over the course of the severe weather and associated restoration days, Hydro One maintained ongoing communications with the public to keep customers informed. The main avenues utilized by Hydro One to keep customers informed included:

- An outage map provided directly on Hydro One's website which included information on the location, magnitude, cause, and estimated restoration time;
- Daily updates were posted to Hydro One's website, social media channels including X (formerly Twitter), Facebook and Instagram, and shared with local and large GTA media outlets to communicate timely updates on Hydro One's restoration efforts;
- Over 140 interviews and engagements with media outlets to provide updated information on the impact of the storm and associated restoration efforts;
- Direct communications and updates were provided to First Nations, local and provincial governments across all regions and Ontario Parks to ensure the most current local information was shared across communication channels;
- Communications with the public through the Hydro One call centre and outage reporting tool, which were monitored actively over the course of this event; and
- Radio ads broadcasted via local radio stations in storm affected regions to reiterate safety messages.

Restoration Materials Readiness

Hydro One managed storm restoration materials through safety stock inventories across warehouses and local operation centres. These inventories are reviewed regularly to help ensure readiness for unplanned events.

4.0 RECOVERABILITY OF Z-FACTOR COSTS

Hydro One proposes to recover the Z-factor costs for each of the rate zones through a fixed rate rider for each rate zone commencing January 1, 2026. The rate rider will be for the Revenue Requirement of the capital costs including Asset Removal Costs. The riders will remain in effect until December 31, 2027 for Hydro One Distribution, and December 31, 2030 for the Peterborough and Orillia RZs. These time periods align with the next rebasing period for each rate zone, and the integration of Peterborough and Orillia RZs into the Hydro One rate structure.

In accordance with the Chapter 3 Filing Requirements, Hydro One is tracking the Z-factor cost amounts in Account 1572, Extraordinary Event Costs. Carrying charges are calculated using simple interest applied to the monthly opening balances in the account. The costs presented in this application for recovery exclude the applicable carrying charges. Hydro One is seeking recovery of carrying charges and will update these amounts during the course of the proceeding, consistent with final OEB approved interest rates applicable to deferral and variance accounts.

The total capital expenditures and asset removal costs associated with the restoration of electricity service to Hydro One's customers following the Z-factor event are shown in Table 13. Where possible, costs have been tracked by operations centre and directly attributed to the appropriate rate zone. A small portion of material-related costs are not tracked by operations centre and cannot be directly assigned to a specific rate zone. In these instances, the costs have been attributed to Hydro One Distribution, where the majority of overall costs were incurred.

Table 13 - March 2025 Ice Storm Z-Factor Costs ($M)

	Hydro One Distribution	Peterborough RZ	Orillia RZ	Total
Capital Expenditures	187.0	7.4	1.8	**196.2**
Asset Removal Costs	25.5	1.0	0.2	**26.7**

Hydro One is seeking recovery of asset removal costs and the revenue requirement associated with capital expenditures as provided in Tables 14-16 below. The calculation of the revenue requirement associated with the capital expenditures is provided in Tables 17 – 19.

Table 14 - Total Requested Hydro One Distribution Revenue Requirement

Category	Recovery Period	Amount ($M)
Asset Removal Costs		25.5
Capital Related Revenue Requirement		38.8
Total Distribution	**Jan 1 2026 – Dec 31 2027**	**64.3**

Table 15 - Total Requested Peterborough RZ Revenue Requirement

Category	Recovery Period	Amount ($M)
Asset Removal Costs		1.0
Capital Related Revenue Requirement		3.0
Total Peterborough RZ	**Jan 1 2026 – Dec 31 2030**	**4.0**

Table 16 - Total Requested Orillia RZ Revenue Requirement

Category	Recovery Period	Amount ($M)
Asset Removal Costs		0.2
Capital Related Revenue Requirement		0.9
Total Orillia RZ	**Jan 1 2026 – Dec 31 2030**	**1.1**

Table 17 - Capital Related Revenue Requirement Hydro One Distribution

	2025	2026	2027	Total
ROE %	9.36%	9.36%	9.36%	
Long-term Debt Rate	4.22%	4.22%	4.22%	
Short-term Debt Rate	4.79%	4.79%	4.79%	
Capital Expenditures	$187.0M			
In-Service Additions	$187.0M			
Average Net Utility Plant	$92.7M	$183.6M	$180.2M	
Working Capital	$2.0M	$0.3M	$0.3M	
Rate Base[15]	$94.7M	$183.9M	$180.5M	
Depreciation	$1.7M	$3.4M	$3.4M	$8.4M
Asset Removal Costs	$25.5M			$25.5M
Return on Debt	$2.4M	$4.7M	$4.6M	$11.7M
Return on Equity	$3.5M	$6.9M	$6.8M	$17.2M
Income Tax	$4.9M	-$2.0M	-$1.5M	$1.5M
Revenue Requirement	**$38.1M**	**$13.0M**	**$13.2M**	**$64.3M**

[15] Rate base = Average Net Utility Plant + Working Capital and reflects the application of the half-year rule, whereby assets placed in service during the year are included at 50% of their annual value

Table 18 - Revenue Requirement Impact of Capital Expenditures

Peterborough RZ

	2025	2026	2027	2028	2029	2030	Total
ROE %	8.98%	8.98%	8.98%	8.98%	8.98%	8.98%	
Long-term Debt Rate	4.11%	4.11%	4.11%	4.11%	4.11%	4.11%	
Short-term Debt Rate	2.07%	2.07%	2.07%	2.07%	2.07%	2.07%	
Capital Expenditures	$7.4M						
In-Service Additions	$7.4M						
Average Net Utility Plant	$3.7M	$7.3M	$7.2M	$7.0M	$6.9M	$6.8M	
Working Capital	$0.1M	$0.0M	$0.0M	$0.0M	$0.0M	$0.0M	
Rate Base[16]	$3.8M	$7.3M	$7.2M	$7.0M	$6.9M	$6.8M	
Depreciation	$0.1M	$0.1M	$0.1M	$0.1M	$0.1M	$0.1M	**$0.7M**
Asset Removal Costs	$1.0M						**$1.0M**
Return on Debt	$0.1M	$0.2M	$0.2M	$0.2M	$0.2M	$0.2M	**$1.0M**
Return on Equity	$0.1M	$0.3M	$0.3M	$0.3M	$0.3M	$0.2M	**$1.4M**
Income Tax	$0.2M	-$0.1M	-$0.1M	-$0.1M	$0.0M	$0.0M	**$(0.1M)**
Revenue Requirement	**$1.5M**	**$0.5M**	**$0.5M**	**$0.5M**	**$0.5M**	**$0.5M**	**$4.0M**

[16] Rate base = Average Net Utility Plant + Working Capital and reflects the application of the half-year rule, whereby assets placed in service during the year are included at 50% of their annual value

Table 19 - Revenue Requirement Impact of Capital Expenditures Orillia RZ

	2025	2026	2027	2028	2029	2030	Total
ROE %	9.85%	9.85%	9.85%	9.85%	9.85%	9.85%	
Long-term Debt Rate	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	
Short-term Debt Rate	1.33%	1.33%	1.33%	1.33%	1.33%	1.33%	
Capital Expenditures	$1.8M						
In-Service Additions	$1.8M						
Average Net Utility Plant	$0.9M	$1.8M	$1.7M	$1.7M	$1.6M	$1.6M	
Working Capital	$0.0M	$0.0M	$0.0M	$0.0M	$0.0M	$0.0M	
Rate Base[17]	$0.9M	$1.8M	$1.7M	$1.7M	$1.7M	$1.6M	
Depreciation	$0.0M	$0.0M	$0.0M	$0.0M	$0.0M	$0.0M	**$0.2M**
Asset Removal Costs	$0.2M						**$0.2M**
Return on Debt	$0.0M	$0.1M	$0.1M	$0.1M	$0.1M	$0.1M	**$0.3M**
Return on Equity	$0.0M	$0.1M	$0.1M	$0.1M	$0.1M	$0.1M	**$0.4M**
Income Tax	$0.0M	$0.0M	$0.0M	$0.0M	$0.0M	$0.0M	**$0.0M**
Revenue Requirement	**$0.4M**	**$0.1M**	**$0.1M**	**$0.1M**	**$0.1M**	**$0.1M**	**$1.1M**

To derive the rate riders to recover the Z-factor costs, the revenue requirement across all applicable years, as shown in Tables 17, 18, and 19, are added together. This total amount is then allocated across all rate classes using their respective contribution to the total distribution rates revenue requirement. Hydro One proposes to recover the Z-factor

[17] Rate base = Average Net Utility Plant + Working Capital and reflects the application of the half-year rule, whereby assets placed in service during the year are included at 50% of their annual value

revenue requirement using a fixed monthly rate rider derived using the number of customers in each class[18].

Consistent with the OEB approved treatment of the Misallocated Tax Savings Amounts in EB-2020-0194, Hydro One expects that, under the Distribution Rate Protection (DRP) program, it's Medium Density (R1) and Low Density (R2) residential customers will be protected from the increases associated with the recovery of Z-Factor revenue requirement for Hydro One Distribution.

The Rate Riders that correspond to the revenue requirement impacts above are provided in Tables 20, 21, and 22.

[18] The average number of customers over 2026 and 2027, based on the OEB-approved forecast, is used as the charge determinant for Hydro One Distribution's Z-Factor rate rider. The number of customers as of December 31, 2024, is used to derive the Z-Factor rate rider for Orillia and Peterborough RZs.

Table 20 - Determination of Proposed Hydro One Distribution Riders - January 1, 2026 – December 31, 2027

Recovery Period (Months) [A]				24
Total Z-Factor Revenue Requirement for 2025-2027 [B]				**$64,285,939**
Rate Class	**2026 Rates Revenue Requirement [C]**	**Allocation of Z-Factor Revenue Requirement [D=B*C/C_{TOTAL}]**	**Forecast Number of Customers (Average for 2026 and 2027) [E]**	**Monthly Fixed Rate Rider ($/month) [F=D/E/A]**
Urban Density Residential [UR]	$133,677,142	$4,412,865	256,309	$0.72
Medium Density Residential [R1]	$499,593,748	$16,492,272	560,119	$1.23
Low Density Residential [R2]	$764,892,187	$25,250,136	422,601	$2.49
Urban Density GS <=50kW [UGe]	$26,903,751	$888,130	18,772	$1.97
Non-urban Density GS <=50kW [GSe]	$191,817,693	$6,332,164	89,018	$2.96
Urban Density GS >50kW [UGd]	$31,366,559	$1,035,453	1,780	$24.23
Non-urban Density GS >50kW [GSd]	$161,187,685	$5,321,026	5,511	$40.23
Distributed Generation [DGen]	$7,609,931	$251,214	1,791	$5.85
Sub-Transmission [ST]	$73,895,082	$2,439,378	935	$108.76
Unmetered Scattered Load [USL]	$3,994,724	$131,871	5,888	$0.93
Sentinel Light	$2,868,891	$94,706	18,278	$0.22
Street Light	$10,730,191	$354,218	5,635	$2.62
Acquired Urban Density Residential [AUR]	$6,794,197	$224,286	15,723	$0.59
Acquired Urban Density GS <=50kW [AUGe]	$1,253,087	$41,366	1,421	$1.21
Acquired Urban Density GS >50kW [AUGd]	$1,390,822	$45,913	208	$9.21
Acquired Mixed Density Residential [AR]	$20,811,673	$687,022	39,684	$0.72
Acquired Mixed Density GS <=50kW [AGSe]	$4,707,712	$155,408	4,188	$1.55
Acquired Mixed Density GS >50kW [AGSd]	$3,892,994	$128,513	312	$17.15
TOTAL	**$1,947,388,068**	**$64,285,939**		

Table 21 - Determination of Proposed Peterborough RZ Riders – January 1, 2026 – December 31, 2030

Recovery Period (Months) [A]				**60**
Total Z-Factor Revenue Requirement for 2025-2030 [B]				**$4,011,455**
Rate Class	**Revenue Requirement from Last Cost-of Service Application (EB-2012-0160)[C]**	**Allocation of Z-Factor Revenue Requirement [D=B*C/C_{TOTAL}]**	**Number of Customers/ Connections as at December 31, 2024**	**Monthly Fixed Rate Rider ($/month) [F=D/E/A]**
Residential	$8,218,409	$2,381,611	33,779	$1.18
General Service Less Than 50kW	$2,225,395	$644,897	3,408	$3.15
General Service 50-4,999kW	$2,822,991	$818,074	307	$44.41
Large Use*				
Unmetered Scattered Load	$53,425	$15,482	8	$32.25
Sentinel Lighting	$29,086	$8,429	262	$0.54
Street Lighting	$493,329	$142,962	9,157	$0.26
TOTAL	**$13,842,635**	**$4,011,455**		

* There are currently no customers in this rate class.

Table 22 - Determination of Proposed Orillia RZ Riders

January 1, 2026 – December 31, 2030

Recovery Period (Months) [A]			**60**	
Total Z-Factor Revenue Requirement for 2025-2030 [B]			**$1,111,522**	
Rate Class	**Revenue Requirement from Last Cost-of Service Application [EB-2009-0273) [C]**	**Allocation of Z-Factor Revenue Requirement [D=B*C/C_{TOTAL}]**	**Number of Customers/Connections as at December 31, 2024**	**Fixed Rate Rider ($/month) [F=D/E/A]**
Residential	$3,618,797	$566,711	13,343	$0.71
General Service Less Than 50kW	$1,339,961	$209,840	1,482	$2.36
General Service 50-4,999kW	$1,930,542	$302,327	131	$38.46
Unmetered Scattered Load	$25,477	$3,990	25	$2.66
Street Lighting	$182,979	$28,655	3,769	$0.13
TOTAL	**$7,097,756**	**$1,111,522**		

5.0 BILL IMPACTS

The bill impacts directly attributed to the z-factor event are provided in Tables 23, 24, and 25 below for Hydro One Distribution, Peterborough RZ and Orillia RZ respectively.[19]

[19] These impacts were derived by removing the z-factor rate-rider from the proposed charges in Exhibit A-09-01, Attachment 1 (Hydro One Distribution), Exhibit A-04-05, Attachment 4 (Orillia RZ), and Exhibit A-04-05, Attachment 5 (Peterborough RZ) and taking the difference between bill impacts with and without the z-factor rate rider.

Table 23 - Z-Factor Bill Impacts for Hydro One Distribution

Rate Class	Monthly Consumption (kWh)	Monthly Peak (kW)	Sub-Total						Total	
			Distribution – Excl Pass-Through Charges		Distribution – Incl Pass-Through Charges		Delivery		Total Bill	
			$	%	$	%	$	%	$	%
UR	**750**		$0.72	1.7%	$0.72	1.7%	$0.72	1.2%	$0.72	0.5%
R1 (without DRP)*	**750**		$1.23	1.7%	$1.23	1.7%	$1.23	1.3%	$1.23	0.7%
R2 (without DRP)*	**750**		$2.49	2.7%	$2.49	2.6%	$2.49	2.2%	$2.49	1.3%
Seasonal-UR	**369**		$0.72	1.7%	$0.72	1.7%	$0.72	1.4%	$0.72	0.8%
Seasonal-R1	**369**		$1.23	1.7%	$1.23	1.7%	$1.23	1.5%	$1.23	1.0%
Seasonal-R2	**369**		$2.49	2.9%	$2.49	2.8%	$2.49	2.5%	$2.49	1.8%
GSe	**2,000**		$2.96	1.6%	$2.96	1.5%	$2.96	1.2%	$2.96	0.7%
UGe	**2,000**		$1.97	2.0%	$1.97	1.9%	$1.97	1.3%	$1.97	0.6%
GSd	**34,334**	**110**	$40.23	1.6%	$40.23	1.7%	$40.23	1.4%	$45.46	0.4%
UGd	**42,592**	**111**	$24.23	1.6%	$24.23	1.9%	$24.23	1.2%	$27.38	0.3%
St Lgt	**1,274**		$2.62	1.6%	$2.62	1.6%	$2.62	1.4%	$2.62	0.8%
Sen Lgt	**49**		$0.22	1.7%	$0.22	1.7%	$0.22	1.6%	$0.22	1.2%
USL	**477**		$0.93	1.7%	$0.93	1.6%	$0.93	1.4%	$0.93	0.8%
DGen	**1,709**	**12**	$5.85	1.6%	$5.85	1.6%	$5.85	1.5%	$5.84	0.8%
ST	**1,373,443**	**2,808**	$108.76	1.8%	$108.76	752.9%	$108.76	0.4%	$122.90	0.0%
AUR	**750**		$0.59	1.7%	$0.59	1.7%	$0.59	1.1%	$0.59	0.4%
AUGe	**2,000**		$1.21	2.0%	$1.21	1.9%	$1.21	1.2%	$1.21	0.4%
AUGd	**47,636**	**134**	$9.21	1.6%	$9.21	2.5%	$9.21	0.7%	$10.41	0.1%
AR	**750**		$0.72	1.7%	$0.72	1.7%	$0.72	1.2%	$0.72	0.5%
AGSe	**2,000**		$1.55	1.9%	$1.55	1.8%	$1.55	1.2%	$1.55	0.5%
AGSd	**64,000**	**178**	$17.15	1.6%	$17.15	2.1%	$17.15	0.9%	$19.38	0.1%

Table 24 - Z-Factor Bill Impacts for Peterborough RZ

Rate Class	Monthly Consumption (kWh)	Monthly Peak (kW)	Sub-Total						Total	
			Distribution – Excl Pass-Through Charges		Distribution – Incl Pass-Through Charges		Delivery		Total Bill	
			$	%	$	%	$	%	$	%
Residential	**750**		$1.18	5.2%	$1.18	4.6%	$1.18	2.9%	$1.18	1.0%
General Service Less Than 50kW	**2,000**		$3.15	6.4%	$3.15	5.5%	$3.15	3.3%	$3.15	1.0%
General Service 50-4,999kW	**96,793**	**218**	$44.41	5.8%	$44.41	7.7%	$44.41	2.1%	$50.18	0.2%
Unmetered Scattered Load	**15,477**		$32.25	7.4%	$32.25	7.9%	$32.25	4.6%	$32.22	1.3%
Street Lighting	**14,325**	**42**	$132.34	6.0%	$132.34	6.1%	$132.34	5.5%	$149.54	2.6%
Sentinel Lighting	**315**	**0.4**	$1.62	4.3%	$1.62	4.1%	$1.62	3.9%	$1.83	1.7%

Table 25 - Z-Factor Bill Impacts for Orillia RZ

Rate Class	Monthly Consumption (kWh)	Monthly Peak (kW)	Sub-Total						Total	
			Distribution - Excl Pass-Through Charges		Distribution- Incl Pass-Through Charges		Delivery		Total Bill	
			$	%	$	%	$	%	$	%
Residential	**750**		$0.71	2.3%	$0.71	2.6%	$0.71	1.7%	$0.71	0.6%
General Service Less Than 50kW	**2,000**		$2.36	3.0%	$2.36	3.4%	$2.36	2.3%	$2.36	0.7%
General Service 50-4,999kW	**97,760**	**222**	$38.46	3.3%	$38.46	22.0%	$38.46	2.3%	$43.46	0.2%
Unmetered Scattered Load	**2,148**		$2.66	8.6%	$2.66	12.3%	$2.66	4.6%	$2.66	0.9%
Street Lighting	**3,815**	**31**	$61.23	2.3%	$61.23	2.3%	$61.23	2.2%	$69.19	1.8%

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BY EMAIL AND RESS

April 29, 2025

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

Dear Ms. Marconi,

Re: Notice of Z - Factor Application

Pursuant to rule 3.2.8.1 in Chapter 3 of the Ontario Energy Board's (OEB's) *Filing Requirements For Electricity Distribution Rate Applications* (June 18, 2024), Hydro One Networks Inc. (Hydro One) wishes to inform the OEB that it experienced a Z-factor event in March 2025 when an ice storm led to significant damage in Hydro One's distribution service territories including the Peterborough and Orillia service areas.

Hydro One intends to file a Z-factor application in respect of this event later this year.

An electronic copy of this letter of intent has been filed through the OEB's Regulatory Electronic Submission System.

Sincerely,



Kathleen Burke

APPENDIX A – EXAMPLES OF Z-FACTOR DAMAGE



Figure 1: Fallen Pole/Transformer



Figure 2: Series of Poles Requiring Replacement



Figure 3: Broken Pole and Fallen Branches



Figure 4: Downed Trees and Accessibility Challenges



Figure 5: Fallen Poles and Damaged Equipment



Figure 6: Downed Poles and Road Access Challenges



Figure 7: Road Access Challenges



Figure 8: Road Closures Due to Obstructions/Fallen Trees



Figure 9: Broken Poles and Damaged Equipment



Figure 10: Ice Accumulation on Lines and Trees



Figure 11: Fallen Trees on Powerlines with Ice Accumulation

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Major Events
RESPONSE REPORT

Issue: March 29th – April 6th, 2025, §2.1.4.2 Major Events Response Report

Date Issued: June 27, 2025

Prepared for: Publication and Electronic Filing with the Ontario Energy Board

Summary:

An extremely powerful and widespread ice storm swept across Ontario, from Georgian Bay area, through central regions including Muskoka, the Kawartha's, and eastern areas such as Belleville and Kingston. In its second phase, the storm expanded to affect a broader swath of the province, including many parts of Southern Ontario.

Heavy freezing rain accumulated on trees, with ice accumulation reaching 10–20 mm in some areas. This caused dramatic tree falls and damaged a significant portion of Hydro One Networks Inc.'s distribution assets.

This devastating ice storm impacted ~1,133,000 customers—the equivalent of about 76% of HONI's customer base—between March 29 and April 6. Restoration efforts continued through April 14, impacting an additional ~87,000 customers. The days from March 29 to April 6 qualified as Major Event Days based on the IEEE 1366 reliability methodology.

This is the first Major Event in 2025.

A. Prior to the Major Event

1. Did the distributor have any prior warning that the Major Event would occur?
   ☒ **Yes** ☐ No
   Additional Comments:

   Control Room Operations closely monitored the development of a potential weather event that was expected to impact the Northeast, Eastern, and Central Regions over a 72-hour period, extending as far south as Kitchener-Waterloo by Sunday. Weather sources forecasted risks of heavy wet snow, freezing rain, and the potential for prolonged ice accumulation.

2. If the distributor did have prior warning, did the distributor arrange to have extra employees on duty or on standby prior to the Major Event beginning?

   ☒ **Yes** ☐ No

Brief description of arrangements or explain why extra employees were not arranged:

Extra staff were arranged for the Control Room and Call Centre. Awareness meetings were held prior to the event, with canvassing of Lines, Forestry, Design Services and Field Business Centre staff availability/standby for the expected event duration. Forecasts did not provide enough certainty in terms of specific location, duration and accretion to make other staff location-specific arrangements preemptively.

3. If the distributor did have prior warning, did the distributor issue any media announcements to the public warning of possible outages resulting from the pending Major Event?

   ☒ **Yes** ☐ No

4. Did the distributor train its staff on the response plans to prepare for this type of Major Event?

   ☒ **Yes** ☐ No

B. During the Major Event

1. Please identify the main contributing Cause of the Major Event as per the table in section 2.1.4.2.5 of the Electricity Reporting and Record Keeping Requirements.

   ☐ Loss of Supply
   ☐ Lightning
   ☐ Adverse Weather-Wind
   ☐ Adverse Weather-Snow
   ☒ **Adverse Weather-Freezing rain/Ice storm**
   ☐ Adverse Environment-Fire
   ☐ Adverse Environment-Flooding
   ☐ Other

2. Was the IEEE Standard 1366 used to derive the threshold for the Major Event?

   ☒ **Yes, used IEEE Standard 1366***
   ☐ No, used IEEE Standard 1366 2-day rolling average
   ☐ No, used fixed percentage (i.e., 10% of customers affected)

   *The OEB preferred option

3. When did the Major Event begin (date and time)?

   The first interruption started at 12:01 AM on March 29, 2025

4. Did the distributor issue any information about this Major Event, such as estimated times of restoration, to the public during the Major Event?

☒ **Yes** ☐ No

If yes, please provide a brief description of the information. If no, please explain:

Several channels were used to provide customers with updates throughout this major event including:

- We have more than 600,000 customers enrolled in outage information communication through SMS and email - ETRs are provided to these customers
- Social media and traditional media updates
- Updates on our website and outage map

5. How many customers were interrupted during the Major Event?

Approximately 1,133,000 customers were impacted between March 29 and April 6.

What percentage of the distributor's total customer base did the interrupted customers represent?

The equivalent of approximately 76% of Hydro One's customer base was interrupted during the event, although it is important to note that this number counts customers who were interrupted multiple times as multiple customers.

6. How many hours did it take to restore 90% of the customers who were interrupted?

It took 182 hours and 53 minutes from the onset of the Major Event

7. Were there any outages associated with Loss of Supply during the Major Event?

☒ **Yes** ☐ No

If yes, please report on the duration and frequency of the Loss of Supply outages:

PRIMARY CAUSE	NUM INT	CUST INT	CUST HRS INT
Loss of Supply	**6**	**46,150**	**101,561**

8. In responding to the Major Event, did the distributor utilize assistance through a third-party mutual assistance agreement with other utilities?

☒ **Yes**

☐ No

☐ Do not have third party mutual assistance agreements with other utilities

If yes, please provide the name of the utilities who provided the assistance?

Alectra Utilities, Algoma Power, Bluewater Power, Burlington Hydro, Canadian Niagara Power (Fortis), Elexicon Energy, Enova Power, ENWIN Utilities, EPCOR, ERTH Power, ESSEX Powerlines, GrandBridge Energy, Greater Sudbury Hydro, Hydro Ottawa, London Hydro, Milton Hydro, Oakville Hydro, Orangeville Hydro, PUC Services, Toronto Hydro, and Utilities Kingston, Centre Wellington Hydro, Lakefront Utilities, NPEI, Oshawa PUC, Ottawa River Power, Renfrew Hydro, Wasaga PUC, Wellington North Power, and Westario Power. In addition to the distributors listed, Hydro One received assistance from Hydro Quebec and NB Power as well.

9. Did the distributor run out of any needed equipment or materials during the Major Event?

☐ Yes ☒ **No**

If yes, please describe the shortages:

C. After the Major Event

1. What steps, if any, are being taken to be prepared for or mitigate such Major Events in the future?

☐ No further action is required at this time

☒ **Additional staff training**

☒ **Process improvements**

☒ **System upgrades**

☐ Other

Additional Comments: A comprehensive internal After-Action Review is currently underway to drive improvements across processes, people, and technology. This review will enhance our operational procedures, strengthen team capabilities, and upgrade data systems to deliver more accurate, customer-focused information and ensure more effective response and communication during future incidents.

DISPOSITION OF LOST REVENUE ADJUSTMENT MECHANISM (LRAM) ELIGIBLE AMOUNTS

The disposition of prospective LRAM-eligible amounts is applicable to the Orillia and Peterborough RZs.

Orillia and Peterborough RZs

Hydro One is seeking disposition of the 2026 LRAM-Eligible amounts for the Orillia and Peterborough RZs related to the lost revenues from the former Conservation First Framework (CFF) that was approved in the Decision and Order for 2023 rates (EB-2022-0040).

In the EB-2022-0040 decision for 2023 distribution rates, the OEB approved the disposition of the LRAM variance account (LRAMVA), such that the balances in the LRAMVA are now zero for the Orillia and Peterborough RZs. The OEB also approved the base LRAM-Eligible amounts for the 2023-2029 years for prospective disposition, including the recovery of the 2026 LRAM-Eligible amounts in this Application.[1]

Consistent with the OEB's LRAMVA Guidance on Prospective Lost Revenues dated June 16, 2023, the 2026 LRAM-Eligible amounts for each rate zone have been escalated by the OEB-approved inflation factor for 2026 rates and will be recovered over a 1-year period. The 2026 calculations for the escalated LRAM-Eligible amounts are provided for Orillia and Peterborough RZ in Tables 1 and 2 below.

[1] EB-2022-0040, Decision and Rate Order, 2023 IRM Application for Orillia RZ and Peterborough RZ, Tables 7.2 and 7.4, December 8, 2022, pp. 21 and 22, respectively.

Table 1 - Orillia RZ 2026 LRAM-Eligible Amounts

	Calculation	GS<50kW	GS 50-4,999kW	Total
2026 LRAM-Eligible Amount (in 2022 dollars) (Base Year Approval in EB-2022-0040)	*A*	$8,732	$18,307	$27,038
2023 Escalation	*B*	3.25%	3.25%	3.25%
2024 Escalation	*C*	4.35%	4.35%	4.35%
2025 Escalation	*D*	3.15%	3.15%	3.15%
2026 Escalation[2]	*E*	3.40%	3.40%	3.40%
Updated 2026 LRAM-Eligible Amount	*A x (1+B) x (1+C) x (1+D) x (1+E)*	$10,034	$21,037	$31,071

Table 2 - Peterborough RZ 2026 LRAM-Eligible Amounts

	Calculation	GS<50kW	GS 50-4,999kW	Large User*	Total
2026 LRAM-Eligible Amount (in 2022 dollars) (Base Year Approval in EB-2022-0040)	*A*	$13,716	$ 16,490	$(632)	$ 29,574
2023 Escalation	*B*	3.25%	3.25%	3.25%	3.25%
2024 Escalation	*C*	4.35%	4.35%	4.35%	4.35%
2025 Escalation	*D*	3.15%	3.15%	3.15%	3.15%
2026 Escalation	*E*	3.25%	3.25%	3.25%	3.25%
Updated 2026 LRAM-Eligible Amount	*A x (1+B) x (1+C) x (1+D) x (1+E)*	$15,738	$18,922	$(725)	$33,935

*Hydro One notes that there are currently no customers in the Peterborough RZ Large User rate class, as the customers formerly under this rate class no longer meet the demand criteria. For the purposes of disposition, Hydro One has allocated the amounts previously under Large User rate class to GS 50-4,999kW rate class.

[2] For Orillia RZ, the 2026 stretch factor of 0.3% has been used, consistent with the MAADs decision. See EB-2018-0270, Decision and Order, Hydro One Networks Inc. and Orillia Power Distribution Corporation, April 30, 2020, p. 35.

DERIVATION OF DVA RATE RIDERS

1.0 DERIVATION OF RATE RIDERS FOR DISPOSITION OF GROUP 1 DVAS

Hydro One proposes to dispose of Group 1 DVA balances, as of December 31, 2024, for all RZs through a volumetric rate rider and customer specific billing adjustments, over a 12-month period beginning on January 1, 2026.

For Hydro One Distribution (and also for former CPUC), the OEB's DVA Workform has been utilized to allocate the Group 1 DVA balances among all Hydro One existing and acquired rate classes, consistent with the approach used to derive the Group 1 DVA rate riders in EB-2024-0032.[1] For Orillia and Peterborough RZs, rate riders for disposition of the Group 1 DVA balances are calculated within their respective 2026 IRM Model.

The rate riders consist of a general Group 1 DVA rate rider, and separate Group 1 DVA rate riders for balances in the below variance accounts for commodity and market-related charges:

- Account 1580 RSVA – Wholesale Market Services Charge and Account 1588 RSVA – Power
- Account 1580 Variance WMS, Sub-Account CBR Class B and Account 1589 RSVA – Global Adjustment

The general Group 1 DVA rate rider is applicable to all customers. The separate Group 1 DVA rate riders are applicable to customers that are non-wholesale market participants (non-WMP), which refers to customers that settle commodity and market-related charges with Hydro One rather than directly with the IESO.

The allocation of the Global Adjustment and CBR Class B account balances to transition customers is further described in the sections below.

[1] EB-2024-0032, Exhibit A-04-01, Attachment 10.

1.1 HYDRO ONE DISTRIBUTION

1.1.1 GENERAL GROUP 1 DVA RATE RIDERS

Table 1 provides the general Group 1 DVA rate riders for Hydro One Distribution. Detailed calculations can be found in Tab 7 of Exhibit A-08-01, Attachment 1.

Table 1 - Proposed General Group 1 DVA Rate Riders – Hydro One Distribution

Rate Class	Unit	Group 1 Volumetric Rate Rider ($/kWh or $/kW)	Group 1 Volumetric Rate Rider - Applicable to Non-WMP Customers Only ($/kWh or $/kW)
UR	kWh	($0.0048)	
R1	kWh	($0.0049)	
R2	kWh	($0.0049)	
GSe	kWh	($0.0048)	
UGe	kWh	($0.0048)	
GSd	kW	($0.4747)	($1.0645)
UGd	kW	($0.5696)	($1.3175)
St Lgt	kWh	($0.0049)	
Sen Lgt	kWh	($0.0050)	
USL	kWh	($0.0047)	
DGen	kW	($0.2301)	($0.5019)
ST	kW	($0.5838)	($1.4446)
AUR	kWh	($0.0050)	
AUGe	kWh	($0.0050)	
AUGd	kW	($0.6907)	($1.2020)
AR	kWh	($0.0049)	
AGSe	kWh	($0.0049)	
AGSd	kW	($0.5644)	($1.2177)

1.1.2 RATE RIDERS FOR THE DISPOSITION OF GLOBAL ADJUSTMENT (GA) AND VARIANCE WMS – SUB-ACCOUNT CBR CLASS B (CBR-B) (ACCOUNT 1589 AND SUB-ACCOUNT 1580)

Hydro One has followed the OEB's guidance to dispose of the GA and Capacity Based Recovery-Class B (CBR-B) balances. Specifically, a portion of the GA and CBR-B balances have been allocated to customers who transitioned between Class A and Class B during the balance accumulation period (i.e. 2023 and 2024 for GA and 2024 for CBR-B) based on customer-specific consumption levels. Transition customers are only responsible for the customer specific amount allocated to them and the general GA and CBR-B rate riders will not be applied to these customers.

- The general GA volumetric rate rider is applicable to customers who pay GA, which consists of non-RPP, Class B, non-LDC, and non-WMP customers.
- The general CBR-B volumetric rate rider is applicable to customers who pay the CBR B charge, which consists of Class B, and non-WMP customers.
- Class A customers participate in the Industrial Conservation Initiative, and settle GA costs with Hydro One on the basis of actual (i.e. non-estimated) cost, and do not contribute to the GA and CBR-B DVA balances for the period that they are designated as Class A.

Hydro One identified 148 transition customers for the GA variance account (transition in 2023 or 2024) and 88 transition customers for the CBR-B variance account (transition in 2024). Based on the kWh consumption of these customers during the balance accumulation period, Hydro One determined that $3.17M from the total debit balance in the GA variance account of $50.96M, and $0.09M from the total credit balance in the CBR-B variance account of $12.08M should be collected from these transition customers, which will be settled with each customer individually.[2] The remaining GA variance account balance of a debit of $47.79M will be collected through class-specific GA rate riders applicable to all Class B, non-regulated price plan (Non-RPP), non-wholesale market participant (Non-WMP), non-local distribution company (Non-LDC) customers, over a 12-

[2] Refer to tabs 6.1a and 6.2a of the DVA Workform (provided as Attachment 10 to this Exhibit) for the rate rider amounts for each transition customer.

month period beginning on January 1, 2026. Similarly, the remaining CBR-B variance account balance of a credit of $11.99M will be collected through class-specific CBR-B rate riders applicable to all class B, non-WMP customers, over a 12-month period beginning on January 1, 2026.

Table 2 below shows the allocation of GA and CBR-B variance account balances among transition and non-transition customers.

Table 2 - Allocation of RSVA GA and CBR-B balances between Current Class B and Transition Customers – Hydro One Distribution

Allocation of GA and CBR-B balances	RSVA GA (1589) RSVA	CBR Class B (1580)
Total Balance	$50,957,638	($12,080,815)
Total $ allocated to Transition Customers	$3,166,432	($91,520)
Total $ allocated to Current Class B Customers	$47,791,206	($11,989,295)

Table 3 provides the general GA and CBR-B rate riders for Hydro One Distribution.

Table 3 - Proposed General GA and CBR-B Rate Riders – Hydro One Distribution

Rate Class	Unit for CBR-B Rate Rider	Volumetric Rate Rider for Global Adjustment Sub-Account - Applicable to Non-RPP, Non-LDC, Non-MWP, Class B Customers ($/kWh)	Volumetric Rate Rider for CBR-B Sub-Account - Applicable to Class B Customers ($/kWh or $/kW)
UR	$/kWh	$0.0121	($0.0006)
R1	$/kWh	$0.0121	($0.0006)
R2	$/kWh	$0.0121	($0.0006)
GSe	$/kWh	$0.0121	($0.0006)
UGe	$/kWh	$0.0121	($0.0006)
GSd	$/kW	$0.0121	($0.1893)
UGd	$/kW	$0.0121	($0.2353)
St Lgt	$/kWh	$0.0121	($0.0006)
Sen Lgt	$/kWh	$0.0121	($0.0006)
USL	$/kWh	$0.0121	($0.0006)
DGen	$/kW	$0.0121	($0.0896)
ST	$/kW	$0.0121	($0.2148)
AUR	$/kWh	$0.0121	($0.0006)
AUGe	$/kWh	$0.0121	($0.0006)
AUGd	$/kW	$0.0121	($0.2164)
AR	$/kWh	$0.0121	($0.0006)
AGSe	$/kWh	$0.0121	($0.0006)
AGSd	$/kW	$0.0121	($0.2167)

1.2 CHAPLEAU

1.2.1 GENERAL GROUP 1 DVA RATE RIDERS

Table 4 provides the general Group 1 DVA rate riders for Chapleau customers. There are no customers in Chapleau that are wholesale market participant, and as such, no separate rate rider is required for disposition of balances in Accounts 1580 and 1588. Detailed calculations can be found in Tab 7 of Exhibit A-08-01, Attachment 2.

Table 4 - Proposed General Group 1 DVA Rate Riders – Chapleau

Rate class	Unit	Group 1 Volumetric Rate Rider ($/kWh or $/kW)
RESIDENTIAL SERVICE CLASSIFICATION (R1)	$/kWh	$0.0003
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION (GSe)	$/kWh	$0.0005
GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION (GSd)	$/kW	$0.5419
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	$/kWh	$0.0004
SENTINEL LIGHTING SERVICE CLASSIFICATION	$/kWh	$0.0004
STREET LIGHTING SERVICE CLASSIFICATION	$/kWh	$0.0009

1.2.2 RATE RIDERS FOR THE DISPOSITION OF GLOBAL ADJUSTMENT (GA) AND VARIANCE WMS – SUB-ACCOUNT CBR CLASS B (CBR-B) (ACCOUNT 1589 AND SUB-ACCOUNT 1580)

There have not been any customer transitions between class A and class B during the balance accumulation period, and as such no separate GA/CBR-B rate rider is required. Moreover, there are no class A customers in Chapleau, and so the balances in Account 1580-CBR B have been added to the main Account 1580 for disposition through general Group 1 DVA rate rider.

Table 5 provides the Global Adjustment rate rider for Chapleau customers. Detailed calculations can be found in Tab 6 of Exhibit A-08-01, Attachment 2.

Table 5 - Proposed Global Adjustment (GA) Rate Rider – Chapleau

Rate class	Volumetric Rate Rider for Global Adjustment Sub-Account - Applicable to Non-RPP, Non-LDC, Non-MWP, Class B Customers ($/kWh)
RESIDENTIAL SERVICE CLASSIFICATION (R1)	$0.0112
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION (GSe)	$0.0112
GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION (GSd)	$0.0112
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	$0.0000
SENTINEL LIGHTING SERVICE CLASSIFICATION	$0.0112
STREET LIGHTING SERVICE CLASSIFICATION	$0.0000

1.3 ORILLIA RZ

1.3.1 GENERAL GROUP 1 DVA RATE RIDERS

Table 6 provides the general Group1 DVA rate riders for Orillia RZ. Detailed calculations can be found in Tab 7 of Exhibit A-04-05, Attachment 4 (Orillia RZ).

Table 6 - Proposed General Group 1 DVA Rate Riders – Orillia RZ

Rate class	Unit	Group 1 Volumetric Rate Rider ($/kWh or $/kW)	Group 1 Volumetric Rate Rider - Applicable to Non-WMP Customers Only ($/kWh or $/kW)
RESIDENTIAL SERVICE CLASSIFICATION	$/kWh	($0.0076)	
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	$/kWh	($0.0075)	
GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION	$/kW	($1.6671)	($1.7311)
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	$/kWh	($0.0075)	
SENTINEL LIGHTING SERVICE CLASSIFICATION*	$/kW		
STREET LIGHTING SERVICE CLASSIFICATION	$/kW	($0.9274)	

* Rate Riders were not established for the Sentinel Lighting Classification because it has not included any customers since 2020.

1.3.2 RATE RIDERS FOR THE DISPOSITION OF GLOBAL ADJUSTMENT (GA) AND VARIANCE WMS – SUB-ACCOUNT CBR CLASS B (CBR-B) (ACCOUNT 1589 AND SUB-ACCOUNT 1580)

For Orillia RZ, none of the customers transitioned between Class A and Class B since 2023, and as such, entire balances in GA and CBR-B DVAs will be disposed of through the GA and CBR-B general rate riders applicable to customers who pay GA and CBR-B charges, respectively. For Orillia RZ, the balances in CBR-B DVA result in non-zero

volumetric rate rider for all rate classes. Table 7 provides the general GA and CBR-B rate riders for Orillia RZ.

Table 7 - Proposed General GA and CBR-B Rate Riders – Orillia RZ

Rate class	Unit for CBR-B Rate Rider	Volumetric Rate Rider for Global Adjustment Sub-Account - Applicable to Non-RPP, Non-LDC, Non-MWP, Class B Customers ($/kWh)	Volumetric Rate Rider for CBR-B Sub-Account - Applicable to Class B Customers ($/kWh or $/kW)
RESIDENTIAL SERVICE CLASSIFICATION	$/kWh	$0.0112	($0.0006)
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	$/kWh	$0.0112	($0.0006)
GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION	$/kW	$0.0112	($0.2784)
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	$/kWh	$0.0111	($0.0006)
SENTINEL LIGHTING SERVICE CLASSIFICATION*	$/kW		
STREET LIGHTING SERVICE CLASSIFICATION	$/kW	$0.0112	($0.0772)

* Rate Riders were not established for the Sentinel Lighting Classification because it has not included any customers since 2020.

1.4 PETERBOROUGH RZ

1.4.1 GENERAL GROUP 1 DVA RATE RIDERS

Table 8 provides the general Group 1 DVA rate riders for Peterborough RZ. Detailed calculations can be found in Tab 7 of Exhibit A-04-05, Attachment 5 (Peterborough RZ).

Table 8 - Proposed General Group 1 DVA Rate Riders – Peterborough RZ

Rate class	Unit	Group 1 Volumetric Rate Rider ($/kWh or $/kW)	Group 1 Volumetric Rate Rider - Applicable to Non-WMP Customers Only ($/kWh or $/kW)
RESIDENTIAL SERVICE CLASSIFICATION	$/kWh	($0.0045)	
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	$/kWh	($0.0044)	
GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION	$/kW	($0.5484)	($1.4073)
LARGE USE SERVICE CLASSIFICATION*	$/kW		
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	$/kWh	($0.0043)	
SENTINEL LIGHTING SERVICE CLASSIFICATION	$/kW	($1.5144)	
STREET LIGHTING SERVICE CLASSIFICATION	$/kW	($1.4532)	

* Rate Riders were not established for the Large Use Service Classification because it has not included any customers since 2022.

1.4.2 RATE RIDERS FOR THE DISPOSITION OF GLOBAL ADJUSTMENT (GA) AND VARIANCE WMS – SUB-ACCOUNT CBR CLASS B (CBR-B) (ACCOUNT 1589 AND SUB-ACCOUNT 1580)

Hydro One identified 3 transition customers for the GA variance account (transitioned in 2023 or 2024) and 2 transition customers for the CBR-B variance account (transitioned in 2024). Based on the kWh consumption of these customers during the balance accumulation period, Hydro One determined that $0.05M from the total debit balance in

GA variance account of $1.97M, and $0.001M from the total credit balance in CBR-B variance account of $0.333M should be collected from these transition customers, which will be settled with each customer individually.[3] The remaining GA variance account balance of debit of $1.91M will be collected through class-specific GA rate riders applicable to all Class B, non-regulated price plan (Non-RPP), non-wholesale market participant (Non-WMP), non-local distribution company (Non-LDC) customers, over a 12-month period beginning on January 1, 2026. Similarly, the remaining CBR-B variance account balance of a credit of $0.332M will be collected through class-specific CBR-B rate riders applicable to all class B, non-WMP customers, over a 12-month period beginning on January 1, 2026.

Table 9 below shows the allocation of GA and CBR-B variance account balances among transition and non-transition customers for Peterborough RZ.

Table 9 - Allocation of RSVA GA and CBR-B balances between Current Class B and Transition Customers – Peterborough RZ

Allocation of GA and CBR-B balances	GA (1589)	CBR-B (1580)
Total Balance	$1,966,826	($333,592)
Total $ allocated to Transition Customers	$52,085	($1,407)
Total $ allocated to Current Class B Customers	$1,914,741	($332,184)

Table 10 below provides the general GA and CBR-B rate riders for Peterborough RZ.

[3] Refer to tabs 6.1a and 6.2a of the DVA Workform (provided as Attachment 10 to this Exhibit) for the rate rider amounts for each transition customer.

Table 10 - Proposed General GA and CBR-B Rate Riders – Peterborough RZ

Rate class	Unit for CBR-B Rate Rider	Volumetric Rate Rider for Global Adjustment Sub-Account - Applicable to Non-RPP, Non-LDC, Non-MWP, Class B Customers ($/kWh)	Volumetric Rate Rider for CBR-B Sub-Account - Applicable to Class B Customers ($/kWh or $/kW)
RESIDENTIAL SERVICE CLASSIFICATION	$/kWh	$0.0104	($0.0005)
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	$/kWh	$0.0104	($0.0005)
GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION	$/kW	$0.0104	($0.2230)
LARGE USE SERVICE CLASSIFICATION*	$/kW		
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	$/kWh	$0.0104	($0.0005)
SENTINEL LIGHTING SERVICE CLASSIFICATION	$/kW	$0.0104	($0.1874)
STREET LIGHTING SERVICE CLASSIFICATION	$/kW	$0.0104	($0.1801)

* Rate Riders were not established for the Large Use Service Classification because it has not included any customers since 2022.

2.0 DERIVATION OF RATE RIDERS FOR EARNING SHARING MECHANISM (ESM) AMOUNTS

Consistent with past practice,[4] Hydro One is proposing to dispose of balances in the ESM variance account through a combination of fixed and volumetric rate riders over a 12-month period beginning on January 1, 2026. Table 11 summarizes the rate riders for disposition of ESM amounts. Detailed calculations can be found in the DVA workform provided in Exhibit A-08-01, Attachment 1 (Tab 8. ESM Rider Derivation).

[4] Settlement Proposal in EB-2021-0110, Attachment 2, Schedule 6.2

Table 11 - Proposed Rate Riders for ESM Amounts – Hydro One Distribution

Rate Class	Unit	Fixed Rate Rider ($/month)	Volumetric Rate Rider ($/kWh or $/kW)
UR	Number of Customers	($1.50)	
R1	Number of Customers	($2.56)	
R2	Number of Customers	($5.18)	
GSe	kWh	($1.12)	($0.0028)
UGe	kWh	($0.87)	($0.0014)
GSd	kW	($3.62)	($0.7683)
UGd	kW	($3.31)	($0.4449)
St Lgt	kWh	($0.12)	($0.0044)
Sen Lgt	kWh	($0.12)	($0.0069)
USL	kWh	($1.31)	($0.0014)
DGen	kW	($6.83)	($0.5226)
ST	kW	($37.83)	($0.0686)
AUR	Number of Customers	($1.24)	
AUGe	kWh	($0.90)	($0.0007)
AUGd	kW	($5.02)	($0.1051)
AR	Number of Customers	($1.50)	
AGSe	kWh	($1.37)	($0.0008)
AGSd	kW	($5.84)	($0.1775)

3.0 DERIVATION OF RATE RIDERS FOR DISPOSITION OF LRAM-ELIGIBLE AMOUNTS

The derivation of rate riders for the disposition of the 2026 LRAM-Eligible amounts for Orillia and Peterborough RZs is shown in Table 12 and Table 13, respectively, using balances provided in Exhibit A-07-01, and charge determinants from the 2026 IRM Models provided in Exhibit A-04-05, Attachment 4 (Orillia RZ) and Exhibit A-04-05, Attachment 5 (Peterborough RZ), Tab 4, respectively.

Table 12 - Proposed Rate Riders for 2026 LRAM-Eligible Amounts – Orillia RZ

Rate Class	Billing Unit	2026 LRAM-Eligible Amount (A)	Charge Determinant (B)	2026 Rider for LRAM-Eligible Amount (A/B)
GS <50kW	$/kWh	$10,034	49,044,920 kWh	$0.0002
GS 50-4,999 kW	$/kW	$21,037	346,049 kW	$0.0608

Table 13 - Proposed Rate Riders for 2026 LRAM-Eligible Amounts – Peterborough RZ

Rate Class	Billing Unit	2026 LRAM-Eligible Amount (A)	Charge Determinant (B)	2026 Rider for LRAM-Eligible Amount (A/B)
GS <50kW	$/kWh	$15,738	112,170,206 kWh	$0.0001
GS 50-4,999 kW	$/kW	$18,197*	788,735 kW	$0.0231

*Peterborough RZ's GS 50-4,999kW rate class LRAM-Eligible Amount includes the amount allocated to Peterborough RZ's Large User rate class ($18,922-$725=$18,197)

The resulting rate riders for the 2026 LRAM-Eligible amounts for Orillia and Peterborough RZs have been inserted into the IRM Models (Tab 19. Additional Rates).

RATE RIDER DERIVATION FOR GROUP 1 DVAS AND ESM – HYDRO ONE DISTRIBUTION

This attachment has been filed separately in MS Excel format.

RATE RIDER DERIVATION FOR GROUP 1 DVAS – CHAPLEAU

This attachment has been filed separately in MS Excel format.

BILL IMPACTS

Hydro One Distribution

A summary of the 2026 total bill impacts for Hydro One Distribution as a result of the proposed 2026 distribution rates relative to the approved 2025 distribution rates is presented in Table 1.

The detailed calculation of Hydro One' Distribution's 2026 monthly bill impacts by rate class is provided in Exhibit A-09-01, Attachment 1. As per the Decision and Order in EB-2021-0110, Hydro One will continue to apply mitigation credit to the affected acquired unmetered customers to limit their bill impacts to no more than 10%. Bill impacts for the customers of Chapleau are provided as part of Hydro One Distribution rates.

Table 1 - 2026 Total Bill Impacts for Hydro One Distribution Customers

Rate Class	Monthly Consumption (kWh)	Monthly Peak (kW)	Sub-Total						Total	
			A (Distribution Excl Pass-Through)		B (Distribution Incl Pass-Through)		C (Total Distribution and RTSRs)		Total Bill	
			$	%	$	%	$	%	$	%
UR	750		$1.42	3.4%	$0.14	0.3%	$0.38	0.6%	$0.38	0.3%
R1 (with DRP)	750		($2.35)	-5.5%	($3.78)	-8.2%	($3.61)	-5.7%	($3.61)	-2.5%
R1 (without DRP)	750		$2.45	3.5%	$1.03	1.4%	$1.19	1.3%	$1.19	0.7%
R2 (with DRP)	750		($4.74)	-11.2%	($6.17)	-12.9%	($6.00)	-9.2%	($5.99)	-4.2%
R2 (without DRP)	750		$4.63	5.0%	$3.21	3.3%	$3.37	2.9%	$3.37	1.7%
Seasonal-UR	369		$1.42	3.4%	$0.79	1.9%	$0.91	1.8%	$0.91	1.0%
Seasonal-R1	369		$2.45	3.5%	$1.75	2.4%	$1.83	2.2%	$1.83	1.5%
Seasonal-R2	369		$7.39	8.5%	$6.69	7.5%	$6.77	6.9%	$6.77	4.9%
GSe	2,000		$6.44	3.5%	$2.64	1.3%	$3.08	1.3%	$3.08	0.7%
UGe	2,000		$3.30	3.3%	($0.50)	-0.5%	($0.07)	0.0%	($0.07)	0.0%
GSd	34,334	110	$83.26	3.4%	$458.06	19.9%	$465.39	15.9%	$525.89	5.2%
UGd	42,592	111	$49.95	3.4%	$515.81	40.1%	$525.25	25.0%	$593.54	5.5%

St Lgt	1,274		$5.41	3.4%	$2.86	1.7%	$3.00	1.6%	$3.00	0.9%
Sen Lgt	49		$0.42	3.3%	$0.32	2.5%	$0.32	2.4%	$0.32	1.7%
USL	477		$1.86	3.4%	$1.00	1.8%	$1.11	1.7%	$1.11	1.0%
DGen	1,709	12	$13.28	3.6%	$31.70	8.8%	$32.13	8.2%	$32.10	4.6%
ST	1,373,443	2,808	$216.67	3.6%	$16,573.08	114721.9%	$16,888.69	61.2%	$19,084.22	6.4%
Former Woodstock Hydro Customers*										
AUR	750		$1.48	4.4%	$0.20	0.6%	$0.44	0.8%	$0.44	0.3%
AUGe	2,000		$2.31	3.8%	($1.49)	-2.4%	($1.07)	-1.0%	($1.07)	-0.3%
AUGd	47,636	134	$22.01	3.9%	$517.85	141.7%	$528.18	42.2%	$596.85	5.6%
St Lgt	37,079		$117.55	2.6%	$39.69	0.9%	$43.74	0.9%	$49.42	0.5%
USL	1,349		$5.96	7.2%	$3.80	4.1%	$4.10	3.6%	$4.09	1.6%
ST	895,853	3,301	$363.07	5.4%	$10,156.31	2655.5%	$10,527.34	32.1%	$11,895.89	5.7%
Former Norfolk Power Customers*										
AR	750		$1.75	4.2%	$0.47	1.1%	$0.71	1.1%	$0.71	0.5%
AGSe	2,000		$3.38	4.1%	($0.42)	-0.5%	$0.01	0.0%	$0.01	0.0%
AGSd	70,294	181	$43.94	4.0%	$812.77	100.5%	$825.02	44.1%	$932.27	5.8%
St Lgt	11,389		$35.64	2.6%	$17.42	1.2%	$18.66	1.1%	$18.64	0.6%
Sen Lgt	108		$0.78	3.3%	$0.61	2.5%	$0.62	2.4%	$0.62	1.7%
USL	904		$4.32	6.4%	$3.33	4.5%	$3.52	4.0%	$3.52	1.9%
Former Haldimand County Hydro Customers*										
AR	750		$1.78	4.3%	$0.43	1.0%	$0.67	1.1%	$0.67	0.5%
AGSe	2,000		$3.38	4.1%	($0.62)	-0.7%	($0.19)	-0.2%	($0.19)	-0.1%
AGSd	57,529	175	$42.60	4.0%	$656.01	82.9%	$667.85	36.7%	$754.68	5.6%
St Lgt	31,001		$145.21	3.9%	$83.21	2.3%	$86.60	2.1%	$97.86	1.1%
Sen Lgt	61		$0.77	5.3%	$0.64	4.3%	$0.65	4.1%	$0.65	2.9%
USL	471		$2.02	3.8%	$1.17	2.1%	$1.28	2.0%	$1.28	1.2%

Former Chapleau PUC Customers*										
R1-CPUC	750		$0.00	0.0%	$0.23	0.5%	$0.39	0.6%	$0.39	0.3%
GSe-CPUC	2,000		$12.56	6.7%	$13.56	6.6%	$14.00	5.7%	$13.98	3.1%
GSd-CPUC	29,000	90	$141.16	6.9%	$514.73	25.3%	$520.72	20.4%	$588.41	6.8%
St Lgt-CPUC	220		$54.19	5.3%	$61.66	5.5%	$62.57	5.1%	$62.50	2.9%
Sen Lgt-CPUC	8,300		$2.58	5.7%	$2.67	5.7%	$2.69	5.4%	$2.69	3.7%
USL-CPUC	60		$1.28	3.2%	$1.30	3.2%	$1.32	3.1%	$1.31	2.7%

* Bill impacts for the acquired customers of former Norfolk, Haldimand, Woodstock and Chapleau service areas are shown separately because of the entity-specific rate riders currently in place.

Orillia and Peterborough RZs

For the Orillia and Peterborough RZs, the IRM Model (Tab. 21 Bill Impacts) provides detailed bill impacts for each rate class at typical consumption levels. Summaries of the 2026 bill impacts are presented in Table 2 and Table 3 below.

1 **Table 2 - Total 2026 Bill Impacts for Orillia RZ**

Rate Class	Monthly Consumption (kWh)	Monthly Peak (kW)	Sub-Total						Total	
			A (Distribution Excl Pass-Through)		B (Distribution Incl Pass-Through)		C (Total Distribution and RTSRs)		Total Bill	
			$	%	$	%	$	%	$	%
RESIDENTIAL SERVICE CLASSIFICATION - RPP	750		$1.66	5.4%	$3.54	12.9%	$4.01	9.6%	$4.01	3.3%
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION - RPP	2,000		$4.63	5.9%	$9.43	13.4%	$10.70	10.3%	$10.69	3.4%
GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION - Non-RPP (Other)	97,760	222	$77.30	6.7%	$1,380.18	790.8%	$1,435.77	85.4%	$1,622.42	7.6%
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION - RPP	2,148		$3.66	11.8%	$8.82	40.7%	$10.18	17.6%	$10.17	3.6%
SENTINEL LIGHTING SERVICE CLASSIFICATION*										
STREET LIGHTING SERVICE CLASSIFICATION - Non-RPP (Retailer)	3,815	31	$152.57	5.8%	$204.10	7.8%	$209.86	7.6%	$237.14	6.2%

* Currently, there are no customers in Orillia RZ's Sentinel Light rate class.

Table 3 - Total 2026 Bill Impacts for Peterborough RZ

Rate Class	Monthly Consumption (kWh)	Monthly Peak (kW)	Sub-Total						Total	
			A (Distribution Excl Pass-Through)		B (Distribution Incl Pass-Through)		C (Total Distribution and RTSRs)		Total Bill	
			$	%	$	%	$	%	$	%
RESIDENTIAL SERVICE CLASSIFICATION - RPP	750		$1.92	8.5%	$0.27	1.0%	$0.59	1.4%	$0.59	0.5%
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION - RPP	2,000		$4.57	9.2%	$0.17	0.3%	$1.01	1.1%	$1.01	0.3%
GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION - Non-RPP (Other)	96,793	218	$67.45	8.8%	$852.68	146.9%	$886.84	41.7%	$1,002.13	4.7%
LARGE USE SERVICE CLASSIFICATION*										
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION - RPP	15,477		$46.25	10.6%	$12.20	3.0%	$18.73	2.7%	$18.71	0.8%
SENTINEL LIGHTING SERVICE CLASSIFICATION - Non-RPP (Other)	315	0.4	$2.82	7.5%	$5.79	14.5%	$5.83	13.9%	$6.59	6.1%
STREET LIGHTING SERVICE CLASSIFICATION - Non-RPP (Other)	14,325	42	$201.63	9.1%	$322.47	14.8%	$327.50	13.6%	$370.08	6.5%

* Currently, there are no customers in Peterborough RZ's Large Use rate class.

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BILL IMPACTS – HYDRO ONE DISTRIBUTION

This attachment has been filed separately in MS Excel format.

PROPOSED TARIFF OF RATES AND CHARGES

Hydro One Distribution

The proposed tariff schedule for Hydro One Distribution (inclusive of Chapleau), to be effective January 1, 2026, is provided in Exhibit A-10-01, Attachment 4. The current tariff schedule (inclusive of Chapleau) effective January 1, 2025 is provided in Exhibit A-10-01, Attachment 1.

Orillia and Peterborough RZs

The proposed tariff schedules for the Orillia and Peterborough RZs, to be effective January 1, 2026, are provided in the following attachments:

- Exhibit A-10-01, Attachment 5 – Orillia RZ
- Exhibit A-10-01, Attachment 6 – Peterborough RZ

The current tariff schedules are provided in Exhibit A-10-01, Attachment 2 and Exhibit A-10-01, Attachment 3 for Orillia RZ and Peterborough RZ, respectively.

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Hydro One Networks Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

EB-2024-0032

RESIDENTIAL SERVICE CLASSIFICATIONS - HYDRO ONE NETWORKS INC. SERVICE AREA

These classifications apply to year-round and seasonal residential properties. A year-round residential property, located in Hydro One Networks Inc.'s service area excluding former Norfolk Power Distribution Inc., Haldimand County Hydro Inc. and Woodstock Hydro Services Inc.'s service areas., is considered to be customer's main place of abode and may include additional buildings served through the same meter, provided they are not rental income units. All of the following criteria must be met:

1. Occupant represents and warrants to Hydro One Networks Inc. that for so long as he/she has year-round residential rate status for the identified dwelling, he/she will not designate another property that he/she owns as a year-round residence for purposes of Hydro One rate classification.
2. Occupier must live in this residence for at least four (4) days of the week for eight (8) months of the year and the Occupier must not reside anywhere else for more than three (3) days a week during eight (8) months of the year.
3. The address of this residence must appear on documents such as the occupant's electric bill, driver's licence, credit card invoice, property tax bill, etc.
4. Occupants who are eligible to vote in Provincial of Federal elections must be enumerated for this purpose at the address of this residence.

A seasonal property is defined as any residential service that does not meet residential year-round criteria. It includes dwellings such as cottages, chalets and camps.

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

Hydro One Networks' residential service area is sub-divided into three density zones according to the following:

- Urban Density Zone is defined as areas containing 3,000 or more customers with a line density of at least 60 customers per circuit kilometer.
- Medium Density Zone is defined as areas containing 100 or more customers with a line density of at least 15 customers per circuit kilometer.
- Low Density Zone is defined as areas other than Urban or Medium Density Zone.

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.

Hydro One Networks Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

EB-2024-0032

URBAN DENSITY - UR

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	$	41.61
Smart Metering Entity Charge - effective until December 31, 2027	$	0.42
Rate Rider for Disposition of Group 2 Deferral/Variance Accounts (2023) - effective until December 31, 2025	$	(0.11)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2023) - effective until December 31, 2025	$/kWh	(0.0007)
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until December 31, 2025 (see Note 13)	$/kWh	(0.0009)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2024) - effective until June 30, 2025	$/kWh	0.0011
Rate Rider for Disposition of Account 1595 - effective until June 30, 2025	$/kWh	0.0002
Rate Rider for Disposition of Global Adjustment Account (2024) - effective until June 30, 2025 (see Note 13)	$/kWh	(0.0045)
Rate Rider for Disposition of Capacity Based Recovery Account (2024) - effective until June 30, 2025 (Applicable only for Non-WMP Class B Customers)	$/kWh	(0.0006)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2025) - effective until December 31, 2025 - Approved on an Interim Basis	$/kWh	(0.0031)
Rate Rider for Disposition of Capacity Based Recovery Account (2025) - effective until December 31, 2025 (Applicable only for Non-WMP Class B Customers) - Approved on an Interim Basis	$/kWh	0.0001
Retail Transmission Rate - Network Service Rate (see Note 4)	$/kWh	0.0137
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Note 5)	$/kWh	0.0098

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	$/kWh	0.0015
Standard Supply Service - Administrative Charge (if applicable)	$	0.25

Hydro One Networks Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

EB-2024-0032

MEDIUM DENSITY - R1**

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	$	71.05
Smart Metering Entity Charge - effective until December 31, 2027	$	0.42
Rate Rider for Disposition of Group 2 Deferral/Variance Accounts (2023) (Not applicable to former Chapleau PUC customers) - effective until December 31, 2025	$	(0.21)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2023) (Not applicable to former Chapleau PUC customers) - effective until December 31, 2025	$/kWh	(0.0007)
Rate Rider for Disposition of Global Adjustment Account (2023) (Not applicable to former Chapleau PUC customers) - effective until December 31, 2025 (see Note 13)	$/kWh	(0.0009)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2024) (Not applicable to former Chapleau PUC customers) - effective until June 30, 2025	$/kWh	0.0011
Rate Rider for Disposition of Account 1595 (Not applicable to former Chapleau PUC customers) - effective until June 30, 2025	$/kWh	0.0002
Rate Rider for Disposition of Global Adjustment Account (2024) (Not applicable to former Chapleau PUC customers) - effective until June 30, 2025 (see Note 13)	$/kWh	(0.0045)
Rate Rider for Disposition of Capacity Based Recovery Account (2024) (Not applicable to former Chapleau PUC customers) - effective until June 30, 2025 (Applicable only for Non-WMP Class B Customers)	$/kWh	(0.0006)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2025) (Not applicable to former Chapleau PUC customers) - effective until December 31, 2025 - Approved on an Interim Basis	$/kWh	(0.0030)
Rate Rider for Disposition of Capacity Based Recovery Account (2025) (Not applicable to former Chapleau PUC customers) - effective until December 31, 2025 (Applicable only for Non-WMP Class B Customers) - Approved on an Interim Basis	$/kWh	0.0001
Rate Rider for Disposition of Global Adjustment Account (2024) (Applicable to former Chapleau PUC customers only) - effective until April 30, 2025 (see Note 13)	$/kWh	0.0027
Rate Rider for Disposition of Deferral/Variance Accounts (2024) (Applicable to former Chapleau PUC customers only) - effective until April 30, 2025	$/kWh	0.0023
Retail Transmission Rate - Network Service Rate (see Note 4)	$/kWh	0.0128
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Note 5)	$/kWh	0.0092

**The rates set out above do not reflect the impact of the Distribution Rate Protection program on R1 customers per Ontario Regulation 198/17.

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	$/kWh	0.0015
Standard Supply Service - Administrative Charge (if applicable)	$	0.25

Hydro One Networks Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

EB-2024-0032

LOW DENSITY - R2**

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge* - applicable to year-round low-density customers	$	143.96
Service Charge - applicable to Seasonal customers	$	82.64
Smart Metering Entity Charge - effective until December 31, 2027	$	0.42
Distribution Volumetric Rate	$/kWh	0.0121
Rate Rider for Disposition of Group 2 Deferral/Variance Accounts (2023) - effective until December 31, 2025	$	(0.44)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2023) - effective until December 31, 2025	$/kWh	(0.0007)
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until December 31, 2025 (see Note 13)	$/kWh	(0.0009)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2024) - effective until June 30, 2025	$/kWh	0.0012
Rate Rider for Disposition of Account 1595 - effective until June 30, 2025	$/kWh	0.0002
Rate Rider for Disposition of Global Adjustment Account (2024) - effective until June 30, 2025 (see Note 13)	$/kWh	(0.0045)
Rate Rider for Disposition of Capacity Based Recovery Account (2024) - effective until June 30, 2025 (Applicable only for Non-WMP Class B Customers)	$/kWh	(0.0006)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2025) - effective until December 31, 2025 - Approved on an Interim Basis	$/kWh	(0.0030)
Rate Rider for Disposition of Capacity Based Recovery Account (2025) - effective until December 31, 2025 (Applicable only for Non-WMP Class B Customers) - Approved on an Interim Basis	$/kWh	0.0001
Retail Transmission Rate - Network Service Rate (see Note 4)	$/kWh	0.0118
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Note 5)	$/kWh	0.0086

*Under the Ontario Energy Board Act, 1998 and associated Regulations, every qualifying year-round customer with a principal residence is eligible to receive Rural of Remote Rate Protection (RRRP). The service charge shown for eligible R2 customers will be reduced by the applicable RRRP credit, currently at $60.50.

**The rates set out above do not reflect the impact of the Distribution Rate Protection program on R2 customers per Ontario Regulation 198/17.

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	$/kWh	0.0015
Standard Supply Service - Administrative Charge (if applicable)	$	0.25

Hydro One Networks Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

EB-2024-0032

GENERAL SERVICE CLASSIFICATIONS - HYDRO ONE NETWORKS INC. SERVICE AREA

These classifications apply to properties located in Hydro One Networks Inc.'s service area, which excludes former Norfolk Power Distribution Inc., Haldimand County Hydro Inc. and Woodstock Hydro Services Inc.'s service areas with one exception - Sub-Transmission (ST). The ST rate class applies to properties located in Hydro One Networks Inc. service area as well as former Norfolk Power Distribution Inc., Haldimand County Hydro Inc. and Woodstock Hydro Service Inc.'s service areas. General Service classification applies to any service that does not fit the description of residential classes. It includes combination type services where a variety of uses are made of the service by the owner of one property, and all multiple services except residential. 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

Hydro One Networks' General Service area is sub-divided into two density zones according to the following:

- Urban Density Zone is defined as areas containing 3,000 or more customers with a line density of at least 60 customers per circuit kilometer.
- Non-Urban Density Zone is defined as areas other than Urban Density Zone.

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 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.

Hydro One Networks Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

EB-2024-0032

URBAN GENERAL SERVICE ENERGY BILLED - UGe

This classification applies to a non-residential account located in an Urban Density Zone whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	$	25.51
Smart Metering Entity Charge - effective until December 31, 2027	$	0.42
Distribution Volumetric Rate	$/kWh	0.0370
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2023) - effective until December 31, 2025	$/kWh	(0.0007)
Rate Rider for Disposition of Group 2 Deferral/Variance Accounts (2023) - effective until December 31, 2025	$/kWh	(0.0001)
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until December 31, 2025 (see Note 13)	$/kWh	(0.0009)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2024) - effective until June 30, 2025	$/kWh	0.0014
Rate Rider for Disposition of Account 1595 - effective until June 30, 2025	$/kWh	0.0004
Rate Rider for Disposition of Global Adjustment Account (2024) - effective until June 30, 2025 (see Note 13)	$/kWh	(0.0045)
Rate Rider for Disposition of Capacity Based Recovery Account (2024) - effective until June 30, 2025 (Applicable only for Non-WMP Class B Customers)	$/kWh	(0.0006)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2025) - effective until December 31, 2025 - Approved on an Interim Basis	$/kWh	(0.0029)
Rate Rider for Disposition of Capacity Based Recovery Account (2025) - effective until December 31, 2025 (Applicable only for Non-WMP Class B Customers) - Approved on an Interim Basis	$/kWh	0.0001
Retail Transmission Rate - Network Service Rate (see Note 4)	$/kWh	0.0108
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Note 5)	$/kWh	0.0083

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	$/kWh	0.0015
Standard Supply Service - Administrative Charge (if applicable)	$	0.25

Hydro One Networks Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

EB-2024-0032

GENERAL SERVICE ENERGY BILLED - GSe

This classification applies to a non-residential account not located in an Urban Density Zone whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	$	32.78
Smart Metering Entity Charge - effective until December 31, 2027	$	0.42
Distribution Volumetric Rate	$/kWh	0.0768
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2023) (Not applicable to former Chapleau PUC customers) - effective until December 31, 2025	$/kWh	(0.0007)
Rate Rider for Disposition of Group 2 Deferral/Variance Accounts (2023) (Not applicable to former Chapleau PUC customers) - effective until December 31, 2025	$/kWh	(0.0003)
Rate Rider for Disposition of Global Adjustment Account (2023) (Not applicable to former Chapleau PUC customers) - effective until December 31, 2025 (see Note 13)	$/kWh	(0.0009)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2024) (Not applicable to former Chapleau PUC customers) - effective until June 30, 2025	$/kWh	0.0014
Rate Rider for Disposition of Account 1595 (Not applicable to former Chapleau PUC customers) - effective until June 30, 2025	$/kWh	0.0004
Rate Rider for Disposition of Global Adjustment Account (2024) (Not applicable to former Chapleau PUC customers) - effective until June 30, 2025 (see Note 13)	$/kWh	(0.0045)
Rate Rider for Disposition of Capacity Based Recovery Account (2024) (Not applicable to former Chapleau PUC customers) - effective until June 30, 2025 (Applicable only for Non-WMP Class B Customers)	$/kWh	(0.0006)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2025) (Not applicable to former Chapleau PUC customers) - effective until December 31, 2025 - Approved on an Interim Basis	$/kWh	(0.0029)
Rate Rider for Disposition of Capacity Based Recovery Account (2025) (Not applicable to former Chapleau PUC customers) - effective until December 31, 2025 (Applicable only for Non-WMP Class B Customers) - Approved on an Interim Basis	$/kWh	0.0001
Rate Rider for Disposition of Global Adjustment Account (2024) (Applicable to former Chapleau PUC customers only) - effective until April 30, 2025 (see Note 13)	$/kWh	0.0027
Rate Rider for Disposition of Deferral/Variance Accounts (2024) (Applicable to former Chapleau PUC customers only) - effective until April 30, 2025	$/kWh	0.0024
Retail Transmission Rate - Network Service Rate (see Note 4)	$/kWh	0.0101
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Note 5)	$/kWh	0.0078

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	$/kWh	0.0015
Standard Supply Service - Administrative Charge (if applicable)	$	0.25

Hydro One Networks Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

EB-2024-0032

URBAN GENERAL SERVICE DEMAND BILLED - UGd

This classification applies to a non-residential account located in an Urban Density Zone whose average monthly maximum demand is equal to or greater than, or is forecast to be equal to or greater than, 50 kW. Hydro One establishes billing determinants for demand customers' Distribution charges at the greater of 100 per cent of kW and 90 per cent of kVA where kVA metering is installed. When a customer's power factor is known to be less than 90 per cent, a kVA meter of equivalent electronic meter shall be used for measuring and billing.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	$	96.47
Distribution Volumetric Rate	$/kW	12.4416
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (General) (2023) - effective until December 31, 2025 (see Note 9)	$/kW	(0.1053)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (Non-WMP) (2023) - effective until December 31, 2025 (see Note 10)	$/kW	(0.1473)
Rate Rider for Disposition of Group 2 Deferral/Variance Accounts (2023) - effective until December 31, 2025	$/kW	(0.0421)
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until December 31, 2025 (see Note 13)	$/kWh	(0.0009)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (General) (2024) - effective until June 30, 2025 (see Note 9)	$/kW	0.3216
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (Non-WMP) (2024) - effective until June 30, 2025 (see Note 10)	$/kW	0.2661
Rate Rider for Disposition of Account 1595 - effective until June 30, 2025	$/kW	0.3413
Rate Rider for Disposition of Global Adjustment Account (2024) - effective until June 30, 2025 (see Note 13)	$/kWh	(0.0045)
Rate Rider for Disposition of Capacity Based Recovery Account (2024) - effective until June 30, 2025 (Applicable only for Non-WMP Class B Customers)	$/kW	(0.2159)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2025) - effective until December 31, 2025 - Approved on an Interim Basis	$/kW	(0.4048)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (Non-WMP) (2025) - effective until December 31, 2025 (see Note 10) - Approved on an Interim Basis	$/kW	(0.6949)
Rate Rider for Disposition of Capacity Based Recovery Account (2025) - effective until December 31, 2025 (Applicable only for Non-WMP Class B Customers) - Approved on an Interim Basis	$/kW	0.0212
Retail Transmission Rate - Network Service Rate (see Note 4)	$/kW	3.9828
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Note 5)	$/kW	2.9815

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	$/kWh	0.0015
Standard Supply Service - Administrative Charge (if applicable)	$	0.25

Hydro One Networks Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

EB-2024-0032

GENERAL SERVICE DEMAND BILLED - GSd

This classification applies to a non-residential account not located in an Urban Density Zone whose average monthly maximum demand is equal to or greater than, or is forecast to be equal to or greater than, 50 kW. Hydro One establishes billing determinants for demand customers' Distribution charges at the greater of 100 per cent of kW and 90 per cent of kVA where kVA metering is installed. When a customer's power factor is known to be less than 90 per cent, a kVA meter or other equivalent electronic meter shall be used for measuring and billing.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	$	105.55
Distribution Volumetric Rate	$/kW	21.3987
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (General) (2023) (Not applicable to former Chapleau PUC customers) - effective until December 31, 2025 (see Note 9)	$/kW	(0.0855)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (Non-WMP) (2023) (Not applicable to former Chapleau PUC customers) - effective until December 31, 2025 (see Note 10)	$/kW	(0.1195)
Rate Rider for Disposition of Group 2 Deferral/Variance Accounts (2023) (Not applicable to former Chapleau PUC customers) - effective until December 31, 2025	$/kW	(0.0710)
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until December 31, 2025 (see Note 13)	$/kWh	(0.0009)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (General) (2024) (Not applicable to former Chapleau PUC customers) - effective until June 30, 2025 (see Note 9)	$/kW	0.2611
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (Non-WMP) (2024) (Not applicable to former Chapleau PUC customers) - effective until June 30, 2025 (see Note 10)	$/kW	0.2159
Rate Rider for Disposition of Account 1595 (Not applicable to former Chapleau PUC customers) - effective until June 30, 2025	$/kW	0.3892
Rate Rider for Disposition of Global Adjustment Account (2024) (Not applicable to former Chapleau PUC customers) - effective until June 30, 2025 (see Note 13)	$/kWh	(0.0045)
Rate Rider for Disposition of Capacity Based Recovery Account (2024) (Not applicable to former Chapleau PUC customers) - effective until June 30, 2025 (Applicable only for Non-WMP Class B Customers)	$/kW	(0.1739)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2025) (Not applicable to former Chapleau PUC customers) - effective until December 31, 2025 - Approved on an Interim Basis	$/kW	(0.3279)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (Non-WMP) (2025) (Not applicable to former Chapleau PUC customers) - effective until December 31, 2025 (see Note 10) - Approved on an Interim Basis	$/kW	(0.5624)
Rate Rider for Disposition of Capacity Based Recovery Account (2025) (Not applicable to former Chapleau PUC customers) - effective until December 31, 2025 (Applicable only for Non-WMP Class B Customers) - Approved on an Interim Basis	$/kW	0.0172
Rate Rider for Disposition of Global Adjustment Account (2024) (Applicable to former Chapleau PUC customers only) - effective until April 30, 2025 (see Note 13)	$/kWh	0.0027
Rate Rider for Disposition of Deferral/Variance Accounts (2024) (Applicable to former Chapleau PUC customers only) - effective until April 30, 2025	$/kW	0.6919
Retail Transmission Rate - Network Service Rate (see Note 4)	$/kW	3.0836
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Note 5)	$/kW	2.3487

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	$/kWh	0.0015
Standard Supply Service - Administrative Charge (if applicable)	$	0.25

Hydro One Networks Inc.

TARIFF OF RATES AND CHARGES

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DISTRIBUTED GENERATION - DGen

This classification applies to an embedded retail generation facility connected to the distribution system that is not classified as MicroFIT generation. Hydro One establishes billing determinants for demand customers' Distribution charges at the greater of 100 per cent of kW and 90 per cent of kVA where kVA metering is installed. When a customer's power factor is known to be less than 90 per cent, a kVA meter or other equivalent electronic meter shall be used for measuring and billing. Class A and Class B consumers are defined in accordance with O. Reg. 429/04.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	$	199.26
Distribution Volumetric Rate	$/kW	14.1138
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (General) (2023) - effective until December 31, 2025 (see Note 9)	$/kW	(0.0394)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (Non-WMP) (2023) - effective until December 31, 2025 (see Note 10)	$/kW	(0.0565)
Rate Rider for Disposition of Group 2 Deferral/Variance Accounts (2023) - effective until December 31, 2025	$/kW	(0.0930)
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until December 31, 2025 (see Note 13)	$/kWh	(0.0009)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (General) (2024) - effective until June 30, 2025 (see Note 9)	$/kW	0.1204
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (Non-WMP) (2024) - effective until June 30, 2025 (see Note 10)	$/kW	0.1020
Rate Rider for Disposition of Account 1595 - effective until June 30, 2025	$/kW	0.1744
Rate Rider for Disposition of Global Adjustment Account (2024) - effective until June 30, 2025 (see Note 13)	$/kWh	(0.0045)
Rate Rider for Disposition of Capacity Based Recovery Account (2024) - effective until June 30, 2025 (Applicable only for Non-WMP Class B Customers)	$/kW	(0.0822)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2025) - effective until December 31, 2025 - Approved on an Interim Basis	$/kW	(0.1512)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (Non-WMP) (2025) - effective until December 31, 2025 (see Note 10) - Approved on an Interim Basis	$/kW	(0.2668)
Rate Rider for Disposition of Capacity Based Recovery Account (2025) - effective until December 31, 2025 (Applicable only for Non-WMP Class B Customers) - Approved on an Interim Basis	$/kW	0.0082
Retail Transmission Rate - Network Service Rate (see Note 4)	$/kW	1.6923
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Note 5)	$/kW	1.0078

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	$/kWh	0.0015
Standard Supply Service - Administrative Charge (if applicable)	$	0.25

Hydro One Networks Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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SUB TRANSMISSION - ST

This classification applies to either:

- Embedded supply to Local Distribution Companies (LDCs). "Embedded" meaning receiving supply via Hydro One Distribution assets, and where Hydro One is the host distributor to the embedded LDC. Situations where the LDC is supplied via Specific Facilities are included. OR
- Load which:
  - is three-phase; and
  - is connected to and supplied from Hydro One Distribution assets between 44 kV and 13.8 kV inclusive, where 44 kV and 13.8 kV are the voltage of the primary side of the local transformer; local transformer can be Hydro One-owned or customer-owned; and
  - is greater than 500 kW (monthly measured maximum demand averaged over the most recent calendar year or whose forecasted monthly average demand over twelve consecutive months is greater than 500 kW).

Hydro One establishes billing determinants for demand customers' Distribution charges at the greater of 100 per cent of kW and 90 per cent of kVA where kVA metering is installed. When a customer's power factor is known to be less than 90 per cent, a kVA meter or other equivalent electronic meter shall be used for measuring and billing.

Class A and Class B consumers are defined in accordance with O. Reg. 429/04.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	$	824.28
Meter Charge (for Hydro One ownership) (see Note 11)	$	417.59
Local Transformation Charge (per transformer) (see Note 15)	$	200.00
Facility Charge for connection to Common ST Lines (44 kV to 13.8 kV) (see Notes 1, 8 and 14)	$/kW	1.7096
Facility Charge for connection to Specific ST Lines (44 kV to 13.8 kV) (see Note 2)	$/km	677.8885
Facility Charge for connection to high-voltage (> 13.8 kV secondary) delivery High Voltage Distribution Station (see Notes 1 and 14)	$/kW	3.6080
Facility Charge for connection to low-voltage (< 13.8 kV secondary) delivery High Voltage Distribution Station (see Notes 1 and 14)	$/kW	5.7196
Facility Charge for connection to low-voltage (< 13.8 kV secondary) Low Voltage Distribution Station (see Notes 3 and 14)	$/kW	2.1116
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (General) (2023) - effective until December 31, 2025 (see Notes 1 and 9)	$/kW	(0.1340)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (Non-WMP) (2023) - effective until December 31, 2025 (see Notes 1 and 10)	$/kW	(0.1880)
Rate Rider for Disposition of Group 2 Deferral/Variance Accounts (2023) (Applicable to Hydro One legacy customers only) - effective until December 31, 2025 (see Notes 1 and 16)	$/kW	(0.0072)
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until December 31, 2025 (see Note 13)	$/kWh	(0.0009)
Rate Rider for Disposition of Account 1595 (former Woodstock GS >1,000kW Customers only) - effective until December 31, 2025 (see Note 1)	$/kW	0.0277
Rate Rider for Disposition of Account 1595 (former Woodstock GS 50-999kW Customers only) - effective until December 31, 2025 (see Note 1)	$/kW	0.0327
Rate Rider for Disposition of Account 1595 (former Norfolk GS 50-4,999kW Customers only) - effective until December 31, 2025 (see Note 1)	$/kW	0.0327
Rate Rider for Disposition of Account 1592 (former Norfolk GS 50-4,999kW Customers only) - effective until December 31, 2025 (see Note 1)	$/kW	(0.0618)
Rate Rider for Disposition of Account 1592 (former Halidmand GS 50-4,999kW Customers only) - effective until December 31, 2025 (see Note 1)	$/kW	(0.0603)

Hydro One Networks Inc.

TARIFF OF RATES AND CHARGES

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Rate Rider for Disposition of Account 1592 (former Woodstock GS 50-999kW Customers only) - effective until December 31, 2025 (see Note 1)	$/kW	(0.0392)
Rate Rider for Disposition of Account 1592 (former Woodstock GS >1,000kW Customers only) - effective until December 31, 2025 (see Note 1)	$/kW	(0.0438)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (General) (2024) - effective until June 30, 2025 (see Notes 1 and 9)	$/kW	0.4094
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (Non-WMP) (2024) - effective until June 30, 2025 (see Notes 1 and 10)	$/kW	0.3400
Rate Rider for Disposition of Account 1595 (Applicable to Hydro One legacy customers only) - effective until June 30, 2025 (see Notes 1 and 16)	$/kW	(0.0241)
Rate Rider for Disposition of Global Adjustment Account (2024) - effective until June 30, 2025 (see Note 13)	$/kWh	(0.0045)
Rate Rider for Disposition of Capacity Based Recovery Account (2024) - effective until June 30, 2025 (Applicable only for Non-WMP Class B Customers)	$/kW	(0.2481)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2025) - effective until December 31, 2025 - Approved on an Interim Basis	$/kW	(0.5141)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (Non-WMP) (2025) - effective until December 31, 2025 (see Note 10) - Approved on an Interim Basis	$/kW	(0.8857)
Rate Rider for Disposition of Capacity Based Recovery Account (2025) - effective until December 31, 2025 (Applicable only for Non-WMP Class B Customers) - Approved on an Interim Basis	$/kW	0.0122
Retail Transmission Service Rates (see Notes 6 and 7)		
Retail Transmission Rate - Network Service Rate (see Note 4)	$/kW	5.3280
Retail Transmission Rate - Line Connection Service Rate (see Note 5)	$/kW	0.6882
Retail Transmission Rate - Transformation Connection Service Rate (see Note 5)	$/kW	3.4894

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	$/kWh	0.0015
Standard Supply Service - Administrative Charge (if applicable)	$	0.25

Hydro One Networks Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

EB-2024-0032

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification applies to properties located in Hydro One Networks Inc. service area as well as former Norfolk Power Distribution Inc., Haldimand County Hydro Inc. and Woodstock Hydro Services Inc.'s service areas. Unmetered Scattered Load classification applies to an account taking electricity at 750 volts or less whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. The amount of electricity consumed by unmetered connections will be based on detailed information/documentation provided by the device's manufacturer and will be agreed to by Hydro One and the customer and may be subject to periodic monitoring of actual consumption. Eligible unmetered loads include cable TV amplifiers, bus shelters, telephone booths, railway crossings and other small fixed loads. 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	$	38.29
Distribution Volumetric Rate	$/kWh	0.0337
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2023) (Not applicable to former Chapleau PUC customers) - effective until December 31, 2025	$/kWh	(0.0007)
Rate Rider for Disposition of Group 2 Deferral/Variance Accounts (2023) (Applicable to Hydro One legacy customers only) - effective until December 31, 2025 (see Note 16)	$/kWh	(0.0003)
Rate Rider for Disposition of Global Adjustment Account (2023) (Not applicable to former Chapleau PUC customers) - effective until December 31, 2025 (see Note 13)	$/kWh	(0.0009)
Rate Rider for Disposition of Account 1595 (Applicable to former Woodstock USL customers only) - effective until December 31, 2025	$/kWh	(0.0002)
Rate Rider for Disposition of Account 1595 (Applicable to former Norfolk USL customers only) - effective until December 31, 2025	$/kWh	(0.0007)
Rate Rider for Disposition of Account 1592 (Applicable to former Norfolk USL customers only) - effective until December 31, 2025	$/kWh	(0.0008)
Rate Rider for Disposition of Account 1592 (Applicable to former Haldimand USL customers only) - effective until December 31, 2025	$/kWh	(0.0007)
Rate Rider for Disposition of Account 1592 (Applicable to former Woodstock USL customers only) - effective until December 31, 2025	$/kWh	(0.0003)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2024) (Not applicable to former Chapleau PUC customers) - effective until June 30, 2025	$/kWh	0.0015
Rate Rider for Disposition of Account 1595 (Applicable to Hydro One legacy customers only) - effective until June 30, 2025 (see Note 16)	$/kWh	0.0002

Hydro One Networks Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

		EB-2024-0032
Rate Rider for Disposition of Global Adjustment Account (2024) (Not applicable to former Chapleau PUC customers) - effective until June 30, 2025 (see Note 13)	$/kWh	(0.0045)
Rate Rider for Disposition of Capacity Based Recovery Account (2024) (Not applicable to former Chapleau PUC customers) - effective until June 30, 2025 (Applicable only for Non-WMP Class B Customers)	$/kWh	(0.0006)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2025) (Not applicable to former Chapleau PUC customers) - effective until December 31, 2025 - Approved on an Interim Basis	$/kWh	(0.0029)
Rate Rider for Disposition of Capacity Based Recovery Account (2025) (Not applicable to former Chapleau PUC customers) - effective until December 31, 2025 (Applicable only for Non-WMP Class B Customers) - Approved on an Interim Basis	$/kWh	0.0001
Rate Rider for Disposition of Deferral/Variance Accounts (2024) (Applicable to former Chapleau PUC customers only) - effective until April 30, 2025	$/kWh	0.0025
Retail Transmission Rate - Network Service Rate (see Note 4)	$/kWh	0.0085
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Note 5)	$/kWh	0.0062

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	$/kWh	0.0015
Standard Supply Service - Administrative Charge (if applicable)	$	0.25

Hydro One Networks Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

EB-2024-0032

SENTINEL LIGHTING SERVICE CLASSIFICATION

This classification is applicable to all Hydro One Networks' customers, including customers in former Norfolk Power Distribution Inc. and Haldimand County Hydro Inc. service areas who have separate service to a sentinel light. The energy consumption for sentinel lights is estimated based on Networks' profile for sentinel lighting load, which provides the amount of time each month that the sentinel lights are operating. Class B consumers are defined in accordance to 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, in should be noted that 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	$	3.37
Distribution Volumetric Rate	$/kWh	0.1901
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2023) (Not applicable to former Chapleau PUC customers) - effective until December 31, 2025	$/kWh	(0.0007)
Rate Rider for Disposition of Group 2 Deferral/Variance Accounts (2023) (Applicable to Hydro One legacy customers only) - effective until December 31, 2025 (see Note 16)	$/kWh	(0.0005)
Rate Rider for Disposition of Global Adjustment Account (2023) (Not applicable to former Chapleau PUC customers) - effective until December 31, 2025 (see Note 13)	$/kWh	(0.0009)
Rate Rider for Disposition of Account 1595 (Applicable to former Norfolk Sentinel Light customers only) - effective until December 31, 2025	$/kWh	(0.0005)
Rate Rider for Disposition of Account 1592 (Applicable to former Norfolk Sentinel Light customers only) - effective until December 31, 2025	$/kWh	(0.0018)
Rate Rider for Disposition of Account 1592 (Applicable to former Haldimand Sentinel Light customers only) - effective until December 31, 2025	$/kWh	(0.0055)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2024) (Not applicable to former Chapleau PUC customers) - effective until June 30, 2025	$/kWh	0.0015
Rate Rider for Disposition of Account 1595 (Applicable to Hydro One legacy customers only) - effective until June 30, 2025 (see Note 16)	$/kWh	0.0003
Rate Rider for Disposition of Global Adjustment Account (2024) (Not applicable to former Chapleau PUC customers) - effective until June 30, 2025 (see Note 13)	$/kWh	(0.0045)
Rate Rider for Disposition of Capacity Based Recovery Account (2024) (Not applicable to former Chapleau PUC customers) - effective until June 30, 2025 (Applicable only for Non-WMP Class B Customers)	$/kWh	(0.0006)

Hydro One Networks Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

		EB-2024-0032
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2025) (Not applicable to former Chapleau PUC customers) - effective until December 31, 2025 - Approved on an Interim Basis	$/kWh	(0.0029)
Rate Rider for Disposition of Capacity Based Recovery Account (2025) (Not applicable to former Chapleau PUC customers) - effective until December 31, 2025 (Applicable only for Non-WMP Class B Customers) - Approved on an Interim Basis	$/kWh	0.0001
Rate Rider for Disposition of Global Adjustment Account (2024) (Applicable to former Chapleau PUC customers only) - effective until April 30, 2025 (see Note 13)	$/kWh	0.0027
Rate Rider for Disposition of Deferral/Variance Accounts (2024) (Applicable to former Chapleau PUC customers only) - effective until April 30, 2025	$/kWh	0.0025
Retail Transmission Rate - Network Service Rate (see Note 4)	$/kWh	0.0074
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Note 5)	$/kWh	0.0057

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	$/kWh	0.0015
Standard Supply Service - Administrative Charge (if applicable)	$	0.25

Hydro One Networks Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

EB-2024-0032

STREET LIGHTING SERVICE CLASSIFICATION

This classification is applicable to all Hydro One Networks' customers, including customers in former Norfolk Power Distribution Inc., Haldimand County Hydro Inc. and Woodstock Hydro Services Inc.'s service areas, who have streetlights, which are devices owned by or operated for a road authority and/or municipal corporation. The energy consumption for street lights is estimated based on Networks' profile for street lighting load, which provides the amount of time each month that the street lights are operating. 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, it should be noted that 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	$	3.31
Distribution Volumetric Rate	$/kWh	0.1235
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2023) (Not applicable to former Chapleau PUC customers) - effective until December 31, 2025	$/kWh	(0.0007)
Rate Rider for Disposition of Group 2 Deferral/Variance Accounts (2023) (Applicable to Hydro One legacy customers only) - effective until December 31, 2025 (see Note 16)	$/kWh	(0.0004)
Rate Rider for Disposition of Global Adjustment Account (2023) (Not applicable to former Chapleau PUC customers) - effective until December 31, 2025 (see Note 13)	$/kWh	(0.0009)
Rate Rider for Disposition of Account 1595 (Applicable to former Woodstock Street Light customers only) - effective until December 31, 2025	$/kWh	0.0001
Rate Rider for Disposition of Account 1595 (Applicable to former Norfolk Street Light customers only) - effective until December 31, 2025	$/kWh	(0.0004)
Rate Rider for Disposition of Account 1592 (Applicable to former Norfolk Street Light customers only) - effective until December 31, 2025	$/kWh	(0.0011)
Rate Rider for Disposition of Account 1592 (Applicable to former Haldimand Street Light customers only) - effective until December 31, 2025	$/kWh	(0.0028)
Rate Rider for Disposition of Account 1592 (Applicable to former Woodstock Street Light customers only) - effective until December 31, 2025	$/kWh	(0.0013)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2024) (Not applicable to former Chapleau PUC customers) - effective until June 30, 2025	$/kWh	0.0015
Rate Rider for Disposition of Account 1595 (Applicable to Hydro One legacy customers only) - effective until June 30, 2025 (see Note 16)	$/kWh	0.0010
Rate Rider for Disposition of Global Adjustment Account (2024) (Not applicable to former Chapleau PUC customers) - effective until June 30, 2025 (see Note 13)	$/kWh	(0.0045)

Hydro One Networks Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

		EB-2024-0032
Rate Rider for Disposition of Capacity Based Recovery Account (2024) (Not applicable to former Chapleau PUC customers) - effective until June 30, 2025 (Applicable only for Non-WMP Class B Customers)	$/kWh	(0.0006)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2025) (Not applicable to former Chapleau PUC customers) - effective until December 31, 2025 - Approved on an Interim Basis	$/kWh	(0.0029)
Rate Rider for Disposition of Capacity Based Recovery Account (2025) (Not applicable to former Chapleau PUC customers) - effective until December 31, 2025 (Applicable only for Non-WMP Class B Customers) - Approved on an Interim Basis	$/kWh	0.0001
Rate Rider for Disposition of Deferral/Variance Accounts (2024) (Applicable to former Chapleau PUC customers only) - effective until April 30, 2025	$/kWh	0.0025
Retail Transmission Rate - Network Service Rate (see Note 4)	$/kWh	0.0074
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Note 5)	$/kWh	0.0057

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	$/kWh	0.0015
Standard Supply Service - Administrative Charge (if applicable)	$	0.25

Hydro One Networks Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

EB-2024-0032

ACQUIRED RESIDENTIAL SERVICE CLASSIFICATIONS

These classifications apply to Residential and Seasonal properties in the service areas of former Norfolk Power, Haldimand county Hydro, and Woodstock Hydro, which are utilities acquired by Hydro One Networks after 2013. It may include additional buildings served through the same meter, provided they are not rental income units. 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.

ACQUIRED URBAN DENSITY - AUR

This classification applies to residential accounts in acquired service areas (after 2013) with urban density and currently includes customers in the former Woodstock Hydro Services Inc.'s service area.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	$	34.36
Smart Metering Entity Charge - effective until December 31, 2027	$	0.42
Rate Rider for Disposition of Account 1592 - effective until December 31, 2025	$	(0.40)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2023) - effective until December 31, 2025	$/kWh	(0.0007)
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until December 31, 2025 (see Note 13)	$/kWh	(0.0009)
Rate Rider for Disposition of Account 1595 - effective until December 31, 2025	$/kWh	(0.0002)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2024) - effective until June 30, 2025	$/kWh	0.0011
Rate Rider for Disposition of Global Adjustment Account (2024) - effective until June 30, 2025 (see Note 13)	$/kWh	(0.0045)
Rate Rider for Disposition of Capacity Based Recovery Account (2024) - effective until June 30, 2025 (Applicable only for Non-WMP Class B Customers)	$/kWh	(0.0006)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2025) - effective until December 31, 2025 - Approved on an Interim Basis	$/kWh	(0.0031)
Rate Rider for Disposition of Capacity Based Recovery Account (2025) - effective until December 31, 2025 (Applicable only for Non-WMP Class B Customers) - Approved on an Interim Basis	$/kWh	0.0001
Retail Transmission Rate - Network Service Rate (see Note 4)	$/kWh	0.0141
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Note 5)	$/kWh	0.0101

Hydro One Networks Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

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MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	$/kWh	0.0015
Standard Supply Service - Administrative Charge (if applicable)	$	0.25

Hydro One Networks Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

EB-2024-0032

ACQUIRED MIXED DENSITY - AR

This classification applies to residential accounts in acquired service areas (after 2013) with mixed-density (that is, combination of Urban, Medium and Low density areas) and currently includes customers in the former Norfolk Power Distribution Inc. and Haldimand County Hydro Inc.'s service territories.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	$	41.71
Smart Metering Entity Charge - effective until December 31, 2027	$	0.42
Rate Rider for Disposition of Account 1592 (Applicable to former Norfolk Residential customers only) - effective until December 31, 2025	$	(0.43)
Rate Rider for Disposition of Account 1592 (Applicable to former Haldimand Residential customers only) - effective until December 31, 2025	$	(0.46)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2023) - effective until December 31, 2025	$/kWh	(0.0007)
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until December 31, 2025 (see Note 13)	$/kWh	(0.0009)
Rate Rider for Disposition of Account 1595 (Applicable to former Norfolk Residential customers only) - effective until December 31, 2025	$/kWh	(0.0001)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2024) - effective until June 30, 2025	$/kWh	0.0011
Rate Rider for Disposition of Global Adjustment Account (2024) - effective until June 30, 2025 (see Note 13)	$/kWh	(0.0045)
Rate Rider for Disposition of Capacity Based Recovery Account (2024) - effective until June 30, 2025 (Applicable only for Non-WMP Class B Customers)	$/kWh	(0.0006)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2025) - effective until December 31, 2025 - Approved on an Interim Basis	$/kWh	(0.0031)
Rate Rider for Disposition of Capacity Based Recovery Account (2025) - effective until December 31, 2025 (Applicable only for Non-WMP Class B Customers) - Approved on an Interim Basis	$/kWh	0.0001
Retail Transmission Rate - Network Service Rate (see Note 4)	$/kWh	0.0135
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Note 5)	$/kWh	0.0098

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	$/kWh	0.0015
Standard Supply Service - Administrative Charge (if applicable)	$	0.25

Hydro One Networks Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

EB-2024-0032

ACQUIRED GENERAL SERVICE CLASSIFICATIONS

Acquired General Service classification applies to any service that does not fit the description of acquired residential classes. It includes combination type services where a variety of uses are made of the service by the owner of one property, and all multiple services except residential. 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 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.

Hydro One Networks Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

EB-2024-0032

ACQUIRED URBAN DENSITY GENERAL SERVICE ENERGY BILLED - AUGE

This classification applies to non-residential accounts in acquired service areas (after 2013) with urban density and currently includes customers located in former Woodstock Hydro Services Inc's service territory, whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	$	26.36
Smart Metering Entity Charge - effective until December 31, 2027	$	0.42
Distribution Volumetric Rate	$/kWh	0.0176
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2023) - effective until December 31, 2025	$/kWh	(0.0007)
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until December 31, 2025 (see Note 13)	$/kWh	(0.0009)
Rate Rider for Disposition of Account 1595 - effective until December 31, 2025	$/kWh	(0.0002)
Rate Rider for Disposition of Account 1592 - effective until December 31, 2025	$/kWh	(0.0003)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2024) - effective until June 30, 2025	$/kWh	0.0014
Rate Rider for Disposition of Global Adjustment Account (2024) - effective until June 30, 2025 (see Note 13)	$/kWh	(0.0045)
Rate Rider for Disposition of Capacity Based Recovery Account (2024) - effective until June 30, 2025 (Applicable only for Non-WMP Class B Customers)	$/kWh	(0.0006)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2025) - effective until December 31, 2025 - Approved on an Interim Basis	$/kWh	(0.0029)
Rate Rider for Disposition of Capacity Based Recovery Account (2025) - effective until December 31, 2025 (Applicable only for Non-WMP Class B Customers) - Approved on an Interim Basis	$/kWh	0.0001
Retail Transmission Rate - Network Service Rate (see Note 4)	$/kWh	0.0109
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Note 5)	$/kWh	0.0082

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	$/kWh	0.0015
Standard Supply Service - Administrative Charge (if applicable)	$	0.25

Hydro One Networks Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

EB-2024-0032

ACQUIRED MIXED DENSITY GENERAL SERVICE ENERGY BILLED - AGSE

This classification applies to non-residential accounts in acquired service areas (after 2013) with mixed-density (that is, combination of Urban, Medium and Low density areas) and currently includes customers located in former Norfolk Power Distribution Inc. and Haldimand County Hydro Inc.'s service territories, whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	$	39.96
Smart Metering Entity Charge - effective until December 31, 2027	$	0.42
Distribution Volumetric Rate	$/kWh	0.0216
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2023) - effective until December 31, 2025	$/kWh	(0.0007)
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until December 31, 2025 (see Note 13)	$/kWh	(0.0009)
Rate Rider for Disposition of Account 1595 (Applicable to former Norfolk GS<50kW customers only) - effective until December 31, 2025	$/kWh	(0.0001)
Rate Rider for Disposition of Account 1592 (Applicable to former Norfolk GS<50kW customers only) - effective until December 31, 2025	$/kWh	(0.0004)
Rate Rider for Disposition of Account 1592 (Applicable to former Haldimand GS<50kW customers only) - effective until December 31, 2025	$/kWh	(0.0004)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2024) - effective until June 30, 2025	$/kWh	0.0014
Rate Rider for Disposition of Global Adjustment Account (2024) - effective until June 30, 2025 (see Note 13)	$/kWh	(0.0045)
Rate Rider for Disposition of Capacity Based Recovery Account (2024) - effective until June 30, 2025 (Applicable only for Non-WMP Class B Customers)	$/kWh	(0.0006)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2025) - effective until December 31, 2025 - Approved on an Interim Basis	$/kWh	(0.0029)
Rate Rider for Disposition of Capacity Based Recovery Account (2025) - effective until December 31, 2025 (Applicable only for Non-WMP Class B Customers) - Approved on an Interim Basis	$/kWh	0.0001
Retail Transmission Rate - Network Service Rate (see Note 4)	$/kWh	0.0107
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Note 5)	$/kWh	0.0081

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	$/kWh	0.0015
Standard Supply Service - Administrative Charge (if applicable)	$	0.25

Hydro One Networks Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

EB-2024-0032

ACQUIRED URBAN DENSITY GENERAL SERVICE DEMAND BILLED - AUGD

This classification applies to non-residential accounts in acquired service areas (after 2013) with Urban density and currently includes customers located in former Woodstock Hydro Services Inc.'s service territory and whose average monthly maximum demand is equal to or greater than, or is forecast to be equal to or greater than, 50 kW. Hydro One establishes billing determinants for demand customers' Distribution charges at the greater of 100 per cent of kW and 90 per cent of kVA where kVA metering is installed. When a customer's power factor is known to be less than 90 per cent, a kVA meter of equivalent electronic meter shall be used for measuring and billing.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	$	146.47
Distribution Volumetric Rate	$/kW	3.1817
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (General) (2023) - effective until December 31, 2025 (see Note 9)	$/kW	(0.0972)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (Non-WMP) (2023) - effective until December 31, 2025 (see Note 10)	$/kW	(0.1351)
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until December 31, 2025 (see Note 13)	$/kWh	(0.0009)
Rate Rider for Disposition of Account 1595 - effective until December 31, 2025	$/kW	0.0327
Rate Rider for Disposition of Account 1592 - effective until December 31, 2025	$/kW	(0.0392)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (General) (2024) - effective until June 30, 2025 (see Note 9)	$/kW	0.2969
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (Non-WMP) (2024) - effective until June 30, 2025 (see Note 10)	$/kW	0.2442
Rate Rider for Disposition of Global Adjustment Account (2024) - effective until June 30, 2025 (see Note 13)	$/kWh	(0.0045)
Rate Rider for Disposition of Capacity Based Recovery Account (2024) - effective until June 30, 2025 (Applicable only for Non-WMP Class B Customers)	$/kW	(0.1981)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2025) - effective until December 31, 2025 - Approved on an Interim Basis	$/kW	(0.3728)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (Non-WMP) (2025) - effective until December 31, 2025 (see Note 10) - Approved on an Interim Basis	$/kW	(0.6353)
Rate Rider for Disposition of Capacity Based Recovery Account (2025) - effective until December 31, 2025 (Applicable only for Non-WMP Class B Customers) - Approved on an Interim Basis	$/kW	0.0197
Retail Transmission Rate - Network Service Rate (see Note 4)	$/kW	3.6695
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Note 5)	$/kW	2.7384

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	$/kWh	0.0015
Standard Supply Service - Administrative Charge (if applicable)	$	0.25

Hydro One Networks Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

EB-2024-0032

ACQUIRED MIXED DENSITY GENERAL SERVICE DEMAND BILLED - AGSD

This classification applies to non-residential accounts in acquired service areas (after 2013) with mixed-density (that is, combination of Urban, Medium and Low density areas) and currently includes customers located in former Norfolk Power Distribution Inc. and Haldimand County Hydro Inc.'s service territories and whose average monthly maximum demand is equal to or greater than, or is forecast to be equal to or greater than, 50 kW. Hydro One establishes billing determinants for demand customers' Distribution charges at the greater of 100 per cent of kW and 90 per cent of kVA where kVA metering is installed. When a customer's power factor is known to be less than 90 per cent, a kVA meter of equivalent electronic meter shall be used for measuring and billing.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	$	170.26
Distribution Volumetric Rate	$/kW	5.1350
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (General) (2023) - effective until December 31, 2025 (see Note 9)	$/kW	(0.0980)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (Non-WMP) (2023) - effective until December 31, 2025 (see Note 10)	$/kW	(0.1364)
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until December 31, 2025 (see Note 13)	$/kWh	(0.0009)
Rate Rider for Disposition of Account 1595 (Applicable to former Norfolk GS 50-4,999kW customers only) - effective until December 31, 2025	$/kW	0.0327
Rate Rider for Disposition of Account 1592 (Applicable to former Norfolk GS 50-4,999kW customers only) - effective until December 31, 2025	$/kW	(0.0618)
Rate Rider for Disposition of Account 1592 (Applicable to former Haldimand GS 50-4,999kW customers only) - effective until December 31, 2025	$/kW	(0.0603)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (General) (2024) - effective until June 30, 2025 (see Note 9)	$/kW	0.2995
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (Non-WMP) (2024) - effective until June 30, 2025 (see Note 10)	$/kW	0.2454
Rate Rider for Disposition of Global Adjustment Account (2024) - effective until June 30, 2025 (see Note 13)	$/kWh	(0.0045)
Rate Rider for Disposition of Capacity Based Recovery Account (2024) - effective until June 30, 2025 (Applicable only for Non-WMP Class B Customers)	$/kW	(0.1966)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2025) - effective until December 31, 2025 - Approved on an Interim Basis	$/kW	(0.3761)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (Non-WMP) (2025) - effective until December 31, 2025 (see Note 10) - Approved on an Interim Basis	$/kW	(0.6393)
Rate Rider for Disposition of Capacity Based Recovery Account (2025) - effective until December 31, 2025 (Applicable only for Non-WMP Class B Customers) - Approved on an Interim Basis	$/kW	0.0194
Retail Transmission Rate - Network Service Rate (see Note 4)	$/kW	3.1603
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Note 5)	$/kW	2.4176

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	$/kWh	0.0015
Standard Supply Service - Administrative Charge (if applicable)	$	0.25

Hydro One Networks Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

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microFIT SERVICE CLASSIFICATION

This classification applies to an electricity generation facility, located in Hydro One Networks Inc. service area as well as former Norfolk Power Distribution Inc., Haldimand County Hydro Inc. and Woodstock Hydro Services Inc.'s service areas, contracted under the Independent Electricity System Operator's microFIT program and connected to the distributor's distribution system. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	$	5.00

Hydro One Networks Inc.

TARIFF OF RATES AND CHARGES

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ALLOWANCES

CUSTOMER-SUPPLIED TRANSFORMATION ALLOWANCE

Applicable to customers providing their own transformers and the primary voltage is under 50 kV

Demand Billed - per kW of billing demand/month	$/kW	(0.60)
Energy Billed - per kWh of billing energy/month	$/kWh	(0.0014)

TRANFORMER LOSS ALLOWANCE

Applicable to non-ST customers requiring a billing adjustment for transformer losses as the result of being metered on the primary side of a transformer. The following uniform values shall be applied to measured demand and energy to calculate transformer losses for voltages up to and including 50 kV (as metered on the primary side).

For installations up to and including bank capacity of 400 kVA	%	(1.50)
For bank capacities over 400 kVA	%	(1.00)

Applicable to ST customers requiring a billing adjustment for transformer losses as the result of being metered on the secondary side of a transformer. The uniform value of 1% shall be added to measured demand and energy (as measured on the secondary side) to adjust for transformer losses.

Alternately, transformer losses may be determined from transformer test data, and measured demand and energy adjusted accordingly.

For services which are not demand metered, an assumed demand of 50% of the transformer capacity will be used to calculate the loss allowance. Where several transformers are involved, the bank capacity is assumed to be the arithmetic sum of all transformer capacities.

LOSS FACTORS

Residential - UR	1.057
Residential - R1	1.076
Residential - R2	1.105
General Service - UGe	1.067
General Service - GSe	1.096
General Service - UGd	1.050
General Service - GSd	1.061
Distributed Generation - Dgen	1.061
Unmetered Scattered Load	1.092
Sentinel Lights	1.092
Street Lights	1.092
Acquired Residential - AUR	1.043
Acquired General Service - AUGe	1.043
Acquired General Service - AUGd	1.033
Acquired Residential - AR	1.064
Acquired General Service - AGSe	1.064
Acquired General Service - AGSd	1.053
Sub Transmission - ST	
Distribution Loss Factors	
Embedded Delivery Points (metering at station)	1.000
Embedded Delivery Points (metering away from station)	1.028
Total Loss Factors	
Embedded Delivery Points (metering at station)	1.006
Embedded Delivery Points (metering away from station)	1.034

Hydro One Networks Inc.

TARIFF OF RATES AND CHARGES

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SPECIFIC SERVICE CHARGES

APPLICATION

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

No charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the 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		
Easement letter - letter request	$	92.51
Easement letter - web request	$	25.00
Returned cheque charge	$	7.00
Account set up charge/change of occupancy charge (plus credit agency costs, if applicable)	$	38.00
Special meter reads (retailer requested off-cycle read)	$	90.00
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
Collection - reconnect at meter - during regular hours	$	65.00
Collection - reconnect at meter - after regular hours	$	185.00
Collection - reconnect at pole - during regular hours	$	185.00
Collection - reconnect at pole - after regular hours	$	415.00
Other		
Service call - customer owned equipment - during regular hours	$	210.00*
Service call - customer owned equipment - after regular hours	$	775.00*
Specific charge for access to power poles - telecom	$	39.14
Reconnect completed after regular hours (customer/contract driven) - at meter	$	245.00
Reconnect completed after regular hours (customer/contract driven) - at pole	$	475.00
Additional service layout fee - basic/complex (more than one hour)	$	595.20
Pipeline crossings	$	2,499.29
Water crossings	$	3,717.21
Railway crossings	$	$4,965.66 plus Railway Feedthrough Costs
Overhead line staking per meter	$	4.42
Underground line staking per meter	$	3.18
Subcable line staking per meter	$	2.78
Central metering - new service <45 kw	$	100.00

Hydro One Networks Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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		EB-2024-0032
Conversion to central metering <45 kw	$	1,612.75
Conversion to central metering >=45 kw	$	1,512.75
Connection impact assessments - net metering	$	3,329.86
Connection impact assessments - embedded LDC generators	$	2,996.97
Connection impact assessments - small projects <= 500 kw	$	3,405.38
Connection impact assessments - small projects <= 500 kw, simplified	$	2,054.41
Connection impact assessments - greater than capacity allocation exempt projects - capacity allocation required projects	$	9,011.83
Connection impact assessments - greater than capacity allocation exempt projects - TS review for LDC capacity allocation required projects	$	5,969.89
Specific charge for access to power poles - LDC		see below
Specific charge for access to power poles - generators		see below
Specific charge for access to power poles - municipal streetlights	$	2.04
Sentinel light rental charge	$	10.00
Sentinel light pole rental charge	$	7.00

*Base Charge only. Additional work on equipment will be based on actual costs.

Specific Charge for LDCs Access to the Power Poles ($/pole/year)

LDC rate for 10’ of power space	$	90.60
LDC rate for 15’ of power space	$	108.72
LDC rate for 20’ of power space	$	120.80
LDC rate for 25’ of power space	$	129.43
LDC rate for 30’ of power space	$	135.90
LDC rate for 35’ of power space	$	140.93
LDC rate for 40’ of power space	$	144.96
LDC rate for 45’ of power space	$	148.25
LDC rate for 50’ of power space	$	151.00
LDC rate for 55’ of power space	$	153.32
LDC rate for 60’ of power space	$	155.31

Specific Charge for Generator Access to the Power Poles ($/pole/year)

Generator rate for 10’ of power space	$	90.60
Generator rate for 15’ of power space	$	108.72
Generator rate for 20’ of power space	$	120.80
Generator rate for 25’ of power space	$	129.43
Generator rate for 30’ of power space	$	135.90
Generator rate for 35’ of power space	$	140.93
Generator rate for 40’ of power space	$	144.96
Generator rate for 45’ of power space	$	148.25
Generator rate for 50’ of power space	$	151.00
Generator rate for 55’ of power space	$	153.32
Generator rate for 60’ of power space	$	155.31

Hydro One Networks Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

EB-2024-0032

RETAIL SERVICE CHARGES (if applicable)

APPLICATION

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

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

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

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

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	$	1.20
Distributor-consolidated billing monthly charge, per customer, per retailer	$	0.71
Retailer-consolidated billing monthly credit, per customer, per retailer	$	(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

Hydro One Networks Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

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NOTES

1. The basis of the charge is the customer's monthly maximum demand. For an ST customer with multiple delivery points served from the same Transformer Station or High Voltage Distribution Station, the aggregated demand will be the applicable billing determinant. Demand is not aggregated between stations.

2. The basis of the charge is kilometers of line, within the supplied LDC's service area, supplying solely that LDC.

3. The basis of the charge is the "non-coincident demand" at each delivery point of the customer supplied by the station. This is measured as the kW demand at the delivery point at the time in the month of maximum load on the delivery point. For a customer connected through two or more distribution stations, the total charge for the connection to the shared distribution stations is the sum of the relevant charges for each of the distribution stations.

4. The monthly billing determinant for the RTSR Network Service rate is:
   a. For energy-only metered customers: the customer's metered energy consumption adjusted by the total loss factor as approved by the Ontario Energy Board.
   b. For interval-metered customers: the peak demand from 7 AM to 7 PM (local time) on IESO business days in the billing period. The rates shown are to be adjusted by the total loss factor as approved by the Ontario Energy Board.
   c. For non-interval-metered demand billed customers: the non-coincident peak demand in the billing period. The rates shown are to be adjusted by the total loss factor as approved by the Ontario Energy Board.

5. The monthly billing determinant for the RTSR Line and Transformation Connection Service rates:
   a. For energy-only metered customers: the customer's metered energy consumption adjusted by the total loss factor as approved by the Ontario Energy Board.
   b. For all demand billed customers: the non-coincident peak demand in the billing period. The rates shown are to be adjusted by the total loss factor as approved by the Ontario Energy Board.
   c. For customers with load displacement generation above 1 MW, or 2 MW for renewable generation, installed after October 1998, RTSR connection is billed at the gross demand level.

6. Delivery point with respect to RTSR is defined as the low side of the Transformer Station that steps down voltage from above 50 kV to below 50 kV. For customer with multiple interval-metered delivery points served from the same Transformer Station, the aggregated demand at the said delivery points on the low side of the Transformer Station will be the applicable billing determinant.

7. The loss factors, and which connection service rates are applied, are determined based on the point at which the distribution utility or customer is metered for its connection to Hydro One Distribution's system. Hydro One Distribution's connection agreements with these distribution utilities and customers will establish the appropriate loss factors and connection rates to apply from Hydro One Distribution's tariff schedules.

8. The Common ST Lines rate also applies to Distributors which use lines in the 12.5 kV to 4.16 kV range from HVDSs or LVDSs.

9. Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (General) is charged based on appropriate billing kW.

10. Rate Rider for Disposition of Group 1 Deferral/Variance Account (non-WMP) applies to non-WMP Class A or Class B customers.

11. The Meter charge is applied per metering facility at delivery points for which Hydro One owns the metering.

12. The Wholesale Market Service Rate and the Rural or Remote Electricity Rate Protection Charge are applied solely to non-Wholesale Market Participants. For Class A customers, distributors shall bill the actual CBDR costs to Class A customers in proportion to their contribution to peak. These rates pertain to the IESO's defined point of sale; consequently, appropriate loss factors as approved by the Ontario Energy Board must be applied to the customers metered energy.

13. The Global Adjustment rate rider applies to metered energy consumption, as approved by the Ontario Energy Board, for non-LDC, non-RPP and Class B customers that are charged Wholesale Market Service Charges by Hydro One Distribution.

14. For customers with load displacement generation at 1MW or above, or 2MW or above for renewable generation, installed after October 1998, the ST volumetric charges are billed at the gross demand level.

Hydro One Networks Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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15. Local Transformation Charge applies to customers in the ST class who make use of Hydro One owned local transformation facilities.

16. Legacy customers are Hydro One Networks Inc. customers located outside the service areas of former Norfolk Power Distribution Inc., Haldimand County Hydro Inc., Woodstock Hydro Services Inc., Orillia Power Distribution Corporation, Peterborough Distribution Inc. and Chapleau Public Utilities Corporation.

Filed: 2025-08-28
EB-2025-0030
Exhibit A-10-1
Attachment 2
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Hydro One Networks Inc.

Former Orillia Power Distribution Corporation Service Area

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

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RESIDENTIAL SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less where the electricity is used exclusively in a separate metered living accommodation. Customers shall be residing in single-dwelling units that consist of a detached house or one unit of a semi-detached, duplex, triplex or quadruplex house, with a residential zoning. Separately metered dwellings within a town house complex or apartment building also qualify as residential customers. 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	$	27.93
Rate Rider for Smart Meter Incremental Revenue Requirement - in effect until the effective date of the next cost of service-based rate order	$	2.56
Smart Metering Entity Charge - effective until December 31, 2027	$	0.42
Rate Rider for Hydro One Networks' Acquisition Agreement - effective and implementation September 1, 2020 and in effect until August 31, 2025	$	(0.28)
Low Voltage Service Rate	$/kWh	0.0006
Rate Rider for Disposition of Global Adjustment Account (2024) - effective until June 30, 2025 Applicable only for Non-RPP Customers	$/kWh	(0.0092)
Rate Rider for Disposition of Deferral/Variance Accounts (2025) - effective until December 31, 2025 - Approved on an Interim Basis	$/kWh	(0.0105)
Rate Rider for Disposition of Deferral/Variance Accounts (2024) - effective until June 30, 2025	$/kWh	0.0028
Rate Rider for Disposition of Capacity Based Recovery Account (2025) - effective until December 31, 2025 Applicable only for Class B Customers - Approved on an Interim Basis	$/kWh	(0.0002)
Rate Rider for Disposition of Capacity Based Recovery Account (2024) - effective until June 30, 2025 Applicable only for Class B Customers	$/kWh	(0.0004)
Retail Transmission Rate - Network Service Rate	$/kWh	0.0104
Retail Transmission Rate - Line and Transformation Connection Service Rate	$/kWh	0.0077

Hydro One Networks Inc.

Former Orillia Power Distribution Corporation Service Area

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

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

Hydro One Networks Inc.

Former Orillia Power Distribution Corporation Service Area

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification refers to a non residential account taking electricity at 750 volts or less whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW. 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	$	37.42
Rate Rider for Smart Meter Incremental Revenue Requirement - in effect until the effective date of the next cost of service-based rate order	$	7.48
Smart Metering Entity Charge - effective until December 31, 2027	$	0.42
Rate Rider for Hydro One Networks' Acquisition Agreement - effective and implementation September 1, 2020 and in effect until August 31, 2025	$	(0.37)
Distribution Volumetric Rate	$/kWh	0.0165
Rate Rider for Hydro One Networks' Acquisition Agreement - effective and implementation September 1, 2020 and in effect until August 31, 2025	$/kWh	(0.0002)
Low Voltage Service Rate	$/kWh	0.0006
Rate Rider for Disposition of Global Adjustment Account (2024) - effective until June 30, 2025 Applicable only for Non-RPP Customers	$/kWh	(0.0092)
Rate Rider for Disposition of Deferral/Variance Accounts (2025) - effective until December 31, 2025 - Approved on an Interim Basis	$/kWh	(0.0103)
Rate Rider for Disposition of Deferral/Variance Accounts (2024) - effective until June 30, 2025	$/kWh	0.0031
Rate Rider for Disposition of Capacity Based Recovery Account (2025) - effective until December 31, 2025 Applicable only for Class B Customers - Approved on an Interim Basis	$/kWh	(0.0002)
Rate Rider for Disposition of Capacity Based Recovery Account (2024) - effective until June 30, 2025 Applicable only for Class B Customers	$/kWh	(0.0004)
Rate Rider for Disposition of LRAM-Eligible Amount (2025) - effective until December 31, 2025	$/kWh	0.0003
Retail Transmission Rate - Network Service Rate	$/kWh	0.0086
Retail Transmission Rate - Line and Transformation Connection Service Rate	$/kWh	0.0074

Hydro One Networks Inc.

Former Orillia Power Distribution Corporation Service Area

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

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

Hydro One Networks Inc.

Former Orillia Power Distribution Corporation Service Area

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION

This classification applies to a non residential account whose average monthly maximum demand used for billing purposes is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 5,000 kW. 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 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	$	340.60
Rate Rider for Hydro One Networks' Acquisition Agreement - effective and implementation September 1, 2020 and in effect until August 31, 2025	$	(3.41)
Distribution Volumetric Rate	$/kW	3.5825
Rate Rider for Hydro One Networks' Acquisition Agreement - effective and implementation September 1, 2020 and in effect until August 31, 2025	$/kW	(0.0358)
Low Voltage Service Rate	$/kW	0.2230
Rate Rider for Disposition of Global Adjustment Account (2024) - effective until June 30, 2025 Applicable only for Non-RPP Customers	$/kWh	(0.0092)
Rate Rider for Disposition of Deferral/Variance Accounts (2025) - effective until December 31, 2025 Applicable only for Non-Wholesale Market Participants - Approved on an Interim Basis	$/kW	(1.3029)

Hydro One Networks Inc.

Former Orillia Power Distribution Corporation Service Area

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

Rate Rider for Disposition of Deferral/Variance Accounts (2025) - effective until December 31, 2025 - Approved on an Interim Basis	$/kW	(3.2075)
Rate Rider for Disposition of Deferral/Variance Accounts (2024) - effective until June 30, 2025 Applicable only for Non-Wholesale Market Participants	$/kW	1.1194
Rate Rider for Disposition of Deferral/Variance Accounts (2024) - effective until June 30, 2025	$/kW	0.2856
Rate Rider for Disposition of Capacity Based Recovery Account (2025) - effective until December 31, 2025 Applicable only for Class B Customers - Approved on an Interim Basis	$/kW	(0.1030)
Rate Rider for Disposition of Capacity Based Recovery Account (2024) - effective until June 30, 2025 Applicable only for Class B Customers	$/kW	(0.1848)
Rate Rider for Disposition of LRAM-Eligible Amount (2025) - effective until December 31, 2025	$/kW	0.0598
Retail Transmission Rate - Network Service Rate	$/kW	3.8744
Retail Transmission Rate - Line and Transformation Connection Service Rate	$/kW	2.9090

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

Hydro One Networks Inc.

Former Orillia Power Distribution Corporation Service Area

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. Such connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The level of the consumption will be agreed to by the distributor and the customer, based on detailed manufacturer information/documentation with regard to electrical consumption of the unmetered load or periodic monitoring of actual consumption. 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)	$	10.59
Distribution Volumetric Rate	$/kWh	0.0095
Low Voltage Service Rate	$/kWh	0.0006
Rate Rider for Disposition of Global Adjustment Account (2024) - effective until June 30, 2025 Applicable only for Non-RPP Customers	$/kWh	(0.0092)
Rate Rider for Disposition of Deferral/Variance Accounts (2025) - effective until December 31, 2025 - Approved on an Interim Basis	$/kWh	(0.0103)
Rate Rider for Disposition of Deferral/Variance Accounts (2024) - effective until June 30, 2025	$/kWh	0.0032
Rate Rider for Disposition of Capacity Based Recovery Account (2025) - effective until December 31, 2025 Applicable only for Class B Customers - Approved on an Interim Basis	$/kWh	(0.0002)
Rate Rider for Disposition of Capacity Based Recovery Account (2024) - effective until June 30, 2025 Applicable only for Class B Customers	$/kWh	(0.0004)
Retail Transmission Rate - Network Service Rate	$/kWh	0.0086
Retail Transmission Rate - Line and Transformation Connection Service Rate	$/kWh	0.0074

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

Hydro One Networks Inc.

Former Orillia Power Distribution Corporation Service Area

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

SENTINEL LIGHTING SERVICE CLASSIFICATION

This classification refers to accounts that are unmetered lighting load supplied to a sentinel light. 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)	$	3.88
Distribution Volumetric Rate	$/kW	10.1477
Low Voltage Service Rate	$/kW	0.1698

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

Hydro One Networks Inc.

Former Orillia Power Distribution Corporation Service Area

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

STREET LIGHTING SERVICE CLASSIFICATION

This classification applies to an account for roadway lighting with a Municipality, Regional Municipality, Ministry of Transportation and private roadway lighting, controlled by photo cells. The consumption for these customers will be based on the calculated connected load times the required lighting times established in the approved Ontario Energy Board street lighting load shape template. 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)	$	4.56
Distribution Volumetric Rate	$/kW	15.1656
Low Voltage Service Rate	$/kW	0.1663
Rate Rider for Disposition of Global Adjustment Account (2024) - effective until June 30, 2025 Applicable only for Non-RPP Customers	$/kWh	(0.0092)
Rate Rider for Disposition of Deferral/Variance Accounts (2025) - effective until December 31, 2025 - Approved on an Interim Basis	$/kW	(1.2584)
Rate Rider for Disposition of Deferral/Variance Accounts (2024) - effective until June 30, 2025	$/kW	0.3844
Rate Rider for Disposition of Capacity Based Recovery Account (2025) - effective until December 31, 2025 Applicable only for Class B Customers - Approved on an Interim Basis	$/kW	(0.0300)
Rate Rider for Disposition of Capacity Based Recovery Account (2024) - effective until June 30, 2025 Applicable only for Class B Customers	$/kW	(0.0529)
Retail Transmission Rate - Network Service Rate	$/kW	2.8538
Retail Transmission Rate - Line and Transformation Connection Service Rate	$/kW	2.1692

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

Hydro One Networks Inc.

Former Orillia Power Distribution Corporation Service Area

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

STANDBY POWER SERVICE CLASSIFICATION

This classification applies to an account with load displacement facilities that contracts with the distributor to provide emergency standby power when its load displacement facilities are not in operation. The level of billing demand will be agreed to by the distributor and the customer, based on detailed manufacturer information/documentation such as nameplate rating of the load displacement facility. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component - APPROVED ON AN INTERIM BASIS

Distribution Volumetric Rate - $/kW of contracted amount	$/kW	1.0713

Hydro One Networks Inc.

Former Orillia Power Distribution Corporation Service Area

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

microFIT SERVICE CLASSIFICATION

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

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	$	5.00

ALLOWANCES

Transformer Allowance for Ownership - per kW of billing demand/month	$/kW	(0.60)
Primary Metering Allowance for Transformer Losses - applied to measured demand & energy	%	(1.00)

Hydro One Networks Inc.

Former Orillia Power Distribution Corporation Service Area

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

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		
Easement letter - letter request	$	92.51
Easement letter - web request	$	25.00
Returned cheque charge	$	7.00
Account set up charge/change of occupancy charge (plus credit agency costs, if applicable)	$	38.00
Special meter reads (retailer requested off-cycle read)	$	90.00
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% coumpunded daily rate)	%	1.50
Collection - reconnect at meter - during regular hours	$	65.00
Collection - reconnect at meter - after regular hours	$	185.00
Collection - reconnect at pole - during regular hours	$	185.00
Collection - reconnect at pole - after regular hours	$	415.00
Other		
Service call - customer owned equipment - during regular hours	$	210.00*
Service call - customer owned equipment - after regular hours	$	775.00*
Temporary service install & remove - overhead - no transformer	$	Actual Costs
Temporary service install & remove - underground - no transformer	$	Actual Costs
Temporary service install & remove - overhead - with transformer	$	Actual Costs
Specific charge for access to power poles - telecom	$	39.14
Reconnect completed after regular hours (customer/contract driven) - at meter	$	245.00
Reconnect completed after regular hours (customer/contract) driven) - at pole	$	475.00
Additional service layout fee - basic/complex (more than one hour)	$	595.20
Pipeline crossings	$	2,499.29
Water crossings	$	3,717.21
Railway crossings	$	4,965.66 plus Railway Feedthrough costs

Hydro One Networks Inc.

Former Orillia Power Distribution Corporation Service Area

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

Overhead line staking per meter	$	4.42
Underground line staking per meter	$	3.18
Subcable line staking per meter	$	2.78
Central metering - new service <45 kw	$	100.00
Conversion to central metering <45 kw	$	1,612.75
Conversion to central metering >=45 kw	$	1,512.75
Connection impact assessments - net metering	$	3,329.86
Connection impact assessments - embedded LDC generators	$	2,996.97
Connection impact assessments - small projects <= 500 kw	$	3,405.38
Connection impact assessments - small projects <= 500 kw, simplified	$	2,054.41
Connection impact assessments - greater than capacity allocation exempt projects - capacity allocation required projects	$	9,011.83
Connection impact assessments - greater than capacity allocation exempt projects - TS review for LDC capacity allocation required projects	$	5,969.89
Specific charge for access to power poles - LDC		see below
Specific charge for access to power poles - generators		see below
Specific charge for access to power poles - municipal streetlights	$	2.04
Sentinel light rental charge	$	10.00
Sentinel light pole rental charge	$	7.00
*Base Charge only. Additional work on equipment will be based on actual costs		
Specific Charge for LDCs Access to the Power Poles ($/pole/year)		
LDC rate for 10’ of power space	$	90.60
LDC rate for 15’ of power space	$	108.72
LDC rate for 20’ of power space	$	120.80
LDC rate for 25’ of power space	$	129.43
LDC rate for 30’ of power space	$	135.90
LDC rate for 35’ of power space	$	140.93
LDC rate for 40’ of power space	$	144.96
LDC rate for 45’ of power space	$	148.25
LDC rate for 50’ of power space	$	151.00
LDC rate for 55’ of power space	$	153.32
LDC rate for 60’ of power space	$	155.31
Specific Charge for Generator Access to the Power Poles ($/pole/year)		
Generator rate for 10’ of power space	$	90.60
Generator rate for 15’ of power space	$	108.72
Generator rate for 20’ of power space	$	120.80
Generator rate for 25’ of power space	$	129.43
Generator rate for 30’ of power space	$	135.90
Generator rate for 35’ of power space	$	140.93
Generator rate for 40’ of power space	$	144.96
Generator rate for 45’ of power space	$	148.25
Generator rate for 50’ of power space	$	151.00
Generator rate for 55’ of power space	$	153.32
Generator rate for 60’ of power space	$	155.31

Hydro One Networks Inc.

Former Orillia Power Distribution Corporation Service Area

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

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

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	1.0561
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0455

Hydro One Networks Inc.

Former Peterborough Distribution Inc. Service Area

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

EB-2024-0033

RESIDENTIAL SERVICE CLASSIFICATION

Residential class customers are defined as single-family dwelling units for domestic or household purposes. Semi-detached and row town-housing will be considered residential class if each individual unit is located on its own registered freehold lot fronting on the public road allowance. Each unit must have its own individual service connection from the road allowance and each main service disconnect is assessable from the unit which it supplies. All other developments are considered to be in the General Service class. 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	$	22.62
Smart Metering Entity Charge - effective until December 31, 2027	$	0.42
Rate Rider for Hydro One Networks' Acquisition Agreement - in effect until July 31, 2025	$	(0.23)
Low Voltage Service Rate	$/kWh	0.0010
Rate Rider for Disposition of Global Adjustment Account (2024) - effective until June 30, 2025 Applicable only for Non-RPP Customers	$/kWh	(0.0073)
Rate Rider for Disposition of Deferral/Variance Accounts (2025) - effective until December 31, 2025 - Approved on an Interim Basis	$/kWh	(0.0028)
Rate Rider for Disposition of Deferral/Variance Accounts (2024) - effective until June 30, 2025	$/kWh	0.0034
Rate Rider for Disposition of Capacity Based Recovery Account (2024) - effective until June 30, 2025 Applicable only for Class B Customers	$/kWh	(0.0004)
Retail Transmission Rate - Network Service Rate	$/kWh	0.0111
Retail Transmission Rate - Line and Transformation Connection Service Rate	$/kWh	0.0084

Hydro One Networks Inc.

Former Peterborough Distribution Inc. Service Area

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

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

Hydro One Networks Inc.

Former Peterborough Distribution Inc. Service Area

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification applies to a non residential account taking electricity at 750 volts or less whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW. General Service class customers are defined as all buildings not classified as residential. A customer must remain in its customer class for a minimum of twelve (12) months before being reassigned to another class. 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	$	31.36
Smart Metering Entity Charge - effective until December 31, 2027	$	0.42
Rate Rider for Hydro One Networks' Acquisition Agreement - in effect until July 31, 2025	$	(0.31)
Distribution Volumetric Rate	$/kWh	0.0089
Rate Rider for Hydro One Networks' Acquisition Agreement - in effect until July 31, 2025	$/kWh	(0.0001)
Low Voltage Service Rate	$/kWh	0.0009
Rate Rider for Disposition of Global Adjustment Account (2024) - effective until June 30, 2025 Applicable only for Non-RPP Customers	$/kWh	(0.0073)
Rate Rider for Disposition of Deferral/Variance Accounts (2025) - effective until December 31, 2025 - Approved on an Interim Basis	$/kWh	(0.0027)
Rate Rider for Disposition of Deferral/Variance Accounts (2024) - effective until June 30, 2025	$/kWh	0.0037
Rate Rider for Disposition of Capacity Based Recovery Account (2024) - effective until June 30, 2025 Applicable only for Class B Customers	$/kWh	(0.0004)
Rate Rider for Disposition of LRAM-Eligible Amount (2025) - effective until December 31, 2025	$/kWh	0.0002
Retail Transmission Rate - Network Service Rate	$/kWh	0.0103
Retail Transmission Rate - Line and Transformation Connection Service Rate	$/kWh	0.0076

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

Hydro One Networks Inc.

Former Peterborough Distribution Inc. Service Area

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION

This classification applies to all buildings not classified as residential and having a service connection capable of load delivery equal to or above 50 kW or having an average monthly peak demand equal to or greater than 50 kW over a twelve month period, but less than 5,000 kW. A customer must remain in its customer class for a minimum of twelve (12) months before being reassigned to another class. Customers who require service connections above 1,000 kVA must supply and own the primary conductors, switchgear and their own transformation above the maximum supplied by 1937680 Ontario Inc. (see Section 3.3 of Conditions of Service). The maximum allowable service connection on the 27.6 kV system is 5,000 kVA. Customers have the option of ownership of transformation at all sizes and are required to own the transformation above the maximum levels supplied by 1937680 Ontario Inc. If a customer decides or is required to own their transformation, the transformer specifications and its loss evaluation require approval from 1937680 Ontario Inc. The customer is required to compensate 1937680 Ontario Inc. for transformer losses that exceed the maximum acceptable losses. The customer will receive a transformer allowance as specified in the current rate schedule for privately owned transformation.

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 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.

Hydro One Networks Inc.

Former Peterborough Distribution Inc. Service Area

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	$	160.31
Rate Rider for Hydro One Networks' Acquisition Agreement - in effect until July 31, 2025	$	(1.60)
Distribution Volumetric Rate	$/kW	2.7323
Rate Rider for Hydro One Networks' Acquisition Agreement - in effect until July 31, 2025	$/kW	(0.0273)
Low Voltage Service Rate	$/kW	0.3277
Rate Rider for Disposition of Global Adjustment Account (2024) - effective until June 30, 2025 Applicable only for Non-RPP Customers	$/kWh	(0.0073)
Rate Rider for Disposition of Deferral/Variance Accounts (2025) - effective until December 31, 2025 Applicable only for Non-Wholesale Market Participants - Approved on an Interim Basis	$/kW	(0.6514)
Rate Rider for Disposition of Deferral/Variance Accounts (2025) - effective until December 31, 2025 - Approved on an Interim Basis	$/kW	(0.5116)
Rate Rider for Disposition of Deferral/Variance Accounts (2024) - effective until June 30, 2025 Applicable only for Non-Wholesale Market Participants	$/kW	0.7912
Rate Rider for Disposition of Deferral/Variance Accounts (2024) - effective until June 30, 2025	$/kW	0.8690
Rate Rider for Disposition of Capacity Based Recovery Account (2024) - effective until June 30, 2025 Applicable only for Class B Customers	$/kW	(0.1545)
Rate Rider for Disposition of LRAM-Eligible Amount (2025) - effective until December 31, 2025	$/kW	0.0301
Retail Transmission Rate - Network Service Rate	$/kW	4.1424
Retail Transmission Rate - Line and Transformation Connection Service Rate	$/kW	2.9555

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

Hydro One Networks Inc.

Former Peterborough Distribution Inc. Service Area

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

LARGE USE SERVICE CLASSIFICATION

This classification refers to the supply of electrical energy to General Service Customers requiring a connection with a connected load or whose average monthly maximum demand used for billing purposes is equal to or greater than, or is forecast to be equal to or greater than, 5,000 kW. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	$	6,440.97
Rate Rider for Hydro One Networks' Acquisition Agreement - in effect until July 31, 2025	$	(64.41)
Distribution Volumetric Rate	$/kW	0.7524
Rate Rider for Hydro One Networks' Acquisition Agreement - in effect until July 31, 2025	$/kW	(0.0075)
Low Voltage Service Rate	$/kW	0.4014
Retail Transmission Rate - Network Service Rate	$/kW	4.8806
Retail Transmission Rate - Line and Transformation Connection Service Rate	$/kW	3.6209

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

Hydro One Networks Inc.

Former Peterborough Distribution Inc. Service Area

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. Such connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The level of the consumption will be agreed to by the distributor and the customer, based on detailed manufacturer information/documentation with regard to electrical consumption of the unmetered load or periodic monitoring of actual consumption. 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)	$	2.13
Distribution Volumetric Rate	$/kWh	0.0281
Low Voltage Service Rate	$/kWh	0.0009
Rate Rider for Disposition of Global Adjustment Account (2024) - effective until June 30, 2025 Applicable only for Non-RPP Customers	$/kWh	(0.0073)
Rate Rider for Disposition of Deferral/Variance Accounts (2025) - effective until December 31, 2025 - Approved on an Interim Basis	$/kWh	(0.0026)
Rate Rider for Disposition of Deferral/Variance Accounts (2024) - effective until June 30, 2025	$/kWh	0.0038
Rate Rider for Disposition of Capacity Based Recovery Account (2024) - effective until June 30, 2025 Applicable only for Class B Customers	$/kWh	(0.0004)
Retail Transmission Rate - Network Service Rate	$/kWh	0.0103
Retail Transmission Rate - Line and Transformation Connection Service Rate	$/kWh	0.0076

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

Hydro One Networks Inc.

Former Peterborough Distribution Inc. Service Area

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

SENTINEL LIGHTING SERVICE CLASSIFICATION

This classification covers sentinel lights used for security or other commercial activities. All attempts must be made to connect these loads to a metered service where possible. The customer is required to provide details of the connected load and usage pattern prior to connecting to the distribution system. The customer owns all the equipment and facilities from the load side of the connection to the distribution system. The connection shall be made to the distribution system as approved by 1937680 Ontario Inc. has operational control of the connection to the distribution system. The customer is responsible for any requirements under the Ontario Electrical Safety Code and is required to have all equipment inspected and approved by the Electrical Safety Authority. 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)	$	11.83
Distribution Volumetric Rate	$/kW	4.7157
Low Voltage Service Rate	$/kW	0.2602
Rate Rider for Disposition of Global Adjustment Account (2024) - effective until June 30, 2025 Applicable only for Non-RPP Customers	$/kWh	(0.0073)
Rate Rider for Disposition of Deferral/Variance Accounts (2025) - effective until December 31, 2025 - Approved on an Interim Basis	$/kW	(0.9229)
Rate Rider for Disposition of Deferral/Variance Accounts (2024) - effective until June 30, 2025	$/kW	1.2450
Rate Rider for Disposition of Capacity Based Recovery Account (2024) - effective until June 30, 2025 Applicable only for Class B Customers	$/kW	(0.1266)
Retail Transmission Rate - Network Service Rate	$/kW	3.1454
Retail Transmission Rate - Line and Transformation Connection Service Rate	$/kW	2.3471

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

Hydro One Networks Inc.

Former Peterborough Distribution Inc. Service Area

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

STREET LIGHTING SERVICE CLASSIFICATION

This classification applies only to street lighting equipment owned by the City of Peterborough, other authorized municipalities or the Province of Ontario and operating within the licenced territory of 1937680 Ontario Inc. Included is decorative and seasonal lighting connected to street lighting facilities owned by the City of Peterborough, other authorized municipalities and the Province of Ontario. The customer owns all equipment and facilities from the load side of the connection to the distribution system. The customer is required to provide details of the connected load and usage pattern prior to connecting to the distribution system. Each streetlight is to be individually controlled by a photocell. Underground connections for street lighting require a main disconnect to be installed by the Customer. The customer is responsible for any requirements under the Ontario Electrical Safety Code and is required to have all equipment inspected and approved by the Electrical Safety Authority. The customer may retain operational control of any disconnects if authorized by 1937680 Ontario Inc. and operated by qualified personnel. 1937680 Ontario Inc. retains operational control of the connections to the distribution system. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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)	$	3.22
Distribution Volumetric Rate	$/kW	13.4579
Low Voltage Service Rate	$/kW	0.2541
Rate Rider for Disposition of Global Adjustment Account (2024) - effective until June 30, 2025 Applicable only for Non-RPP Customers	$/kWh	(0.0073)
Rate Rider for Disposition of Deferral/Variance Accounts (2025) - effective until December 31, 2025 - Approved on an Interim Basis	$/kW	(0.9640)
Rate Rider for Disposition of Deferral/Variance Accounts (2024) - effective until June 30, 2025	$/kW	1.3747
Rate Rider for Disposition of Capacity Based Recovery Account (2024) - effective until June 30, 2025 Applicable only for Class B Customers	$/kW	(0.1400)
Retail Transmission Rate - Network Service Rate	$/kW	3.1223
Retail Transmission Rate - Line and Transformation Connection Service Rate	$/kW	2.2921

Hydro One Networks Inc.

Former Peterborough Distribution Inc. Service Area

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

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

Hydro One Networks Inc.

Former Peterborough Distribution Inc. Service Area

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

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 Condition of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	$	5.00

ALLOWANCES

Transformer Allowance for Ownership - per kW of billing demand/month	$/kW	(0.60)
Primary Metering Allowance for Transformer Losses - applied to measured demand & energy	%	(1.00)

Hydro One Networks Inc.

Former Peterborough Distribution Inc. Service Area

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

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		
Easement letter - letter request	$	92.51
Easement letter - web request	$	25.00
Returned cheque charge	$	7.00
Account set up charge/change of occupancy charge (plus credit agency costs, if applicable)	$	38.00
Special meter reads (retailer requested off-cycle read)	$	90.00
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% coumpunded daily rate)	%	1.50
Collection - reconnect at meter - during regular hours	$	65.00
Collection - reconnect at meter - after regular hours	$	185.00
Collection - reconnect at pole - during regular hours	$	185.00
Collection - reconnect at pole - after regular hours	$	415.00
Other		
Service call - customer owned equipment - during regular hours	$	210.00*
Service call - customer owned equipment - after regular hours	$	775.00*
Temporary service install & remove - overhead - no transformer	$	Actual Costs
Temporary service install & remove - underground - no transformer	$	Actual Costs
Temporary service install & remove - overhead - with transformer	$	Actual Costs
Specific charge for access to power poles - telecom	$	39.14
Reconnect completed after regular hours (customer/contract driven) - at meter	$	245.00
Reconnect completed after regular hours (customer/contract) driven) - at pole	$	475.00
Additional service layout fee - basic/complex (more than one hour)	$	595.20
Pipeline crossings	$	2,499.29
Water crossings	$	3,717.21
Railway crossings	$	4,965.66 plus Railway Feedthrough Costs
Overhead line staking per meter	$	4.42
Underground line staking per meter	$	3.18
Subcable line staking per meter	$	2.78
Central metering - new service <45 kw	$	100.00
Conversion to central metering <45 kw	$	1,612.75

Hydro One Networks Inc.
Former Peterborough Distribution Inc. Service Area
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2025
This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

Conversion to central metering >=45 kw	$	1,512.75
Connection impact assessments - net metering	$	3,329.86
Connection impact assessments - embedded LDC generators	$	2,996.97
Connection impact assessments - small projects <= 500 kw	$	3,405.38
Connection impact assessments - small projects <= 500 kw, simplified	$	2,054.41
Connection impact assessments - greater than capacity allocation exempt projects - capacity allocation required projects	$	9,011.83
Connection impact assessments - greater than capacity allocation exempt projects - TS review for LDC capacity allocation required projects	$	5,969.89
Specific charge for access to power poles - LDC		see below
Specific charge for access to power poles - generators		see below
Specific charge for access to power poles - municipal streetlights	$	2.04
Sentinel light rental charge	$	10.00
Sentinel light pole rental charge	$	7.00
*Base Charge only. Additional work on equipment will be based on actual costs		
Specific Charge for LDCs Access to the Power Poles ($/pole/year)		
LDC rate for 10’ of power space	$	90.60
LDC rate for 15’ of power space	$	108.72
LDC rate for 20’ of power space	$	120.80
LDC rate for 25’ of power space	$	129.43
LDC rate for 30’ of power space	$	135.90
LDC rate for 35’ of power space	$	140.93
LDC rate for 40’ of power space	$	144.96
LDC rate for 45’ of power space	$	148.25
LDC rate for 50’ of power space	$	151.00
LDC rate for 55’ of power space	$	153.32
LDC rate for 60’ of power space	$	155.31
Specific Charge for Generator Access to the Power Poles ($/pole/year)		
Generator rate for 10’ of power space	$	90.60
Generator rate for 15’ of power space	$	108.72
Generator rate for 20’ of power space	$	120.80
Generator rate for 25’ of power space	$	129.43
Generator rate for 30’ of power space	$	135.90
Generator rate for 35’ of power space	$	140.93
Generator rate for 40’ of power space	$	144.96
Generator rate for 45’ of power space	$	148.25
Generator rate for 50’ of power space	$	151.00
Generator rate for 55’ of power space	$	153.32
Generator rate for 60’ of power space	$	155.31

Hydro One Networks Inc.

Former Peterborough Distribution Inc. Service Area

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

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

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

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	1.0548
Total Loss Factor - Secondary Metered Customer > 5,000 kW	1.0172
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0443
Total Loss Factor - Primary Metered Customer > 5,000 kW	1.0070

PROPOSED TARIFF OF RATES AND CHARGES – HYDRO ONE DISTRIBUTION

This attachment has been filed separately in MS Excel format.

PROPOSED TARIFF OF RATES AND CHARGES – ORILLIA RZ

This attachment has been filed separately in MS Excel format.

PROPOSED TARIFF OF RATES AND CHARGES – PETERBOROUGH RZ

This attachment has been filed separately in MS Excel format.

Exhibit B

HONI Website

This is Exhibit "__B__" to the Affidavit of

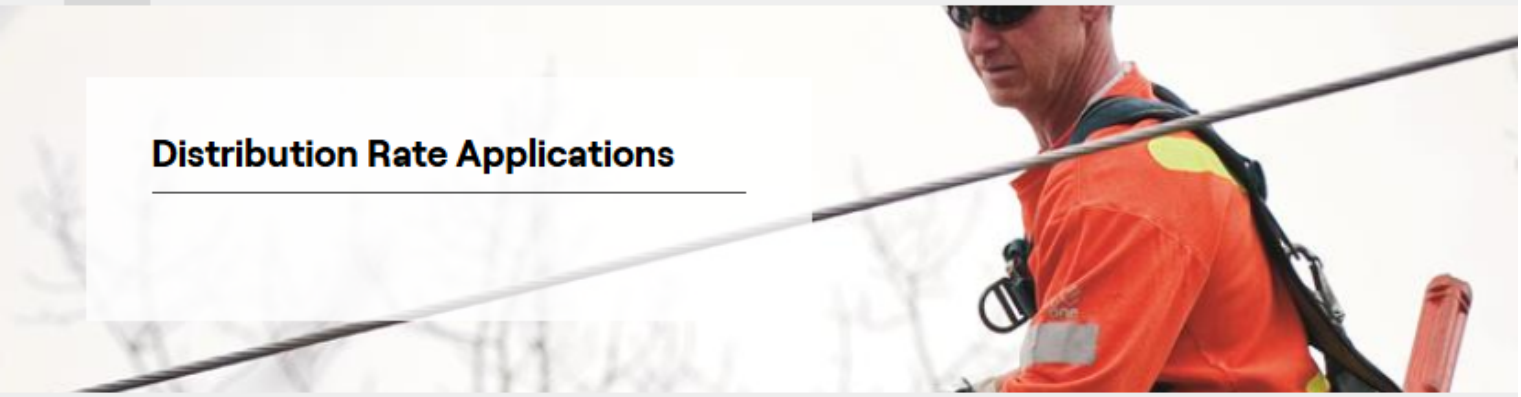
__Muhammad Qureshi__. Sworn before

me this__25__day of__September__, 2025



_____

Commissioner for Taking Affidavits



Distribution Rate Applications

Hydro One Networks Inc. files Distribution Rate Applications and submits them to the Ontario Energy Board following broad stakeholder input sessions. These sessions provide customers and other interested parties with the opportunity to have their opinions considered as Hydro One Networks plans the distribution system.

EB-2025-0030 – Hydro One Networks Inc. – Application for 2026 Distribution Revenue Requirement

On August 28, 2025, Hydro One Networks filed a Distribution Rate application with the Ontario Energy Board (OEB) for its 2026 revenue requirement.

- View or download a copy of the **Application and Evidence**
- View or download a copy of the **OEB's Notice of Hearing** (aussi disponible **en français**), issued September 22, 2025

Exhibit C

Intervenor Email

This is Exhibit "C" to the Affidavit of

Muhammad Qureshi. Sworn before

me this 25 day of September, 2025



Commissioner for Taking Affidavits

From: REGULATORY AFFAIRS
To: "vincent.caron@cme-mec.ca"; "eblanchard@blg.com"; "spollock@blg.com"; "larry@anwaatin.comd"; "richardson.gll@gmail.com"; "lisa@resilientllp.com"; "jonathan@resilientllp.com"; "shelley.grice@rogers.com"; "mathew.wilson@cme-mec.ca"; "eblanchard@blg.com"; "spollock@blg.com"; WABB John; "jmacdonald@cusw.ca"; "ifellows@upfhlaw.ca"; "mzakout@upfhlaw.ca"; "jgirvan@uniserve.com"; "wilf.steimle@evsociety.ca"; "cara@plugndrive.ca"; "lisa@resilientllp.com"; "jonathan@resilientllp.com"; "tom.ladanyi@rogers.com"; "spainc@rogers.com"; "regulatory@enwin.com"; "jbarile@essexpowerlines.ca"; "sgott@iceriversprings.com"; "RegulatoryAffairs@ieso.ca"; "richardmgruchala@gmail.com"; "randy.aiken@sympatico.ca"; "ian.nokes@ofa.on.ca"; "matthew.kirk@opg.com"; "opgregaffairs@opg.com"; "aimee.collier@opg.com"; "michael.brophy@rogers.com"; "jives@pwu.ca"; "richard.stephenson@paliareroland.com"; "daniel.rosenbluth@paliareroland.com"; "bkidane@econalysis.ca"; "byauch@poweradvisoryllc.com"; "chandyd@electrocables.com"; "mdmcl@kos.net"; "SEC@oesc-cseo.org"; "mark@shepherdrubenstein.com"; "jay@shepherdrubenstein.com"; "fred@shepherdrubenstein.com"; "grahamc@thesociety.ca"; POWER Vicki; "Bohdan.Dumka@gmail.com"; "tresckow44@gmail.com"; "jlawford@piac.ca"; "markgarner@rogers.com"; "bharper.consultant@bell.net"
Cc: REGULATORY AFFAIRS
Subject: EB-2025-0030 - Hydro One Networks Inc. - Application for 2026 Distribution Revenue Requirement - Notice (intervenors)
Date: Wednesday, September 24, 2025 2:41:00 PM
Attachments: image001.png
HONI_Dx_2026 Consolidated Annual Update_20250828.pdf
notice_HONI 2026 CIR_20250922_FR_.pdf
notice_HONI 2026 CIR_20250922_EN.pdf

Notice of a Rate Hearing

Please be advised that Hydro One Networks Inc. (HONI) has filed an application with the Ontario Energy Board (OEB) to update its electricity distribution revenue requirement for the year 2026 under OEB File Number **EB-2025-0030**.

The Notice, application, and evidence are posted on Hydro One's website for public access and can be found at the following links:

- View or download a copy of our **Application and Evidence**
- View or download a copy of the OEB's **Notice of Hearing** (aussi disponible **en français**) issued September 22, 2025

The complete library of documents pertaining to this proceeding is available through the Ontario Energy Board's Advanced Regulatory Document Search (RDS), accessible **here**.

If you wish to apply for intervenor status, or provide input on the hearing format, you must do so on or before **October 6, 2025**.

If you have any questions or require additional information, feel free to contact us at Regulatory@HydroOne.com.

Sincerely,

Muhammad Qureshi
Senior Regulatory Coordinator
Hydro One Networks Inc.
Regulatory Affairs
HydroOne.com