



**WATERLOO NORTH HYDRO INC.**

**January 1, 2018 IRM  
Rate Filing**

**EB-2017-0080**

**ED-2002-0575**

# Waterloo North Hydro Inc. Distribution Rate Adjustment Application

## SUMMARY OF APPLICATION

### EB-2017-0080 / ED-2002-0575

IN THE MATTER OF the Ontario Energy Board Act, 1998, S. O. 1998, c. 15, Schedule B of the Energy Competition Act, 1998:

AND IN THE MATTER OF an Application by Waterloo North Hydro Inc. for an order approving just and reasonable rates as set out in this Application in accordance with the Ontario Energy Board's Filing Guidelines for the Adjustments of the Electricity Distribution Rates for January 1, 2018 Distribution Rate Adjustments and PILs, issued for the revised model and instructions on July 21, 2017, and in accordance with July 20, 2017 Chapter 3 of the Filing Requirements for Electricity Distribution Rate Applications.

#### Article I.

##### 1.0a Introduction

- 1.1 Waterloo North Hydro Inc. ("Waterloo North Hydro" or "WNH") submits this Application and supporting documentation for a rate adjustment, funding adder and rate riders pursuant to the Ontario Energy Board's Filing Guidelines for January 1, 2018 Distribution Rate Adjustments and PILs, issued for the revised model and instructions on July 21, 2017.
  
- 1.2 The utility continues to operate under the authority of a Board of Directors and has been incorporated as "Waterloo North Hydro Inc." under the Ontario *Business Corporations Act* since May 1, 2000. Waterloo North Hydro operates under Electricity Distribution Licence ED-2002-0575.

- 1.3 Waterloo North Hydro received Board approval on November 26, 2015 for revised rate adjustments, effective January 1, 2016, to its unbundled distribution rates in accordance with the Board's July 16, 2015 Chapter 2 Cost of Service Filing Requirements for Transmission and Distribution Applications, its associated 2016 PILs, Fixed and Volumetric Rate Riders, and adjustment to its Retail Transmission Service Rates [EB-2015-0108].
- 1.4 Waterloo North Hydro received Board approval on December 8, 2016 for rate adjustments, to be effective and implemented January 1, 2017, to its unbundled distribution rates in accordance with Chapter 3 of the Filing Requirements for Transmission and Distribution Applications and 4th Generation Incentive Regulation Mechanism (IRM4) policies, its associated Fixed and Volumetric Rate Riders and adjustment to its Retail Transmission Service Rates as provided in the Board's model and instructions on July 26, 2016 [EB-2016-0109].
- 1.5 In this filing, Waterloo North Hydro is seeking approval for rate adjustments, to be effective and implemented January 1, 2018, to its unbundled distribution rates in accordance with Chapter 3 of the Filing Requirements for Electricity Distribution Rate Applications and 4th Generation Incentive Regulation Mechanism (IRM4) policies, its associated Fixed and Volumetric Rate Riders and adjustment to its Retail Transmission Service Rates as provided in the Board's model and instructions on July 21, 2017.
- 1.6 Contact Information for the 2018 IRM Application:

Albert P. Singh, MBA, CPA, CGA  
Vice-President Finance & CFO  
519-888-5542  
[asingh@wnhydro.com](mailto:asingh@wnhydro.com)

## **1.0b Company Size and Number of Customers**

1.7 Waterloo North Hydro is a municipally owned electric distribution company. Waterloo North Hydro serves approximately 56,000 residential, commercial, and industrial customers in the City of Waterloo and the Townships of Wellesley and Woolwich.

## **1.0c Customer Profile**

1.8 The Company currently uses seven customer classes for the purpose of distribution rates and billing: Residential, General Service < 50 kW, General Service > 50 kW, Large Use, Street Lighting, Unmetered Scattered Load and Embedded Distributor.

1.9 The General Service < 50 kW class consists of a wide range of customers including: office buildings, medium and small commercial and industrial establishments, farms, apartment and condominium buildings.

1.10 The General Service > 50 kW class is typically comprised of large commercial and industrial customers.

1.11 The Large Use class consists of one large use customer with an average load over five megawatts.

1.12 The Street Light class contributes less than 1% to the Company's current distribution revenue.

1.13 The Unmetered Scattered Load class contributes less than 1% to the Company's current distribution revenue.

1.14 The Embedded Distributor rate class contributes less than 1% to the Company's current distribution revenue

## 1.0d Previously Denied Amounts

1.15 Waterloo North Hydro has not previously been denied for any amounts that are included in the account balances in this application.

## 1.0e Internet Address

Waterloo North Hydro's internet address is [wnhydro.com](http://wnhydro.com) for the purpose of viewing the application and related documents as required in the July 20, 2017 Filing Requirements For Electricity Distribution Rate Applications – 2017 Edition for 2018 Rate Applications.

## 2.0 Information supporting the data filed in this Application:

Waterloo North Hydro has provided the following Attachments:

Attachment	Description
A	Rate Generator Model
B	2018 GA Analysis Workform
C	Current January 1, 2016 Tariff Sheet
D	2016 Cost of Service Settlement Agreement
E	Revenue Requirement Work Form

## 2.1 2018 Rate Generator and Supplementary Work Forms

Waterloo North Hydro (WNH) has included in its application a completed 2018 Rate Generator Model as Attachment A. The Model has been provided in both electronic (Excel) and PDF form. Additionally, Waterloo North Hydro has included the GA Analysis Work Form which was to be calculated outside of the Model in Attachment B. Waterloo North Hydro has also included its Settlement Agreement and Revenue Requirement

Work Form from its 2016 Cost of Service Filing (EB-2015-0108) as Attachment D and E respectively.

## **2.2 Current Tariff Sheet**

Waterloo North Hydro has included in its application a PDF Copy of the Current January 1, 2017 Tariff Sheet as Attachment C.

## **2.3 Customers Affected**

This application will affect all of Waterloo North Hydro's rate classes and therefore all of its customers.

Waterloo North Hydro expects that its customers may require further information about rate impacts as a result of this application. It will undertake to inform and explain the rate changes and the reasons for them to customers.

## **2.4 Price Cap Index Adjustment**

Waterloo North Hydro has used the model proxy values of 1.9% as the Price Escalator (GDP-IPI), a 0.0% Productivity Factor and a Group III 0.3% Stretch Factor Value, for a Price Cap Index of 1.6%, as prescribed in Sheet 16 of the 2018 Rate Generator Model. Waterloo North Hydro understands that the Board staff will adjust, in Waterloo North Hydro's 2018 rate application model, for the final GDP-IPI once it is available.

## **2.5 Accuracy of Billing Determinants**

Waterloo North Hydro confirms the accuracy of the billing determinants that were pre-populated in the model with the exception of the following items:

- i) On Sheet 3 Continuity Schedule there is a Group 1 Variance in Column BV of \$320,595 however no total variance exists.
  
- ii) On Sheet 12 RTSR – Historical Wholesale the ‘Add Extra Host Here (I)’ and ‘Add Extra Host Here (II)’ cells are locked and therefore Kitchener Wilmot and Energy + respectively could not be entered.
  
- iii) On Sheet 19 Final Tariff Schedule wherever Class B CBR line is included it states ‘effective until January 01, 2018’. This should state ‘effective until December 31, 2018’.

## **2.6 Tax Sharing**

Waterloo North Hydro has included in its application the Tax Sharing Calculations in Sheets 8 and 9 of the Rate Generator Model. In accordance with IRM4, a 50/50 sharing of the impact of currently known legislated tax changes as applied to the tax level reflected in the Board-approved base rates has been calculated. There have been no known legislative tax changes and therefore no associated Tax Savings Rate Rider has been calculated for any rate class.

## **2.7 Deferral and Variance Account Balances**

Waterloo North Hydro has exceeded the disposition threshold of \$.001/kWh of its Group 1 Account Deferral and Variance Account Balances as reflected in Sheet 4 of its 2018 Rate Generator Model. Waterloo North Hydro has included its detailed information and calculations in Sheet 3 to Sheet 7 of its 2018 Rate Generator Model and included its final proposed rate riders in Sheet 19 of its 2018 Rate Generator Model (Attachment A).

The Group 1 Account Balances include the Low Voltage Variance Account; the Smart Metering Entity (SME) Charge Variance; the RSVA

Accounts – Wholesale Market Service Charge, Variance WMS – Sub-account CBR Class B, Retail Transmission Network Charge, Retail Transmission Connection Charge, Power and Global Adjustment Balances and Disposition and Recovery/Refund of Regulatory Balances capture the variances from January 1, 2016 through December 31, 2016.

Waterloo North Hydro is proposing a one year disposition period in the repayment of its Group 1 Deferral and Variance Account Balances at December 31, 2016. This disposition period is in accordance with the Board's EDDVAR Report default disposition period of one year for deferral and variance accounts.

Waterloo North Hydro has provided a summary of the Deferral and Variance accounts proposed for disposition in Table 2.7a below. Waterloo North Hydro notes that in Sheet 3 Column BQ of the 2018 Rate Generator Model it has recorded the Projected Interest for January 2017 to December 2017 on Waterloo North Hydro's 2016 balances.

In Column BV of Sheet 3, 2018 Continuity Schedule of Deferral and Variance Balances of the 2018 Rate Generator Model, the Variance between the 2.1.7 RRR data and the 2016 Balance (Principal and Interest) is calculated. There was an error found while completing the 2018 IRM Model in the December 31, 2016 RRR balances of 1580 WMS and Class B CBR. A RRR Revision Request has been filed to correct these balances.

As per the instructions on Sheet 3, 2018 Continuity Schedule of Deferral and Variance Balances of the 2018 Rate Generator Model, the LRAM Variance Account details have not been input as we are not applying for disposition of this account. The balance listed in column BU, 2.1.7 RRR data is accurate for December 31, 2016. The 2014 LRAMVA was approved in the 2016 Cost of Service Application. The 2015 LRAMVA will be disposed of in a future application.



Waterloo North Hydro has detailed in Tables 2.7b and 2.7c below the Cost Allocation and Calculation of the Rate Riders for the Deferral and Variance Accounts. Waterloo North Hydro notes that the Rate Rider for Global Adjustment is applicable only for Non-RPP Customers. Waterloo North Hydro has included the Calculation of Projected Interest on December 31, 2016 Balances for accounts included in the Total Claim in Table 2.7d.

The instructions on Sheet 3, 2018 Continuity Schedule of Deferral and Variance Balances of the 2018 Rate Generator Model states *“For all Group 1 Accounts, except for Account 1595, start inputting data from the year in which the GL balance was last disposed. For example, if in the 2017 rate application, DVA balances as at December 31, 2015 were approved for disposition, start the continuity schedule from 2015 by entering the 2014 closing balance in the Adjustment column under 2014. For all Account 1595 sub-accounts, complete the DVA continuity schedule for each Account 1595 vintage year that has a GL balance as at December 31, 2016 regardless of whether the account is being requested for disposition in the current application. For each Account 1595 sub-account, start inputting data from the year the sub-account started to accumulate a balance (i.e. the vintage year). For example, for Account 1595 (2014), data should be inputted starting in 2014 when the relevant balances approved for disposition was first transferred into Account 1595 (2014).”* Waterloo North Hydro received approval for the December 31, 2015 balances in its January 1, 2017 IRM Application and therefore the starting point is the 2014 year. The opening principal amounts have been included in column AL ‘Principal Adjustments during 2014’ and column AQ ‘Interest Adjustments during 2014’ of Sheet 3.

Waterloo North Hydro did not make any adjustments to deferral and variance account balances that were previously approved by the Board on a final basis.

Table 2.7a – Summary of Deferral and Variance Accounts

Account Descriptions	Account Number	Closing Principal Balances as of Dec 31-16 Adjusted for Dispositions during 2017	Closing Interest Balances as of Dec 31-16 Adjusted for Dispositions during 2017	Projected Interest from Jan 1, 2017 to December 31, 2017 on Dec 31 -16 balance adjusted for disposition during 2017	Total Claim \$
<b>Group 1 Accounts</b>					
LV Variance Account	1550	154,065	847	1,695	156,607
Smart Metering Entity Charge Variance Account	1551	(10,604)	(93)	(117)	(10,814)
RSVA - Wholesale Market Service Charge	1580	(1,528,436)	(6,676)	(16,813)	(1,551,925)
Variance WMS – Sub-account CBR Class A <i>Not to be disposed of through IRM Process</i>	1580	-	-	-	
Variance WMS – Sub-account CBR Class B	1580	222,477	1,651	2,447	226,575
RSVA - Retail Transmission Network Charge	1584	(438,113)	(2,217)	(4,819)	(445,149)
RSVA - Retail Transmission Connection Charge	1586	14,245	394	157	14,796
RSVA - Power	1588	770,633	9,632	8,477	788,742
RSVA - Global Adjustment	1589	357,678	(27,056)	3,934	334,556
Disposition and Recovery/Refund of Regulatory Balances (2009)	1595	-	-	-	-
Disposition and Recovery/Refund of Regulatory Balances (2010) <i>Disposed of in 2016 Cost of Service Application as of January 1, 2016</i>	1595	-	-	-	-
Disposition and Recovery/Refund of Regulatory Balances (2011) <i>Disposed of in 2016 Cost of Service Application as of January 1, 2016</i>	1595	-	-	-	-
Disposition and Recovery/Refund of Regulatory Balances (2012) <i>Disposed of in 2016 Cost of Service Application as of January 1, 2016</i>	1595	-	-	-	-
Disposition and Recovery/Refund of Regulatory Balances (2013) <i>Disposed of in 2016 Cost of Service Application as of January 1, 2016</i>	1595	-	-	-	-
Disposition and Recovery/Refund of Regulatory Balances (2014) □	1595	(1,397)	(73)	(15)	(1,485)
Disposition and Recovery/Refund of Regulatory Balances (2015) □	1595	162,319	(35,428)	1,786	128,677
Disposition and Recovery/Refund of Regulatory Balances (2016) <i>Not to be disposed of unless rate rider has expired and balance has been audited</i>		1,364,147	(1,465,514)	15,006	
<b>RSVA - Global Adjustment</b>		357,678	(27,056)	3,934	334,556
<b>Total Group 1 Balance excluding Account 1589 - Global Adjustment</b>		709,336	(1,497,477)	7,804	(693,976)
<b>Total Group 1 Balance</b>	<b>1589</b>	<b>1,067,014</b>	<b>(1,524,533)</b>	<b>11,738</b>	<b>(359,420)</b>
<b>LRAM Variance Account</b>	<b>1568</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total including Account 1568</b>		<b>1,067,014</b>	<b>(1,524,533)</b>	<b>11,738</b>	<b>(359,420)</b>

**Table 2.7b – Cost Allocation Deferral & Variance Balances**

Allocation of Group 1 Accounts (Excluding Account 1589 - Global Adjustment)														
Rate Class	Unit	Metered kWh	% of Total kWh	% of Customer Numbers **	1550	1551	1580	1580 CBR Class B	1584	1586	1588*	1595_ (2014)	1595_ (2015)	Total
Residential	\$/kWh	404,436,333	28.1%	89.7%	44,045	(9,697)	(438,438)	68,569	(125,196)	4,161	222,829	(356)	34,743	(199,340)
General Service Less Than 50 kW	\$/kWh	193,116,426	13.4%	10.3%	21,031	(1,117)	(209,352)	32,741	(59,781)	1,987	106,400	(163)	16,728	(91,526)
General Service 50 to 4,999 kW	\$/kW	701,389,229	48.8%		76,385	-	(753,368)	117,822	(217,120)	7,217	382,888	(846)	65,625	(321,397)
Large Use	\$/kW	95,179,112	6.6%		10,365	-	(103,181)	-	(29,463)	979	52,440	(74)	7,721	(61,213)
Unmetered Scattered Load	\$/kWh	2,729,041	0.2%		297	-	(2,958)	463	(845)	28	1,504	-	-	(1,511)
Street Lighting	\$/kW	7,638,394	0.5%		832	-	(8,281)	1,295	(2,365)	79	4,208	(15)	1,287	(2,960)
Embedded Distributor	\$/kW	33,527,765	2.3%		3,651	-	(36,347)	5,684	(10,379)	345	18,473	(30)	2,574	(16,029)
<b>Total</b>		<b>1,438,016,300</b>	<b>100.0%</b>	<b>100.0%</b>	<b>156,607</b>	<b>(10,814)</b>	<b>(1,551,925)</b>	<b>226,575</b>	<b>(445,149)</b>	<b>14,796</b>	<b>788,742</b>	<b>(1,485)</b>	<b>128,678</b>	<b>(693,976)</b>

\* RSVA - Power (Excluding Global Adjustment)

\*\* Calculation based on Residential and GS < 50kW Customers only. Used to allocate Account 1551 as this account records the variances arising from the Smart Metering Entity Charges.

1589 RSVA - Global Adjustment				
Rate Class	Unit	Billed kWh for Non-RPP Customers	% of Total Non-RPP kWh	1589 GA
Residential	\$/kWh	14,533,056	2.0%	6,852
General Service Less Than 50 kW	\$/kWh	33,267,045	4.7%	15,685
General Service 50 to 4,999 kW	\$/kW	620,616,141	87.5%	292,621
Large Use	\$/kW	-	0.0%	-
Unmetered Scattered Load	\$/kWh	4,301	0.0%	2
Street Lighting	\$/kW	7,607,200	1.1%	3,587
Embedded Distributor	\$/kW	33,527,765	4.7%	15,808
<b>Total</b>		<b>709,555,508</b>	<b>100.0%</b>	<b>334,556</b>

**Table 2.7c – Calculation of Deferral & Variance Rate Riders**

Please indicate the Rate Rider Recovery Period (in year) **1**

Rate Class	Unit	Total Metered kWh	Metered kW or kVA	Allocation of Group 1 Account Balances to All Classes	Allocation of Group 1 Account Balances to Non-WMP Classes Only	Deferral/Variance Account Rate Rider	Deferral/Variance Account Rate Rider for Non-WMP	Total CBR Class B \$ allocated to Current Class B Customers	CBR Class B Rate Rider	Total GA \$ allocated to Current Class B Customers	Global Adjustment Rate Rider
Residential *	\$/kWh	404,436,333	-	(267,910)		(0.0007)		68,569	0.0002	6,852	0.0005
General Service Less Than 50 kW	\$/kWh	193,116,426	-	(124,266)		(0.0006)		32,741	0.0002	15,685	0.0005
General Service 50 to 4,999 kW	\$/kW	701,389,229	1,808,767	(68,740)	(370,480)	(0.0380)	(0.2048)	117,822	0.0651	292,621	0.0005
Large Use	\$/kW	95,179,112	178,218	(61,213)		(0.3435)		-	-	-	-
Unmetered Scattered Load	\$/kWh	2,729,041	-	(1,974)		(0.0007)		463	0.0002	2	0.0005
Street Lighting	\$/kW	7,638,394	21,346	(4,254)		(0.1993)		1,295	0.0607	3,587	0.0005
Embedded Distributor	\$/kW	33,527,765	78,348	(21,713)		(0.2771)		5,684	0.0726	15,808	0.0005
<b>Total</b>		<b>1,438,016,300</b>	<b>2,086,679</b>	<b>(550,071)</b>	<b>(370,480)</b>			<b>226,575</b>		<b>334,556</b>	

**Table 2.7d - Calculation of Projected Interest on December 31, 2016 Balances**

**Projected Interest on December 2016 Balances Included in Claim**

Account Description	USoA #	December 31, 2016 Closing Balance after Approved Dispositions for 2017	Interest Rate	Projected Interest from Jan 1, 2017 to December 31, 2017 on Dec 31 -16 balance adjusted for disposition during 2017
LV Variance Account	1550	\$ 154,065	1.10%	\$ 1,695
Smart Metering Entity Charge Variance Account	1551	\$ (10,604)	1.10%	\$ (117)
RSVA - Wholesale Market Service Charge (less CBR Class A)	1580	\$ (1,528,436)	1.10%	\$ (16,813)
Variance WMS – Sub-account CBR Class B	1580	\$ 222,477	1.10%	\$ 2,447
RSVA - Retail Transmission Network Charge	1584	\$ (438,113)	1.10%	\$ (4,819)
RSVA - Retail Transmission Connection Charge	1586	\$ 14,245	1.10%	\$ 157
RSVA - Power	1588	\$ 770,633	1.10%	\$ 8,477
RSVA - Global Adjustment	1589	\$ 357,678	1.10%	\$ 3,934
Disposition and Recovery/Refund of Regulatory Balances (2014)	1595	\$ (1,397)	1.10%	\$ (15)
Disposition and Recovery/Refund of Regulatory Balances (2015)	1595	\$ 162,319	1.10%	\$ 1,786
<b>Total</b>		<b>\$ (297,133)</b>		<b>\$ (3,268)</b>

\*\* Interest only listed for items included in Total Claim for January 1, 2018 rates.

## 2.8 Capacity Based Recovery

Waterloo North Hydro has followed the July 25, 2016 Accounting Guidance on Capacity Based Recovery; “*distributors are expected to file for disposition of Group 1 deferral and variance accounts pursuant to the applications process established by the OEB. Distributors are expected to report Account 1580 Variance – WMS, Sub-account CBR Class A and Class B on their continuity schedules. However, only Class B balances will be disposed through the rate proceedings.*” The Rate Rider for Capacity Based Recovery – Class B has been calculated in the 2018 IRM Rate Generator Model.

It is noted that there were no Class B customers who switched into Class A or vice versa during the period in which the CBR Class B Sub-Account balance accumulated.

## 2.9 Retail Transmission Service Rates

Electricity distributors are charged the Ontario Uniform Transmission Rates (“UTRs”) at the wholesale level and subsequently pass these charges on to their distribution customers through the Retail Transmission Service Rates (“RTSRs”). The UTRs are charges for network, line connection and transformation connection services.

The Board has incorporated the RTSR calculations within its 2018 IRM Model in Sheets 10 through 15.

Waterloo North Hydro has included its 2016 billing determinants as specified in Sheet 12, RTSR – Historical Wholesale of the 2018 IRM Model. As per the instructions on Sheet 12, any Hydro One data highlighted in orange requires explanation. Waterloo North Hydro has 3 highlighted cells in E39, I39 and M39. These variances in approved rates are due to the fact that the change in rate on February 1, 2016 occurred

during the middle of the billing period. A portion of the units billed were at the pre-February 1 rate and a portion was at the post-February 1 rate.

Section 3.2.4 of Chapter 3 of the Board's Filing Requirements for Electricity Distribution Rate Applications – 2017 Edition for 2018 Rate Applications states *"the rate generator model will use the most recent uniform transmission rates (UTRs) approved by the OEB. Once any January 1, 2018 UTR adjustments have been determined, OEB staff will adjust each distributor's 2018 RTSR section of the rate generator to incorporate these changes where applicable."*

In Sheets 11 and 12 of the 2018 IRM Model, information for two additional Host Distributors has been included. The first Host Distributor listed is Kitchener-Wilmot Hydro (KW) and the second Host Distributor is Energy + (E+) - Formerly Cambridge & North Dumfries Hydro. The model has locked cells on Sheet 12, therefore the names of the extra hosts could not be entered.

Waterloo North Hydro has inserted the following rates and consumption for its two Additional Host Distributors on Sheets 11 and 12 of the 2018 IRM Model as detailed in Table 2.9a below. Since Energy + has rate changes on May 1 of each year a blended rate has been calculated in 2.9b. These blended rates have been input on Sheet 11.

**Table 2.9a Rate Orders Applicable to Host Distributors KW & E+**

LDC	Filing #	Effective January 1, 2016		Effective January 1, 2017		Effective January 1, 2018
		Rate Order Applicable	Months Applicable To	Rate Order Applicable	Months Applicable To	Rate Order Applicable
KW	EB-2015-0084	January 1, 2016	2016			
	EB-2016-0088			January 1, 2017	2017	Used January 1, 2017 Rates
E+	EB-2014-0060	May 1, 2015	Jan-Apr/16			
	EB-2015-0057	May 1, 2016	May-Dec/16			
	EB-2015-0057			May 1, 2016	Jan-Apr/17	
	EB-2016-0060			May 1, 2017	May-Dec/17	Used May 1, 2017 Rates

**Table 2.9b Calculation of Energy + Blended Rates for 2016 and 2017**

Energy + Network Service Rate	# of Months	Rate per Rate Order	RTSR per Sheet 11
EB-2014-0060	4	\$ 2.6534	\$ 0.8845
EB-2015-0057	8	\$ 2.4994	\$ 1.6663
<b>2016 Rate</b>			\$ 2.5507
EB-2015-0057	4	\$ 2.4994	\$ 0.8331
EB-2016-0060	8	\$ 2.8439	\$ 1.8959
<b>2017 Rate</b>			\$ 2.7291
Energy + Line and Transformation Connection Service Rate	# of Months	Rate per Rate Order	RTSR per Sheet 11
EB-2014-0060	4	\$ 1.9124	\$ 0.6375
EB-2015-0057	8	\$ 1.8473	\$ 1.2315
<b>2016 Rate</b>			\$ 1.8690
EB-2015-0057	4	\$ 1.8473	\$ 0.6158
EB-2016-0060	8	\$ 2.0406	\$ 1.3604
<b>2017 Rate</b>			\$ 1.9762

Waterloo North Hydro is proposing to also use KW & E+'s, January 1, 2017 and May 1, 2017 respectively, Approved Embedded Distributor

Retail Transmission rates, in the RTSR Model's 'Effective January 1, 2018' column.

Waterloo North Hydro notes that in accordance with its billing arrangements with its Embedded Distributor, Retail Transmission Rates are not applicable.

Waterloo North Hydro has provided the proposed RTSR rates, as derived from Sheet 15 of the 2018 IRM model, in Table 2.9c below.

**Table 2.9c Proposed January 1, 2018 Retail Transmission Service Rates**

Rate Class	Unit	Proposed RTSR Network	Proposed RTSR Connection
Residential	\$/kWh	\$ 0.0071	\$ 0.0023
General Service Less Than 50 kW	\$/kWh	\$ 0.0065	\$ 0.0021
General Service 50 to 999 kW	\$/kW	\$ 2.6766	\$ 0.8100
General Service 50 to 999 kW - Interval Metered	\$/kW	\$ 2.8430	\$ 1.0117
General Service 1,000 to 4,999 kW - Interval Meters	\$/kW	\$ 2.8392	\$ 1.0106
Large Use	\$/kW	\$ 3.1477	\$ 1.0152
Unmetered Scattered Load	\$/kWh	\$ 0.0065	\$ 0.0021
Street Lighting	\$/kW	\$ 2.0188	\$ 0.6259
Embedded Distributor	\$/kW	\$ -	\$ -

Waterloo North Hydro has provided the details of the 2016 Retail Transmission Network and Connection kW Quantities, for which Waterloo North Hydro incurred charges, in Table 2.9d below.

Table 2.9d 2016 Retail Transmission Network and Connection kW Quantities

Month	NW - Network kW					CN - Line Connection					CN - Line Transformation				
	IESO	HONI	KW	E+	Total	IESO	HONI	KW	E+	Total	IESO	HONI	KW	E+	Total
Jan	199,794	2,720	4,405	12,928	219,847	219,458	2,809	4,405	12,928	239,600	23,931	2,809			26,740
Feb	192,962	1,224	4,430	13,146	211,762	199,964	3,350	4,430	13,351	221,095	23,694	3,350			27,044
Mar	195,084	3,232	4,081	8,997	211,394	205,947	3,337	4,081	8,997	222,362	22,735	3,337			26,072
Apr	197,185	2,408	3,549	10,894	214,036	212,931	2,408	3,549	10,894	229,782	21,618	2,408			24,026
May	197,185	2,844	3,876	9,589	213,494	212,931	2,844	3,876	9,589	229,240	21,618	2,844			24,462
Jun	235,198	2,604	4,289	9,562	251,653	241,778	2,698	4,289	9,562	258,327	25,078	2,698			27,776
Jul	244,628	2,938	4,459	10,066	262,091	253,847	2,966	4,459	10,066	271,338	24,776	2,966			27,742
Aug	244,453	2,868	4,025	9,906	261,252	255,502	2,951	4,025	9,906	272,384	24,844	2,951			27,795
Sep	255,459	3,034	4,770	10,298	273,561	261,979	3,075	4,770	10,298	280,122	25,579	3,075			28,654
Oct	176,660	2,688	3,601	8,136	191,085	195,400	2,867	3,601	8,176	210,044	22,179	2,867			25,046
Nov	189,977	2,838	3,884	8,827	205,526	196,984	2,880	3,884	8,827	212,575	21,651	2,880			24,531
Dec	203,647	2,921	4,562	9,208	220,338	205,027	2,946	4,562	9,347	221,882	22,809	2,946			25,755
<b>Total</b>	<b>2,532,232</b>	<b>32,319</b>	<b>49,931</b>	<b>121,557</b>	<b>2,736,039</b>	<b>2,661,748</b>	<b>35,132</b>	<b>49,931</b>	<b>121,941</b>	<b>2,868,752</b>	<b>280,512</b>	<b>35,132</b>	-	-	<b>315,644</b>



## **2.10 Low Voltage Service Rate**

Waterloo North Hydro has included Low Voltage Cost Recovery in its rates since May 1, 2006 and has reflected the increase of subsequent price caps adjustment in its records. Waterloo North Hydro is aware that the price cap index adjustment is no longer applied to the Low Voltage Service Rates and proposes to continue its low voltage cost recovery at its current level.

## **2.11 Global Adjustment**

Section 3.2.5.2 of Chapter 3 of the Board's Filing Requirements for Electricity Distribution Rate Applications – 2017 Edition for 2018 Rate Applications states "*a distributor must support their GA claims with a description of their settlement process with the IESO or host distributor. This description is only required to be submitted if an aspect of the description has changed since previously filed or has not been previously filed in an application*". There have been no changes since the previously filed application.

Section 3.2.5.2 also describes the new GA Analysis Workform, "Starting for 2018 rate applications, all distributors must complete the GA Analysis Workform. The new workform will help the OEB assess if the annual balance in Account 1589 is reasonable." Waterloo North Hydro has included the GA Analysis Workform in Attachment B.

### **3.0 Proposed Rates**

Waterloo North Hydro has provided the Proposed January 1, 2018 Tariff of Rates and Charges in Table 3.0a below. The Rate Generator Model, which calculated the proposed rates and charges and the Tariff Schedule, has been submitted in excel format with this application.

Waterloo North Hydro proposes to implement the new rates as of January 1, 2018. Waterloo North Hydro will prorate the customers' bills in order that consumption prior to January 1, 2018 will be billed at its current approved rates and post January 1, 2018 consumption will be billed at the rates proposed in this rate application.

## Table 3.0a Proposed January 1, 2018 Tariff of Rate and Charges

# Waterloo North Hydro Inc.

## TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2018  
This schedule supersedes and replaces all previously  
approved schedules of Rates, Charges and Loss Factors

EB-2017-0080

### RESIDENTIAL SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less where the electricity is used exclusively in a

### APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be

### MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	27.68
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Rate Rider for Recovery of Stranded Meter Assets - effective until December 31, 2018	\$	0.58
Distribution Volumetric Rate	\$/kWh	0.0054
Low Voltage Service Rate	\$/kWh	0.0002
Rate Rider for Disposition of Global Adjustment Account (2018) - effective until December 31, 2018 Applicable only for Non-RPP Customers	\$/kWh	0.0005
Rate Rider for Disposition of Deferral/Variance Accounts (2018) - effective until December 31, 2018	\$/kWh	(0.0007)
Rate Rider for Disposition of Capacity Based Recovery Account (2018) - effective until January 01, 2018 Applicable only for Class B Customers	\$/kWh	0.0002
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0071
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0023

### MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0032
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

## ONTARIO ELECTRICITY SUPPORT PROGRAM RECIPIENTS

In addition to the charges specified on page 1 of this tariff of rates and charges, the following credits are to be applied to

### APPLICATION

The application of the credits is in accordance with the Distribution System Code (Section 9) and subsection 79.2 of the The application of these credits shall be in accordance with the Licence of the Distributor and any Code or Order of the In this class:

“Aboriginal person” includes a person who is a First Nations person, a Métis person or an Inuit person;

“account-holder” means a consumer who has an account with a distributor that falls within a residential-rate classification as

“electricity-intensive medical device” means an oxygen concentrator, a mechanical ventilator, or such other device as may

“household” means the account-holder and any other people living at the accountholder’s service address for at least six

“household income” means the combined annual after-tax income of all members of a household aged 16 or over;

### MONTHLY RATES AND CHARGES

#### Class A

(a) account-holders with a household income of \$28,000 or less living in a household of one or two persons;

(b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of three persons;

(c) account-holders with a household income of between \$39,001 and \$48,000 living in a household of five persons;

(d) account-holders with a household income of between \$48,001 and \$52,000 living in a household of seven or more persons;

but does not include account-holders in Class E.

OESP Credit	\$	(30.00)
-------------	----	---------

#### Class B

(a) account-holders with a household income of \$28,000 or less living in a household of three persons;

(b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of four persons;

(c) account-holders with a household income of between \$39,001 and \$48,000 living in a household of six persons;

but does not include account-holders in Class F.

OESP Credit	\$	(34.00)
-------------	----	---------

#### Class C

(a) account-holders with a household income of \$28,000 or less living in a household of four persons;

(b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of five persons;

(c) account-holders with a household income of between \$39,001 and \$48,000 living in a household of seven or more persons;

but does not include account-holders in Class G.

OESP Credit	\$	(38.00)
-------------	----	---------

#### Class D

(a) account-holders with a household income of \$28,000 or less living in a household of five persons;

(b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of six persons;

but does not include account-holders in Class H.

OESP Credit	\$	(42.00)
-------------	----	---------

#### Class E

Class E comprises account-holders with a household income and household size described under Class A

who also meet any of the following conditions:

(a) the dwelling to which the account relates is heated primarily by electricity;

(b) the account-holder or any member of the account-holder’s household is an Aboriginal person; or

(c) the account-holder or any member of the account-holder’s household regularly uses, for medical purposes,

an electricity-intensive medical device at the dwelling to which the account relates.

OESP Credit	\$	(60.00)
-------------	----	---------

**Class I**

Class I comprises account-holders with a household income and household size described under paragraphs (a) or (b) of Class F who also meet any of the following conditions:

- (a) the dwelling to which the account relates is heated primarily by electricity;
- (b) the account-holder or any member of the account-holder's household is an Aboriginal person; or
- (c) the account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates.

OESP Credit	\$	(75.00)
-------------	----	---------

**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

**APPLICATION**

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be

**MONTHLY RATES AND CHARGES - Delivery Component**

Service Charge	\$	32.99
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Rate Rider for Recovery of Stranded Meter Assets - effective until December 31, 2018	\$	1.38
Distribution Volumetric Rate	\$/kWh	0.0165
Low Voltage Service Rate	\$/kWh	0.0002
Rate Rider for Disposition of Global Adjustment Account (2018) - effective until December 31, 2018 Applicable only for Non-RPP Customers	\$/kWh	0.0005
Rate Rider for Disposition of Deferral/Variance Accounts (2018) - effective until December 31, 2018	\$/kWh	(0.0006)
Rate Rider for Disposition of Capacity Based Recovery Account (2018) - effective until January 01, 2018 Applicable only for Class B Customers	\$/kWh	0.0002
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0065
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0021

**MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0032
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

## 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

### APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated

The rate rider for the disposition of Class B WMS - Sub-account CBR (2017) is not applicable to wholesale market

The rate rider for the disposition of Global Adjustment (2017) is only applicable to non-RPP Class B customers. It is not

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be

### MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	123.23
Distribution Volumetric Rate	\$/kW	5.2282
Low Voltage Service Rate	\$/kW	0.0738
Rate Rider for Disposition of Global Adjustment Account (2018) - effective until December 31, 2018 Applicable only for Non-RPP Customers	\$/kWh	0.0005
Rate Rider for Disposition of Deferral/Variance Accounts (2018) - effective until December 31, 2018 Applicable only for Non-Wholesale Market Participants	\$/kW	(0.2048)
Rate Rider for Disposition of Deferral/Variance Accounts (2018) - effective until December 31, 2018	\$/kW	(0.0380)
Rate Rider for Disposition of Capacity Based Recovery Account (2018) - effective until January 01, 2018 Applicable only for Class B Customers	\$/kWh	0.0651
Retail Transmission Rate - Network Service Rate - (less than 1,000 kW)	\$/kW	2.6766
Retail Transmission Rate - Network Service Rate - Interval Metered (less than 1,000 kW)	\$/kW	2.8430
Retail Transmission Rate - Network Service Rate - Interval Metered (1,000 to 4,999 kW)	\$/kW	2.8392
Retail Transmission Rate - Line and Transformation Connection Service Rate - (less than 1,000 kW)	\$/kW	0.8100
Retail Transmission Rate - Line and Trans. Connection Service Rate - Interval Metered (less than 1,000 kW)	\$/kW	1.0117
Retail Transmission Rate - Line and Trans. Connection Service Rate - Interval Metered (1,000 to 4,999 kW)	\$/kW	1.0106

### MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0032
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

## LARGE USE SERVICE CLASSIFICATION

This classification applies to an account whose average monthly maximum demand used for billing purposes is equal to or

### APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be

### MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	7,200.73
Distribution Volumetric Rate	\$/kW	4.1492
Low Voltage Service Rate	\$/kW	0.0925
Rate Rider for Disposition of Deferral/Variance Accounts (2018) - effective until December 31, 2018	\$/kW	(0.3435)
Retail Transmission Rate - Network Service Rate - Interval Metered	\$/kW	3.1477
Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered	\$/kW	1.0152

### MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0032
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

## UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less whose average monthly maximum demand is

### APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be

### MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	10.95
Distribution Volumetric Rate	\$/kWh	0.0136
Low Voltage Service Rate	\$/kWh	0.0002
Rate Rider for Disposition of Global Adjustment Account (2018) - effective until December 31, 2018 Applicable only for Non-RPP Customers	\$/kWh	0.0005
Rate Rider for Disposition of Deferral/Variance Accounts (2018) - effective until December 31, 2018	\$/kWh	(0.0007)
Rate Rider for Disposition of Capacity Based Recovery Account (2018) - effective until January 01, 2018 Applicable only for Class B Customers	\$/kWh	0.0002
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0065
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0021

### MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0032
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25



## STREET LIGHTING SERVICE CLASSIFICATION

This classification applies to an account for roadway lighting with a Municipality, Regional Municipality, Ministry of

### APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be

### MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	0.35
Distribution Volumetric Rate	\$/kW	9.6778
Low Voltage Service Rate	\$/kW	0.0570
Rate Rider for Disposition of Global Adjustment Account (2018) - effective until December 31, 2018 Applicable only for Non-RPP Customers	\$/kWh	0.0005
Rate Rider for Disposition of Deferral/Variance Accounts (2018) - effective until December 31, 2018	\$/kW	(0.1993)
Rate Rider for Disposition of Capacity Based Recovery Account (2018) - effective until January 01, 2018 Applicable only for Class B Customers	\$/kWh	0.0607
Retail Transmission Rate - Network Service Rate	\$/kW	2.0188
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	0.6259

### MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0032
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

## microFIT SERVICE CLASSIFICATION

This classification applies to an electricity generation facility contracted under the Independent Electricity System Operator's

### APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be

### MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	5.40
----------------	----	------

## EMBEDDED DISTRIBUTOR SERVICE CLASSIFICATION

This classification applies to an electricity distributor licensed by the Ontario Energy Board that is provided electricity by

### APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be

### MONTHLY RATES AND CHARGES - Delivery Component

Distribution Volumetric Rate	\$/kW	0.0206
Rate Rider for Disposition of Global Adjustment Account (2018) - effective until December 31, 2018 Applicable only for Non-RPP Customers	\$/kWh	0.0005
Rate Rider for Disposition of Deferral/Variance Accounts (2018) - effective until December 31, 2018	\$/kW	(0.2771)
Rate Rider for Disposition of Capacity Based Recovery Account (2018) - effective until January 01, 2018 Applicable only for Class B Customers	\$/kWh	0.0726

### MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0032
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

## 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)

## 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

No charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be

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 Debt Retirement Charge, the Global Adjustment and the HST.

### Customer Administration

Easement Letter	\$	15.00
Notification charge	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Returned Cheque (plus bank charges)	\$	15.00
Duplicate invoices for previous billing	\$	15.00
Income tax letter	\$	15.00
Account set up charge / change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00

### Non-Payment of Account

Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Disconnect/Reconnect at Meter - during regular hours	\$	65.00
Disconnect/Reconnect at Meter - after regular hours	\$	185.00

### Other

Specific charge for access to the power poles - \$/pole/year (with the exception of wireless attachments)	\$	22.35
---	----	-------

## 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

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be

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	\$	100.00
Monthly Fixed Charge, per retailer	\$	20.00
Monthly Variable Charge, per customer, per retailer	\$/cust.	0.50
Distributor-consolidated billing monthly charge, per customer, per retailer	\$/cust.	0.30
Retailer-consolidated billing monthly credit, per customer, per retailer	\$/cust.	(0.30)
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	\$	0.25
Processing fee, per request, applied to the requesting party	\$	0.50
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)	\$	2.00

### 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	1.0362
Total Loss Factor - Secondary Metered Customer > 5,000 kW	1.0147
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0259
Total Loss Factor - Primary Metered Customer > 5,000 kW	1.0047

## 4.0 Rate Impacts

Waterloo North Hydro has included Rate Impacts in Table 4.0a. Waterloo North Hydro has included for each rate class a typical usage customer. Rate impact model adjustments made by Waterloo North Hydro were discussed in section 2.5.

Waterloo North Hydro remains committed to the principle that significant increases or decreases be managed so as to mitigate undue rate impacts in all rate classes. We are also concerned that customers understand the rate impacts. Two critical measures of the impact analysis for each rate class are the percentage change from current rates, and the respective dollar amount of the impact. Providing both the dollar impact and the percentage change puts the increase or decrease in the proper context. Waterloo North Hydro used both percentages and dollar amounts in Table 4.0a to demonstrate relative impacts. There is a range from a decrease of (0.3%) to an increase of 1.7% on the total bill including taxes to all classes after all proposed rate adjustments have been accounted for.

As stated in the Chapter 3 Incentive Rate-Setting Applications, in addition to the typical usage customer *“the OEB requires distributors to calculate the combined impact of the fixed rate increase and any other changes in the cost of distribution service for those residential RPP customers who are at the 10<sup>th</sup> percentile of overall consumption.” “If the total bill impact of the elements proposed in this application is 10% or greater for the RPP customer consuming at the 10<sup>th</sup> percentile, a distributor must file a plan to mitigate the impact for the whole residential class or indicate why such a plan is not required.”*

Waterloo North Hydro has determined that RPP customers who are at the 10<sup>th</sup> percentile of overall consumption are consuming an average of 285 kWh per month. Waterloo North Hydro used monthly average consumption data for all residential customers to determine the

consumption at the 10<sup>th</sup> percentile. At this level of consumption the total bill impact of this application is an increase of their total bill of \$3.24 or 5.5%. Based on this bill impact no mitigation plan is considered necessary.

**Table 4.0a Summary Bill Impact by Rate Class**

Draft Rate Impacts for 2018 IRM Filing				
Rate Class	Typical kWh Usage	Typical kW Usage	% Total Bill Impact	\$ Total Bill Impact
Residential	750		1.40%	\$1.56
GS < 50 kW	2,000		1.70%	\$4.90
GS > 50 kW	100,000	250	0.00%	(\$5.63)
Large Use	8,000,000	14,500	1.40%	\$17,209.22
Unmetered Scattered Load	150		1.60%	\$0.51
Street Lighting	50	0.14	0.20%	\$0.02
Embedded Distributor	2,615,000	6,000	-0.30%	(\$1,092.89)

Dated at Waterloo, Ontario this 11th day of August 2017.

*Original Signed By*

\_\_\_\_\_  
 Rene W. Gatien, P. Eng., MBA  
 President & CEO  
 Waterloo North Hydro Inc.

# **Attachment A**

## **Rate Generator Model**

# Incentive Regulation Model for 2018 Filers

**Quick Link**

Ontario Energy Board's 2018 Electricity  
Distribution Rates Webpage

Version 1.0

Utility Name	Waterloo North Hydro Inc.
Assigned EB Number	EB-2017-0080
Name of Contact and Title	Alyson Conrad, Manager of Regulatory Affairs
Phone Number	519-888-5550
Email Address	aconrad@wnhydro.com
We are applying for rates effective	Monday, January 01, 2018
Rate-Setting Method	Price Cap IR
Please indicate in which Rate Year the Group 1 accounts were last cleared <sup>1</sup>	2017
Please indicate the last Cost of Service Re-Basing Year	2016

Legend

Pale green cells represent input cells.





# Incentive Regulation Model for 2018 File

## Waterloo North Hydro Inc.

### TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2017

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

EB-2016-0109

## 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. All customers are single-phase. 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 Debt Retirement Charge, the Global Adjustment and the HST.

## MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	23.62
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Rate Rider for Recovery of Stranded Meter Assets - effective until December 31, 2018	\$	0.58
Distribution Volumetric Rate	\$/kWh	0.0105
Low Voltage Service Rate	\$/kWh	0.0002
Rate Rider for Disposition of Global Adjustment Account (2017) - effective until December 31, 2017 - Applicable only for Non-RPP Customers	\$/kWh	0.0024
Rate Rider for Disposition of Deferral/Variance Accounts (2017) - effective until December 31, 2017	\$/kWh	(0.0033)
Rate Rider for Disposition of Capacity Based Recovery Account (2017) - effective until December 31, 2017 Applicable only for Class B Customers	\$/kWh	0.0003
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0070
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0022

## MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25



# Incentive Regulation Model for 2018 File

## ONTARIO ELECTRICITY SUPPORT PROGRAM RECIPIENTS

In addition to the charges specified on page 1 of this tariff of rates and charges, the following credits are to be applied to eligible residential customers.

### APPLICATION

The application of the credits is in accordance with the Distribution System Code (Section 9) and subsection 79.2 of the Ontario Energy Board Act, 1998.

The application of these credits 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.

In this class:

“Aboriginal person” includes a person who is a First Nations person, a Métis person or an Inuit person;

“account-holder” means a consumer who has an account with a distributor that falls within a residential-rate classification as specified in a rate order made by the Ontario Energy Board under section 78 of the Act, and who lives at the service address to which the account relates for at least six months in a year;

“electricity-intensive medical device” means an oxygen concentrator, a mechanical ventilator, or such other device as may be specified by the Ontario Energy Board;

“household” means the account-holder and any other people living at the account-holder’s service address for at least six months in a year, including people other than the account-holder’s spouse, children or other relatives;

“household income” means the combined annual after-tax income of all members of a household aged 16 or over;

### MONTHLY RATES AND CHARGES

#### Class A

- (a) account-holders with a household income of \$28,000 or less living in a household of one or two persons;
  - (b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of three persons;
  - (c) account-holders with a household income of between \$39,001 and \$48,000 living in a household of five persons;
  - (d) account-holders with a household income of between \$48,001 and \$52,000 living in a household of seven or more persons;
- but does not include account-holders in Class E.

OESP Credit	\$	(30.00)
-------------	----	---------

#### Class B

- (a) account-holders with a household income of \$28,000 or less living in a household of three persons;
  - (b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of four persons;
  - (c) account-holders with a household income of between \$39,001 and \$48,000 living in a household of six persons;
- but does not include account-holders in Class F.

OESP Credit	\$	(34.00)
-------------	----	---------

#### Class C

- (a) account-holders with a household income of \$28,000 or less living in a household of four persons;
  - (b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of five persons;
  - (c) account-holders with a household income of between \$39,001 and \$48,000 living in a household of seven or more persons;
- but does not include account-holders in Class G.

OESP Credit	\$	(38.00)
-------------	----	---------

#### Class D

- (a) account-holders with a household income of \$28,000 or less living in a household of five persons;
  - (b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of six persons;
- but does not include account-holders in Class H.

OESP Credit	\$	(42.00)
-------------	----	---------



# Incentive Regulation Model for 2018 File

## Class E

Class E comprises account-holders with a household income and household size described under Class A who also meet any of the following conditions:

- (a) the dwelling to which the account relates is heated primarily by electricity;
- (b) the account-holder or any member of the account-holder's household is an Aboriginal person; or
- (c) the account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates.

OESP Credit \$ (45.00)

## Class F

- (a) account-holders with a household income of \$28,000 or less living in a household of six or more persons;
- (b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of seven or more persons; or
- (c) account-holders with a household income and household size described under Class B who also meet any of the following conditions:

- i. the dwelling to which the account relates is heated primarily by electricity;
- ii. the account-holder or any member of the account-holder's household is an Aboriginal person; or
- iii. the account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates.

OESP Credit \$ (50.00)

## Class G

Class G comprises account-holders with a household income and household size described under Class C who also meet any of the following conditions:

- (a) the dwelling to which the account relates is heated primarily by electricity;
- (b) the account-holder or any member of the account-holder's household is an Aboriginal person; or
- (c) the account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates.

OESP Credit \$ (55.00)

## Class H

Class H comprises account-holders with a household income and household size described under Class D who also meet any of the following conditions:

- (a) the dwelling to which the account relates is heated primarily by electricity;
- (b) the account-holder or any member of the account-holder's household is an Aboriginal person; or
- (c) the account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates.

OESP Credit \$ (60.00)

## Class I

Class I comprises account-holders with a household income and household size described under paragraphs (a) or (b) of Class F who also meet any of the following conditions:

- (a) the dwelling to which the account relates is heated primarily by electricity;
- (b) the account-holder or any member of the account-holder's household is an Aboriginal person; or
- (c) the account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates.

OESP Credit \$ (75.00)



# Incentive Regulation Model for 2018 File

## 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. 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 Debt Retirement Charge, the Global Adjustment and the HST.

### MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	32.47
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Rate Rider for Recovery of Stranded Meter Assets - effective until December 31, 2018	\$	1.38
Distribution Volumetric Rate	\$/kWh	0.0162
Low Voltage Service Rate	\$/kWh	0.0002
Rate Rider for Disposition of Global Adjustment Account (2017) - effective until December 31, 2017 - Applicable only for Non-RPP Customers	\$/kWh	0.0024
Rate Rider for Disposition of Deferral/Variance Accounts (2017) - effective until December 31, 2017	\$/kWh	(0.0033)
Rate Rider for Disposition of Capacity Based Recovery Account (2017) - effective until December 31, 2017 Applicable only for Class B Customers	\$/kWh	0.0003
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0064
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0020

### MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

## 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. Note that for the application of the Retail Transmission Rate - Network Service Rate and the Retail Transmission Rate - Line and Transformation Connection Service Rate the following sub-classifications apply: General Service 50 to 999 kW non-interval metered; General Service 50 to 999 kW interval metered; and General Service 1,000 to 4,999 kW interval metered.

### APPLICATION



# Incentive Regulation Model for 2018 File

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.

The rate rider for the disposition of Class B WMS - Sub-account CBR (2017) is not applicable to wholesale market participants (WMP) and customers that transitioned between Class A and Class B in 2015. These transition customers 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 in accordance with a customer's Class A or Class B classification as at December 31, 2015 and the above noted exception for 2015 transition customers, for the entire period to the sunset date of the rate rider.

The rate rider for the disposition of Global Adjustment (2017) is only applicable to non-RPP Class B customers. It is not applicable to WMP and customers that transitioned between Class A and Class B in the period of last Global Adjustment disposition to 2015. These transition customers 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 in accordance with a customer's Class A or Class B classification as at December 31, 2015 and the above noted exception for 2015 transition customers, for the entire period to the sunset date of the rate rider.

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 Debt Retirement Charge, the Global Adjustment and the HST.

## MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	121.29
Distribution Volumetric Rate	\$/kW	5.1459
Low Voltage Service Rate	\$/kW	0.0738
Rate Rider for Disposition of Global Adjustment Account (2017) - effective until December 31, 2017 - Applicable only for Non-RPP Customers	\$/kWh	0.0024
Rate Rider for Disposition of Deferral/Variance Accounts (2017) - effective until December 31, 2017 - Applicable only for Non-Wholesale Market Participants	\$/kW	(1.2296)
Rate Rider for Disposition of Deferral/Variance Accounts (2017) - effective until December 31, 2017	\$/kW	(0.0590)
Rate Rider for Disposition of Capacity Based Recovery Account (2017) - effective until December 31, 2017 Applicable only for Class B Customers	\$/kW	0.1114
Retail Transmission Rate - Network Service Rate - (less than 1,000 kW)	\$/kW	2.6388
Retail Transmission Rate - Network Service Rate - Interval Metered (less than 1,000 kW)	\$/kW	2.8028
Retail Transmission Rate - Network Service Rate - Interval Metered (1,000 to 4,999 kW)	\$/kW	2.7991
Retail Transmission Rate - Line and Transformation Connection Service Rate - (less than 1,000 kW)	\$/kW	0.7828
Retail Transmission Rate - Line and Trans. Connection Service Rate - Interval Metered (less than 1,000 kW)	\$/kW	0.9777
Retail Transmission Rate - Line and Trans. Connection Service Rate - Interval Metered (1,000 to 4,999 kW)	\$/kW	0.9767

## MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

## LARGE USE SERVICE CLASSIFICATION



# Incentive Regulation Model for 2018 File

This classification applies to an 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, 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.

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 Debt Retirement Charge, the Global Adjustment and the HST.

## MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	7,087.33
Distribution Volumetric Rate	\$/kW	4.0839
Low Voltage Service Rate	\$/kW	0.0925
Rate Rider for Disposition of Deferral/Variance Accounts (2017) - effective until December 31, 2017	\$/kW	(1.7964)
Retail Transmission Rate - Network Service Rate - Interval Metered	\$/kW	3.1032
Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered	\$/kW	0.9811

## MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

## 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.



# Incentive Regulation Model for 2018 File

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 Debt Retirement Charge, the Global Adjustment and the HST.

## MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	10.78
Distribution Volumetric Rate	\$/kWh	0.0134
Low Voltage Service Rate	\$/kWh	0.0002
Rate Rider for Disposition of Global Adjustment Account (2017) - effective until December 31, 2017 - Applicable only for Non-RPP Customers	\$/kWh	0.0024
Rate Rider for Disposition of Deferral/Variance Accounts (2017) - effective until December 31, 2017	\$/kWh	(0.0033)
Rate Rider for Disposition of Capacity Based Recovery Account (2017) - effective until December 31, 2017 Applicable only for Class B Customers	\$/kWh	0.0003
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0064
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0020

## MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

## 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 Debt Retirement Charge, the Global Adjustment and the HST.



# Incentive Regulation Model for 2018 File

## MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	0.34
Distribution Volumetric Rate	\$/kW	9.5254
Low Voltage Service Rate	\$/kW	0.0570
Rate Rider for Disposition of Global Adjustment Account (2017) - effective until December 31, 2017 - Applicable only for Non-RPP Customers	\$/kWh	0.0024
Rate Rider for Disposition of Deferral/Variance Accounts (2017) - effective until December 31, 2017	\$/kW	(1.1618)
Rate Rider for Disposition of Capacity Based Recovery Account (2017) - effective until December 31, 2017 Applicable only for Class B Customers	\$/kW	0.1005
Retail Transmission Rate - Network Service Rate	\$/kW	1.9903
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	0.6049

## MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

## 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 Debt Retirement Charge, the Global Adjustment and the HST.

## MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	5.40
----------------	----	------

## EMBEDDED DISTRIBUTOR SERVICE CLASSIFICATION

This classification applies to an electricity distributor licensed by the Ontario Energy Board that is provided electricity by means of this distributor's facilities. 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.





# Incentive Regulation Model for 2018 File

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 Debt Retirement Charge, the Global Adjustment and the HST.

## MONTHLY RATES AND CHARGES - Delivery Component

Distribution Volumetric Rate	\$/kW	0.0203
Rate Rider for Disposition of Capacity Based Recovery Account (2017) - effective until December 31, 2017 Applicable only for Class B Customers	\$/kW	0.1246
Rate Rider for Disposition of Global Adjustment Account (2017) - effective until December 31, 2017 - Applicable only for Non-RPP Customers	\$/kWh	0.0024
Rate Rider for Disposition of Deferral/Variance Accounts (2017) - effective until December 31, 2017	\$/kW	(1.4473)

## MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

## 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)

## 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 Debt Retirement Charge, the Global Adjustment and the HST.

### Customer Administration

Easement Letter	\$	15.00
Notification charge	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Returned Cheque (plus bank charges)	\$	15.00
Duplicate invoices for previous billing	\$	15.00
Income tax letter	\$	15.00



# Incentive Regulation Model for 2018 File

Account set up charge / change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00

## Non-Payment of Account

Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Disconnect/Reconnect at Meter - during regular hours	\$	65.00
Disconnect/Reconnect at Meter - after regular hours	\$	185.00

## Other

Specific charge for access to the power poles - \$/pole/year (with the exception of wireless attachments)	\$	22.35
--	----	-------

## 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 Debt Retirement Charge, 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	\$	100.00
Monthly Fixed Charge, per retailer	\$	20.00
Monthly Variable Charge, per customer, per retailer	\$/cust.	0.50
Distributor-consolidated billing monthly charge, per customer, per retailer	\$/cust.	0.30
Retailer-consolidated billing monthly credit, per customer, per retailer	\$/cust.	(0.30)
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	\$	0.25
Processing fee, per request, applied to the requesting party	\$	0.50
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)	\$	2.00

## 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	1.0362
Total Loss Factor - Secondary Metered Customer > 5,000 kW	1.0147 r



Ontario Energy Board

# Incentive Regulation Model for 2018 File

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

1.0259

Total Loss Factor - Primary Metered Customer > 5,000 kW

1.0047

# Incentive Regulation Model for 2018 Filers

Please complete the following continuity schedule for the following Deferral/Variance Accounts. Enter information into green cells only. Column BU has been prepopulated from the latest 2.1.7 RRR filing.

For all Group 1 Accounts, except for Account 1595, start inputting data from the year in which the GL balance was last disposed. For example, if in the 2017 rate application, DVA balances as at December 31, 2015 were approved for disposition, start the continuity schedule from 2015 by entering the 2014 closing balance in the Adjustment column under 2014. For all Account 1595 sub-accounts, complete the DVA continuity schedule for each Account 1595 vintage year that has a GL balance as at December 31, 2016 regardless of whether the account is being requested for disposition in the current application. For each Account 1595 sub-account, start inputting data from the year the sub-account started to accumulate a balance (i.e. the vintage year). For example, for Account 1595 (2014), data should be inputted starting in 2014 when the relevant balances approved for disposition was first transferred into Account 1595 (2014).

Please refer to the footnotes for further instructions.

Account Descriptions	Account Number
<b>Group 1 Accounts</b>	
LV Variance Account	1550
Smart Metering Entity Charge Variance Account	1551
RSVA - Wholesale Market Service Charge <sup>5</sup>	1580
Variance WMS – Sub-account CBR Class A <sup>5</sup>	1580
Variance WMS – Sub-account CBR Class B <sup>5</sup>	1580
RSVA - Retail Transmission Network Charge	1584
RSVA - Retail Transmission Connection Charge	1586
RSVA - Power <sup>4</sup>	1588
RSVA - Global Adjustment <sup>4</sup>	1589
Disposition and Recovery/Refund of Regulatory Balances (2009) <sup>3</sup>	1595
Disposition and Recovery/Refund of Regulatory Balances (2010) <sup>3</sup>	1595
Disposition and Recovery/Refund of Regulatory Balances (2011) <sup>3</sup>	1595
Disposition and Recovery/Refund of Regulatory Balances (2012) <sup>3</sup>	1595
Disposition and Recovery/Refund of Regulatory Balances (2013) <sup>3</sup>	1595
Disposition and Recovery/Refund of Regulatory Balances (2014) <sup>3</sup>	1595
Disposition and Recovery/Refund of Regulatory Balances (2015) <sup>3</sup>	1595
Disposition and Recovery/Refund of Regulatory Balances (2016) <sup>3</sup> <i>Not to be disposed of until a year after rate rider has expired and that balance has been audited</i>	1595
<b>RSVA - Global Adjustment</b>	<b>1589</b>
<b>Total Group 1 Balance excluding Account 1589 - Global Adjustment</b>	
<b>Total Group 1 Balance</b>	
<b>LRAM Variance Account (only input amounts if applying for disposition of this account)</b>	<b>1568</b>
<b>Total including Account 1568</b>	

For all OEB-Approved dispositions, please ensure that the disposition amount has the same sign (e.g: debit balances are to have a positive figure and credit balance are to have a negative figure) as per the related OEB decision.

<sup>1</sup> Please provide explanations for the nature of the adjustments. If the adjustment relates to previously OEB-Approved disposed balances, please provide amounts for adjustments and include supporting documentations.

<sup>2</sup> If the LDC's rate year begins on January 1, 2018, the projected interest is recorded from January 1, 2017 to December 31, 2017 on the December 31, 2016 balances adjusted for the disposed balances approved by the OEB in the 2017 rate decision. If the LDC's rate year begins on May 1, 2018, the projected interest is recorded from January 1, 2017 to April 30, 2018 on the December 31, 2016 balances adjusted for the disposed interest balances approved by the OEB in the 2017 rate decision.

<sup>3</sup> The individual sub-accounts as well as the total for all Account 1595 sub-accounts is to agree to the RRR data. Differences need to be explained. For each Account 1595 sub-account, the transfer of the balance approved for disposition into Account 1595 is to be recorded in "OEB Approved Disposition" column. The recovery/refund is to be recorded in the "Transaction" column. The audited balance in the account is only to be disposed a year after the recovery/refund period has been completed. Generally, no further transactions would be expected to flow through the account after that. Any vintage year of Account 1595 is only to be disposed once on a final basis. No further dispositions of these accounts are generally expected thereafter, unless justified by the distributor. Select the "Check to dispose of account" checkbox in column BT if the sub-account is requested for disposition.

<sup>4</sup> Effective May 23, 2017, per the OEB's letter titled Guidance on Disposition of Accounts 1588 and 1589, applicants must reflect RPP Settlement true-up claims pertaining to the period that is being requested for disposition in Accounts 1588 and 1589. This is to include true ups that impact the GA as well. The amount requested for disposition starts with the audited account balance. If the audited account balance does not reflect the true-up claims for that year, the impacts of the true-up claims are to be shown in the Adjustment column in that year. Note that this true-up claim will need to be reversed in the amount requested for disposition in the following year. However, if the RPP Settlement true-up claim was not reflected at the end of the last year of the account balance that was previously disposed, then no adjustment would have to be made in the first year at the beginning of the current period being requested for disposition. This way the adjustment is appropriately captured in the last year of the previously disposed period and the first year of the current period requested for disposition. Note that if a distributor has any balance in Account 1589 that pertains to Class A, this must be excluded from the balance requested for disposition.

<sup>5</sup> Account 1580 RSVA WMS balance inputted into this schedule is to exclude any amounts relating to CBR. CBR amounts are to be inputted into Account 1580, sub-accounts CBR Class A and Class B separately. There is no disposition of Account 1580, sub-account CBR Class A, accounting guidance for this sub-account is to be followed. If a balance exists for Account 1580, sub-account CBR Class A as at Dec. 31, 2016, the balance must be explained.





**2013**

Opening Principal Amounts as of Jan 1, 2013	Transactions Debit/ (Credit) during 2013	OEB-Approved Disposition during 2013	Principal Adjustments <sup>1</sup> during 2013	Closing Principal Balance as of Dec 31, 2013	Opening Interest Amounts as of Jan 1, 2013	Interest Jan 1 to Dec 31, 2013	OEB-Approved Disposition during 2013	Interest Adjustments <sup>1</sup> during 2013	Closing Interest Amounts as of Dec 31, 2013	Opening Principal Amounts as of Jan 1, 2014	Transactions Debit/ (Credit) during 2014
0				0	0				0	0	99,111
0				0	0				0	0	(10,038)
0				0	0				0	0	(177,404)
0				0	0				0	0	
0				0	0				0	0	
0				0	0				0	0	(251,888)
0				0	0				0	0	(33,234)
0				0	0				0	0	1,040,210
0				0	0				0	0	2,293,411
0				0	0				0	0	
0				0	0				0	0	1,239,998
0				0	0				0	0	(128,124)
0				0	0				0	0	866,995
0				0	0				0	0	737,214
0				0	0				0	0	
0				0	0				0	0	
0				0	0				0	0	
0				0	0				0	0	
0				0	0				0	0	
0				0	0				0	0	
0				0	0				0	0	
0				0	0				0	0	
0				0	0				0	0	
0				0	0				0	0	
0				0	0				0	0	2,293,411
0				0	0				0	0	3,382,840
0				0	0				0	0	5,676,251
0				0	0				0	0	
0				0	0				0	0	
0				0	0				0	0	
0				0	0				0	0	5,676,251

**2014**

OEB-Approved Disposition during 2014	Principal Adjustments <sup>1</sup> during 2014	Closing Principal Balance as of Dec 31, 2014	Opening Interest Amounts as of Jan 1, 2014	Interest Jan 1 to Dec 31, 2014	OEB-Approved Disposition during 2014	Interest Adjustments <sup>1</sup> during 2014	Closing Interest Amounts as of Dec 31, 2014
	101,650	200,761	0	843		2,554	3,397
	32,301	22,263	0	(63)		947	884
	(926,113)	(1,103,517)	0	9,862		(28,059)	(18,197)
	0	0	0			0	0
	0	0	0			0	0
	(422,798)	(674,686)	0	(2,634)		(10,995)	(13,629)
	(267,572)	(300,806)	0	(121)		(7,342)	(7,463)
	(462,831)	577,379	0	3,907		(8,476)	(4,569)
	430,530	2,723,941	0	13,175		25,616	38,791
	0	0	0			0	0
	1,045,852	2,285,850	0	30,133		(1,487,256)	(1,457,123)
	63,130	(64,994)	0	(563)		152,057	151,494
	(241,096)	625,899	0	6,814		(249,472)	(242,658)
	(469,185)	268,029	0	1,579		(58,033)	(56,454)
	(696,114)	(696,114)	0			(90,389)	(90,389)
		0	0				0
		0	0				0
0	430,530	2,723,941	0	13,175	0	25,616	38,791
0	(2,242,776)	1,140,064	0	49,757	0	(1,784,464)	(1,734,707)
0	(1,812,246)	3,864,005	0	62,932	0	(1,758,848)	(1,695,916)
		0	0				0
0	(1,812,246)	3,864,005	0	62,932	0	(1,758,848)	(1,695,916)



**2015**

Opening Principal Amounts as of Jan 1, 2015	Transactions Debit/ (Credit) during 2015	OEB-Approved Disposition during 2015	Principal Adjustments <sup>1</sup> during 2015	Closing Principal Balance as of Dec 31, 2015	Opening Interest Amounts as of Jan 1, 2015	Interest Jan 1 to Dec 31, 2015	OEB-Approved Disposition during 2015	Interest Adjustments <sup>1</sup> during 2015	Closing Interest Amounts as of Dec 31, 2015	Opening Principal Amounts as of Jan 1, 2016	Transactions Debit/ (Credit) during 2016
200,761	107,063	101,650		206,174	3,397	1,182	2,554	157	2,182	206,174	154,065
22,263	(9,044)	32,301		(19,082)	884	(120)	947	48	(135)	(19,082)	(10,604)
(1,103,517)	(3,201,078)	(926,113)		(3,378,482)	(18,197)	(3,390)	(28,059)	(9,365)	(2,893)	(3,378,482)	(809,142)
0	19,916			19,916	0	66			66	19,916	(19,916)
0	368,591			368,591	0	1,206			1,206	368,591	222,477
(674,686)	(410,700)	(422,798)		(662,588)	(13,629)	(3,004)	(10,994)	(2,548)	(8,187)	(662,588)	(438,113)
(300,806)	(70,449)	(267,572)		(103,683)	(7,463)	(396)	(7,342)	(175)	(692)	(103,683)	14,245
577,379	(1,145,965)	(462,831)		(105,755)	(4,569)	12,405	(8,477)	(8,918)	7,395	(105,755)	770,633
2,723,941	1,654,466	430,530		3,947,877	38,791	27,349	25,616	16,947	57,471	3,947,877	357,678
0				0	0				0	0	
2,285,850	839			2,286,689	(1,457,123)	27,259		6,512	(1,423,352)	2,286,689	
(64,994)	(221)			(65,215)	151,494	(775)		(175)	150,544	(65,215)	
625,899	684			626,583	(242,658)	7,464		1,745	(233,449)	626,583	
268,029	1,337			269,366	(56,454)	3,196		749	(52,509)	269,366	
(696,114)	925,335			229,221	(90,389)	1,144			(89,245)	229,221	(1,397)
0	1,080,669	1,514,833		(434,164)	0	(10,406)	25,755		(36,161)	(434,164)	596,483
0				0	0				0	0	(5,083,665)
2,723,941	1,654,466	430,530	0	3,947,877	38,791	27,349	25,616	16,947	57,471	3,947,877	357,678
1,140,064	(2,333,023)	(430,530)	0	(762,429)	(1,734,707)	35,831	(25,616)	(11,970)	(1,685,230)	(762,429)	(4,604,934)
3,864,005	(678,557)	0	0	3,185,448	(1,695,916)	63,180	0	4,977	(1,627,759)	3,185,448	(4,247,256)
0				0	0				0	0	
3,864,005	(678,557)	0	0	3,185,448	(1,695,916)	63,180	0	4,977	(1,627,759)	3,185,448	(4,247,256)

If you had any Class A customers at any point du Account 1589 GA balance accumulated (i.e. from last disposed to 2016), check off the checkbox.

If you had Class A customer(s) during this period and applicants must complete the information per customers.

2016								2017				P <sub>1</sub>
OEB-Approved Disposition during 2016	Principal Adjustments <sup>1</sup> during 2016	Closing Principal Balance as of Dec 31, 2016	Opening Interest Amounts as of Jan 1, 2016	Interest Jan 1 to Dec 31, 2016	OEB-Approved Disposition during 2016	Interest Adjustments <sup>1</sup> during 2016	Closing Interest Amounts as of Dec 31, 2016	Principal Disposition during 2017 - instructed by OEB	Interest Disposition during 2017 - instructed by OEB	Closing Principal Balances as of Dec 31, 2017 Adjusted for Dispositions during 2017	Closing Interest Balances as of Dec 31, 2017 Adjusted for Disposition in 2017	Projected Interest from Jan 1, 2017 to December 31, 2017 on Dec 31, 2016 balance adjusted for disposition during 2017 <sup>2</sup>
99,111		261,128	2,182	2,025	2,025		2,182	107,063	1,335	154,065	847	1,695
(10,038)		(19,648)	(135)	(192)	(183)		(144)	(9,044)	(51)	(10,604)	(93)	(117)
(177,404)	(719,294)	(4,729,514)	(2,893)	(41,888)	7,746		(52,527)	(3,201,078)	(45,851)	(1,528,436)	(6,676)	(16,813)
		0	66	(66)			0	0	0	0	0	0
		591,068	1,206	5,706			6,912	368,591	5,261	222,477	1,651	2,447
(251,888)		(848,813)	(8,187)	(6,735)	(5,639)		(9,283)	(410,700)	(7,066)	(438,113)	(2,217)	(4,819)
(33,234)		(56,204)	(692)	(381)	(517)		(556)	(70,449)	(950)	14,245	394	157
1,040,210		(375,332)	7,395	(2,974)	16,313		(11,892)	(1,145,965)	(21,524)	770,633	9,632	8,477
2,293,411		2,012,144	57,471	(8,857)	40,524		8,090	1,654,466	35,146	357,678	(27,056)	3,934
		0	0				0	0	0	0	0	0
2,285,850	(839)	0	(1,423,352)		(1,429,864)	(6,512)	0	0	0	0	0	0
(64,994)	221	0	150,544		150,719	175	0	0	0	0	0	0
625,899	(684)	0	(233,449)		(235,194)	(1,745)	0	0	0	0	0	0
268,029	(1,337)	0	(52,509)		(53,258)	(749)	0	0	0	0	0	0
		227,824	(89,245)	2,448			(86,797)	229,221	(86,724)	(1,397)	(73)	(15)
		162,319	(36,161)	733			(35,428)			162,319	(35,428)	1,786
(6,447,812)		1,364,147	0	46,905	1,512,419		(1,465,514)			1,364,147	(1,465,514)	15,006
2,293,411	0	2,012,144	57,471	(8,857)	40,524	0	8,090	1,654,466	35,146	357,678	(27,056)	3,934
(2,666,271)	(721,933)	(3,423,025)	(1,685,230)	5,581	(35,433)	(8,831)	(1,653,047)	(4,132,361)	(155,570)	709,336	(1,497,477)	7,804
(372,860)	(721,933)	(1,410,881)	(1,627,759)	(3,276)	5,091	(8,831)	(1,644,957)	(2,477,895)	(120,424)	1,067,014	(1,524,533)	11,738
0		0	0				0			0	0	
(372,860)	(721,933)	(1,410,881)	(1,627,759)	(3,276)	5,091	(8,831)	(1,644,957)	(2,477,895)	(120,424)	1,067,014	(1,524,533)	11,738

During the period that the balance was maintained in the year the balance was reported, Tab 6 will be generated retaining to Class A

If you had any customers classified as Class A at any point during the period where Account 1580, sub-account CBR Class B balance accumulated (i.e. 2015 and 2016 or 2016), check off the checkbox.

If you had Class A customer(s) during this period, Tab 6.2 will be generated. Account 1580, sub-account CBR Class B will be disposed through a separate rate rider calculated in Tab 6.2.

If you only had Class B customers during this period, the balance in 1580 sub-account CBR Class B will be allocated and disposed with Account 1580 WMS.

Projected Interest on Dec-31-16 Balances			2.1.7 RRR	
Projected Interest from January 1, 2018 to April 30, 2018 on Dec 31, 2016 balance adjusted for disposition during 2017 <sup>2</sup>	Total Interest	Total Claim	As of Dec 31, 2016	Variance RRR vs. 2016 Balance (Principal + Interest)
	2,542	156,607	263,310	0
	(210)	(10,814)	(19,792)	0
	(23,489)	(1,551,925)	(4,504,656)	277,385
	0	0	0	0
	4,098	226,575	320,595	(277,385)
	(7,036)	(445,149)	(858,096)	0
	551	14,796	(56,760)	0
	18,109	788,742	(387,224)	0
	(23,122)	334,556	2,020,234	0
	<input type="checkbox"/> Check to Dispose of Account	0	0	0
	<input type="checkbox"/> Check to Dispose of Account	0	0	0
	<input type="checkbox"/> Check to Dispose of Account	0	0	0
	<input type="checkbox"/> Check to Dispose of Account	0	0	0
	<input type="checkbox"/> Check to Dispose of Account	0	0	0
	(88) <input checked="" type="checkbox"/> Check to Dispose of Account	(1,485)	141,027	0
	(33,642) <input checked="" type="checkbox"/> Check to Dispose of Account	128,677	126,891	0
	<input type="checkbox"/> Check to Dispose of Account	0	0	0
	(1,450,508)	0	(101,367)	0
0	(23,122)	334,556	2,020,234	0
0	(1,489,673)	(693,976)	(5,396,667)	(320,595)
0	(1,512,795)	(359,420)	(3,376,433)	(320,595)
	0	0	(28,459)	(28,459)
0	(1,512,795)	(359,420)	(3,404,892)	(349,054)

# Incentive Regulation Model for 2018 Filers

Data on this worksheet has been populated using your most recent RRR filing.

Click on the checkbox to confirm the accuracy of the data below:

If you have identified any issues, please [contact](#) the OEB.

If a distributor uses the actual GA price to bill non-RPP Class B customers for an entire rate class, it must exclude these customers from the allocation of the GA balance and the calculation of the resulting rate riders. These rate classes are not to be charged/refunded the general GA rate rider as they did not contribute to the GA balance.

Please [contact](#) the OEB to make adjustments to the IRM rate generator for this situation.

Rate Class	Unit	Total Metered kWh	Total Metered kW	Metered kWh for Non-RPP Customers (excluding WMP)	Metered kW for Non-RPP Customers (excluding WMP)	Metered kWh for Wholesale Market Participants (WMP)	Metered kW for Wholesale Market Participants (WMP)	Total Metered kWh less WMP consumption (if applicable)	Total Metered kW less WMP consumption (if applicable)	1595 Recovery Proportion (2014) <sup>1</sup>	1595 Recovery Proportion (2015) <sup>1</sup>	1568 LRAM Variance Account Class Allocation (\$ amounts)	Number of Customers for Residential and GS<50 classes <sup>3</sup>
RESIDENTIAL SERVICE CLASSIFICATION	kWh	404,436,333	0	14,533,056	0	0	0	404,436,333	0	24%	27%		49,767
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	kWh	193,116,426	0	33,267,045	0	0	0	193,116,426	0	11%	13%		5,730
GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION	kW	701,389,229	1,808,767	620,616,141	1,552,657	6,445,968	0	694,943,261	1,808,767	57%	51%		
LARGE USE SERVICE CLASSIFICATION	kW	95,179,112	178,218	95,179,112	178,218	0	0	95,179,112	178,218	5%	6%		
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	kWh	2,729,041	0	4,301	0	0	0	2,729,041	0	0%	0%		
STREET LIGHTING SERVICE CLASSIFICATION	kW	7,638,394	21,346	7,607,200	21,250	0	0	7,638,394	21,346	1%	1%		
EMBEDDED DISTRIBUTOR SERVICE CLASSIFICATION	kW	33,527,765	78,348	33,527,765	78,348	0	0	33,527,765	78,348	2%	2%		
<b>Total</b>		1,438,016,300	2,086,679	804,734,620	1,830,473	6,445,968	0	1,431,570,332	2,086,679	100%	100%	0	55,497

**Threshold Test**

Total Claim (including Account 1568)	(\$359,420)
Total Claim for Threshold Test (All Group 1 Accounts)	(\$359,420)
Threshold Test (Total claim per kWh) <sup>2</sup>	(\$0.0002) Claim does not meet the threshold test.

1568 Account Balance from Continuity Schedule	0
Total Balance of Account 1568 in Column S matches the amount entered on the Continuity Schedule	

As per Section 3.2.5 of the 2018 Filing Requirements for Electricity Distribution Rate Applications, an applicant may elect to dispose of the Group 1 account balances below the threshold. If doing so, please select YES from the adjacent drop-down cell and also indicate so in the Manager's Summary. If not, please select NO.

YES

<sup>1</sup> Residual Account balance to be allocated to rate classes in proportion to the recovery share as established when rate riders were implemented.

<sup>2</sup> The Threshold Test does not include the amount in 1568.

<sup>3</sup> The proportion of customers for the Residential and GS<50 Classes will be used to allocate Account 1551.

# Incentive Regulation Model for 2018 Filers

No input required. This worksheet allocates the deferral/variance account balances (Group 1 and 1568) to the appropriate classes as per EDDVAR dated July 31, 2009

## Allocation of Group 1 Accounts (including Account 1568)

Rate Class	% of Total kWh	% of Customer Numbers **	% of Total kWh adjusted for WMP	allocated based on Total less WMP			allocated based on Total less WMP					
				1550	1551	1580	1584	1586	1588	1595_(2014)	1595_(2015)	1568
RESIDENTIAL SERVICE CLASSIFICATION	28.1%	89.7%	28.3%	44,045	(9,697)	(438,438)	(125,196)	4,161	222,829	(356)	34,743	0
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	13.4%	10.3%	13.5%	21,031	(1,117)	(209,352)	(59,781)	1,987	106,400	(163)	16,728	0
GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION	48.8%	0.0%	48.5%	76,385	0	(753,368)	(217,120)	7,217	382,888	(846)	65,625	0
LARGE USE SERVICE CLASSIFICATION	6.6%	0.0%	6.6%	10,365	0	(103,181)	(29,463)	979	52,440	(74)	7,721	0
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	0.2%	0.0%	0.2%	297	0	(2,958)	(845)	28	1,504	0	0	0
STREET LIGHTING SERVICE CLASSIFICATION	0.5%	0.0%	0.5%	832	0	(8,281)	(2,365)	79	4,208	(15)	1,287	0
EMBEDDED DISTRIBUTOR SERVICE CLASSIFICATION	2.3%	0.0%	2.3%	3,651	0	(36,347)	(10,379)	345	18,473	(30)	2,574	0
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>156,607</b>	<b>(10,814)</b>	<b>(1,551,925)</b>	<b>(445,149)</b>	<b>14,796</b>	<b>788,742</b>	<b>(1,485)</b>	<b>128,677</b>	<b>0</b>

\*\* Used to allocate Account 1551 as this account records the variances arising from the Smart Metering Entity Charges to Residential and GS<50 customers.

# Incentive Regulation Model for 2018 Filers

1 Please enter the Year the Account 1589 GA Balance was Last Disposed.  (e.g. If in the 2016 EDR process, you received approval to dispose the GA variance account balance as at December 31, 2014, enter 2014.)

2a Did you have any customers who transitioned between Class A and Class B (transition customers) during the period the Account 1589 GA balance accumulated (i.e. from year after the balance was last disposed to 2016)?  (e.g. If you received approval to dispose the GA variance account balance as at December 31, 2014, the period the GA variance accumulated would be 2015 and 2016.)

3b Enter the number of customers who were Class A during the entire period since the Account 1589 GA balance accumulated (i.e. did not transition between Class A and B).

Class A Customers - Billing Determinants by Customer

Customer	Rate Class		2016
Customer A1	LARGE USE SERVICE CLASSIFICATION	kWh	95,179,112
		kW	178,218

# Incentive Regulation Model for 2018 Filers

The purpose of this tab is to calculate the GA rate riders for all current Class B customers who did not transition between Class A and B in the period since the Account 1589 GA was last disposed. Calculations in this tab will be modified upon completion of tab 6.1a, which allocates a portion of the GA balance to transition customers, if applicable. Effective January 2017, the billing determinant and all rate riders for the disposition of GA balances will be calculated on an energy basis (kWhs) regardless of the billing determinant used for distribution rates for the particular class (see Chapter 3, Filing Requirements, section 3.2.5.2)

Default Rate Rider Recovery Period (in months)	12
Proposed Rate Rider Recovery Period (in months)	12

Rate Rider Recovery to be used below

	Total Metered Non-RPP 2016 Consumption excluding WMP kWh	Total Metered 2016 Consumption for Class A Customers that were Class A for the entire period GA balance accumulated kWh	Total Metered 2016 Consumption for Customers that Transitioned Between Class A and B during the period GA balance accumulated kWh	Non-RPP Metered Consumption for Current Class B Customers (Non-RPP Consumption excluding WMP, Class A and Transition Customers' Consumption) kWh	% of total kWh	Total GA \$ allocated to Current Class B Customers	GA Rate Rider	
RESIDENTIAL SERVICE CLASSIFICATION	kWh	14,533,056	0	0	14,533,056	2.0%	\$6,852	\$0.0005 kWh
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	kWh	33,267,045	0	0	33,267,045	4.7%	\$15,685	\$0.0005 kWh
GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION	kWh	620,616,141	0	0	620,616,141	87.5%	\$292,621	\$0.0005 kWh
LARGE USE SERVICE CLASSIFICATION	kWh	95,179,112	95,179,112	0	0	0.0%	\$0	\$0.0000 kWh
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	kWh	4,301	0	0	4,301	0.0%	\$2	\$0.0005 kWh
STREET LIGHTING SERVICE CLASSIFICATION	kWh	7,607,200	0	0	7,607,200	1.1%	\$3,587	\$0.0005 kWh
EMBEDDED DISTRIBUTOR SERVICE CLASSIFICATION	kWh	33,527,765	0	0	33,527,765	4.7%	\$15,808	\$0.0005 kWh
<b>Total</b>		<b>804,734,620</b>	<b>95,179,112</b>	<b>0</b>	<b>709,555,508</b>	<b>100.0%</b>	<b>\$334,556</b>	

# Incentive Regulation Model for 2018 Filers

The purpose of this tab is to calculate the CBR rate riders for all current Class B customers who did not transition between Class A and B in the period since the Account 1580, sub-account CBR Class B balance accumulated.

Please select the Year(s) in which CBR Class B Balance accumulated in Cell B13.

2016 (Note: Account 1580, Sub-account CBR Class B was established starting in 2015)

		Total Metered 2016 Consumption Minus WMP		Total Metered 2016 Consumption for Class A customers that were Class A for the entire period CBR Class B balance accumulated		Total Metered 2016 Consumption for Customers that Transitioned Between Class A and B during the period CBR Class B balance accumulated		Metered Consumption for Current Class B Customers (Total Consumption LESS WMP, Class A and Transition Customers' Consumption)		% of total kWh	Total CBR Class B \$ allocated to Current Class B Customers	CBR Class B Rate Rider	Unit
		kWh	kW	kWh	kW	kWh	kW	kWh	kW				
RESIDENTIAL SERVICE CLASSIFICATION	kWh	404,436,333	0	0	0	0	0	404,436,333	0	30.3%	\$68,569	\$0.0002	kWh
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	kWh	193,116,426	0	0	0	0	0	193,116,426	0	14.5%	\$32,741	\$0.0002	kWh
GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION	kWh	694,943,261	1,808,767	0	0	0	0	694,943,261	1,808,767	52.0%	\$117,822	\$0.0651	kW
LARGE USE SERVICE CLASSIFICATION	kWh	95,179,112	178,218	95,179,112	178,218	0	0	0	0	0.0%	\$0	\$0.0000	kWh
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	kWh	2,729,041	0	0	0	0	0	2,729,041	0	0.2%	\$463	\$0.0002	kWh
STREET LIGHTING SERVICE CLASSIFICATION	kWh	7,638,394	21,346	0	0	0	0	7,638,394	21,346	0.6%	\$1,295	\$0.0607	kW
EMBEDDED DISTRIBUTOR SERVICE CLASSIFICATION	kWh	33,527,765	78,348	0	0	0	0	33,527,765	78,348	2.5%	\$5,684	\$0.0726	kW
<b>Total</b>		<b>1,431,570,332</b>	<b>2,086,679</b>	<b>95,179,112</b>	<b>178,218</b>	<b>0</b>	<b>0</b>	<b>1,336,391,220</b>	<b>1,908,461</b>	<b>100.0%</b>	<b>\$226,575</b>		





# Incentive Regulation Model for 2018 Filers

This tab allocates the CBR Class B balance to transition customers (i.e Class A customers who were former Class B customers and Class B customers who were former Class A customers) who contributed to the current CBR Class B balance. The tables below calculate specific amounts for each customer who made the change. The general CBR Class B rate rider is not to be charged to the transition customers that are allocated amounts in the table below. Consistent with prior decisions, distributors are generally expected to settle the amount through 12 equal adjustments to bills.

Year(s) in which CBR Class B Balance accumulated  (Note: Account 1580, Sub-account CBR Class B was established starting in 2015)

### Allocation of total Consumption (kWh) between Class B and Class A/B Transition Customers

		Total	2016
Total Class B Consumption for Years During Balance Accumulation (Total Consumption LESS WMP Consumption and Consumption for Class A customers who were Class A for partial and full year)	A	-	
All Class B Consumption (i.e. full year or partial year) for Transition Customers	B	-	-
<b>Transition Customers' Portion of Total Consumption</b>	<b>C=B/A</b>	<b>0.00%</b>	<b>-</b>

### Allocation of Total CBR Class B Balance \$

Total CBR Class B Balance	D	\$ 226,575
Transition Customers Portion of CBR Class B Balance	E=D*C	\$ -
CBR Class B Balance to be disposed to Current Class B Customers through Rate Rider	F=D-E	\$ 226,575

### Allocation of CBR Class B Balances to Transition Customers

# of Class A/B Transition Customers		0			
Customer	Total Metered Class B Consumption (kWh) for Transition Customers During the Period They were Class B Customers	Metered Class B Consumption (kWh) for Transition Customers During the Period They were Class B Customers in 2016	% of kWh	Customer Specific CBR Class B Allocation During the Period They Were a Class B Customer	Monthly Equal Payments
Total	-	-	0.00%	\$ -	\$ -

# Incentive Regulation Model for 2018 Filers

**Input required at cell C13 only.** This worksheet calculates rate riders related to the Deferral/Variance Account Disposition (if applicable) and rate riders for Account 1568. Rate Riders will not be generated for the microFIT class.

Default Rate Rider Recovery Period (in months)  
Proposed Rate Rider Recovery Period (in months)

12
12

Rate Rider Recovery to be used below

Rate Class	Unit	Total Metered kWh	Metered kW or kVA	Total Metered kWh less WMP consumption	Total Metered kW less WMP consumption	Allocation of Group 1 Account Balances to All Classes <sup>2</sup>	Allocation of Group 1 Account Balances to Non-WMP Classes Only (if Applicable) <sup>2</sup>	Deferral/Variance Account Rate Rider <sup>2</sup>	Deferral/Variance Account Rate Rider for Non-WMP (if applicable) <sup>2</sup>	Account 1568 Rate Rider	Revenue Reconciliation <sup>1</sup>
RESIDENTIAL SERVICE CLASSIFICATION	kWh	404,436,333	0	404,436,333	0	(267,910)		(0.0007)	0.0000	0.0000	
GENERAL SERVICE LESS THAN 50 kW SERVICE CLASSIFICATION	kWh	193,116,426	0	193,116,426	0	(124,266)		(0.0006)	0.0000	0.0000	
GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION	kW	701,389,229	1,808,767	694,943,261	1,808,767	(68,740)	(370,480)	(0.0380)	(0.2048)	0.0000	
LARGE USE SERVICE CLASSIFICATION	kW	95,179,112	178,218	95,179,112	178,218	(61,213)		(0.3435)	0.0000	0.0000	
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	kWh	2,729,041	0	2,729,041	0	(1,974)		(0.0007)	0.0000	0.0000	
STREET LIGHTING SERVICE CLASSIFICATION	kW	7,638,394	21,346	7,638,394	21,346	(4,254)		(0.1993)	0.0000	0.0000	
EMBEDDED DISTRIBUTOR SERVICE CLASSIFICATION	kW	33,527,765	78,348	33,527,765	78,348	(21,713)		(0.2771)	0.0000	0.0000	(920,551.00)

<sup>1</sup> When calculating the revenue reconciliation for distributors with Class A customers, the balances of sub-account 1580-CBR Class B will not be taken into consideration if there are Class A customers since the rate riders, if any, are calculated separately.

<sup>2</sup> Only for rate classes with WMP customers are the Deferral/Variance Account Rate Riders for Non-WMP (column H and J) calculated separately. For all rate classes without WMP customers, balances in account 1580 and 1588 are included in column G and disposed through a combined Deferral/Variance Account and Rate Rider.



# Incentive Regulation Model for 2018 Filers

## Summary - Sharing of Tax Change Forecast Amounts

For the 2016 year, enter any Tax Credits from the Cost of Service Tax Calculation (Positive #)

### 1. Tax Related Amounts Forecast from Capital Tax Rate Changes

	2016	2018
Taxable Capital (if you are not claiming capital tax, please enter your OEB-Approved Rate Base)		\$ -
Deduction from taxable capital up to \$15,000,000		\$ -
Net Taxable Capital	\$ -	\$ -
Rate		0.00%
Ontario Capital Tax (Deductible, not grossed-up)	\$ -	\$ -

### 2. Tax Related Amounts Forecast from Income Tax Rate Changes

Regulatory Taxable Income		\$ -
Corporate Tax Rate		15.00%
Tax Impact		\$ -
<b>Grossed-up Tax Amount</b>		\$ -
Tax Related Amounts Forecast from Capital Tax Rate Changes	\$ -	\$ -
Tax Related Amounts Forecast from Income Tax Rate Changes	\$ -	\$ -
Total Tax Related Amounts	\$ -	\$ -
Incremental Tax Savings		\$ -
<b>Sharing of Tax Amount (50%)</b>		\$ -

# Incentive Regulation Model for 2018 Filers

Calculation of Rebased Revenue Requirement and Allocation of Tax Sharing Amount. Enter data from the last OEB-Approved Cost of Service application in columns C through H. As per Chapter 3 Filing Requirements, shared tax rate riders are based on a 1 year disposition.

Rate Class	Re-based Billed Customers or Connections A	Re-based Billed kWh B	Re-based Billed kW C	Re-based Service Charge D	Re-based Distribution Volumetric Rate kWh E	Re-based Distribution Volumetric Rate kW F	Service Charge Revenue G = A * D * 12 G	Distribution Volumetric Rate Revenue kWh H = B * E H	Distribution Volumetric Rate Revenue kW I = C * F I	Revenue Requirement from Rates J = G + H + I J	Service Charge % Revenue K = G / J K	Distribution Volumetric Rate % Revenue L = H / J L	Distribution Volumetric Rate % Revenue M = I / J M	Total % Revenue N = J / R N
RESIDENTIAL SERVICE CLASSIFICATION	kWh						0	0	0	0	0.0%	0.0%	0.0%	0.0%
GENERAL SERVICE LESS THAN 50 kW SERVICE CLASSIFICATION	kWh						0	0	0	0	0.0%	0.0%	0.0%	0.0%
GENERAL SERVICE 50 TO 4,999 kW SERVICE CLASSIFICATION	kW						0	0	0	0	0.0%	0.0%	0.0%	0.0%
LARGE USE SERVICE CLASSIFICATION	kW						0	0	0	0	0.0%	0.0%	0.0%	0.0%
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	kWh						0	0	0	0	0.0%	0.0%	0.0%	0.0%
STREET LIGHTING SERVICE CLASSIFICATION	kW						0	0	0	0	0.0%	0.0%	0.0%	0.0%
EMBEDDED DISTRIBUTOR SERVICE CLASSIFICATION	kW						0	0	0	0	0.0%	0.0%	0.0%	0.0%
<b>Total</b>		0	0	0			0	0	0	0				0.0%

Rate Class	Total kWh (most recent RRR Billing)	Total kW (most recent RRR filing)	Allocation of Tax Savings by Rate Class	Distribution Rate Rider
RESIDENTIAL SERVICE CLASSIFICATION	kWh 404,436,333		0	0.00 \$/customer
GENERAL SERVICE LESS THAN 50 kW SERVICE CLASSIFICATION	kWh 193,116,426		0	0.0000 kW
GENERAL SERVICE 50 TO 4,999 kW SERVICE CLASSIFICATION	kW 701,389,229	1,808,767	0	0.0000 kW
LARGE USE SERVICE CLASSIFICATION	kW 95,179,112	178,218	0	0.0000 kW
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	kWh 2,729,041		0	0.0000 kW
STREET LIGHTING SERVICE CLASSIFICATION	kW 7,638,394	21,346	0	0.0000 kW
EMBEDDED DISTRIBUTOR SERVICE CLASSIFICATION	kW 33,527,265	78,348	0	0.0000 kW
<b>Total</b>	1,438,016,300	2,086,679	\$0	

# Incentive Regulation Model for 2018 Filers

Columns E and F have been populated with data from the most recent RRR filing. Rate classes that have more than one Network or Connection charge will notice that the cells are highlighted in green and unlocked. If the data needs to be modified, please make the necessary adjustments and note the changes in your manager's summary. As well, the Loss Factor has been imported from Tab 2.

Rate Class	Rate Description	Unit	Rate	Non-Loss Adjusted Metered kWh	Non-Loss Adjusted Metered kW	Applicable Loss Factor	Loss Adjusted Billed kWh
Residential Service Classification	Retail Transmission Rate - Network Service Rate	\$/kWh	0.0070	404,436,333	0	1.0362	419,076,928
Residential Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0022	404,436,333	0	1.0362	419,076,928
General Service Less Than 50 kW Service Classification	Retail Transmission Rate - Network Service Rate	\$/kWh	0.0064	193,116,426	0	1.0362	200,107,241
General Service Less Than 50 kW Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0020	193,116,426	0	1.0362	200,107,241
General Service 50 To 4,999 kW Service Classification	Retail Transmission Rate - Network Service Rate - (less than 1,000 kW)	\$/kW	2.6388	201,894,466	549,968		
General Service 50 To 4,999 kW Service Classification	Retail Transmission Rate - Network Service Rate - Interval Metered (less than 1,000 kW)	\$/kW	2.8028	263,353,081	735,598		
General Service 50 To 4,999 kW Service Classification	Retail Transmission Rate - Network Service Rate - Interval Metered (1,000 to 4,999 kW)	\$/kW	2.7991	236,141,681	493,380		
General Service 50 To 4,999 kW Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate - (less than 1,000 kW)	\$/kW	0.7828	201,894,466	549,968		
General Service 50 To 4,999 kW Service Classification	Retail Transmission Rate - Line and Trans. Connection Service Rate - Interval Metered (less than 1,000 kW)	\$/kW	0.9777	263,353,081	735,598		
General Service 50 To 4,999 kW Service Classification	Retail Transmission Rate - Line and Trans. Connection Service Rate - Interval Metered (1,000 to 4,999 kW)	\$/kW	0.9767	236,141,681	493,380		
Large Use Service Classification	Retail Transmission Rate - Network Service Rate - Interval Metered	\$/kW	3.1032	95,179,112	178,218		
Large Use Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered	\$/kW	0.9811	95,179,112	178,218		
Unmetered Scattered Load Service Classification	Retail Transmission Rate - Network Service Rate	\$/kWh	0.0064	2,729,041	0	1.0362	2,827,832
Unmetered Scattered Load Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0020	2,729,041	0	1.0362	2,827,832
Street Lighting Service Classification	Retail Transmission Rate - Network Service Rate	\$/kW	1.9903	7,638,394	21,346		
Street Lighting Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	0.6049	7,638,394	21,346		

# Incentive Regulation Model for 2018 Filers

Uniform Transmission Rates		2016		2017		2018	
Rate Description	Unit	Rate		Rate		Rate	
Network Service Rate	kW	\$	3.66	\$	3.66	\$	3.66
Line Connection Service Rate	kW	\$	0.87	\$	0.87	\$	0.87
Transformation Connection Service Rate	kW	\$	2.02	\$	2.02	\$	2.02

Hydro One Sub-Transmission Rates		2016		2017		2018	
Rate Description	Unit	Rate		Rate		Rate	
		January - 2016	February - December 2016				
Network Service Rate	kW	\$ 3.4121	\$ 3.3396	\$	3.1942	\$	3.1942
Line Connection Service Rate	kW	\$ 0.7879	\$ 0.7791	\$	0.7710	\$	0.7710
Transformation Connection Service Rate	kW	\$ 1.8018	\$ 1.7713	\$	1.7493	\$	1.7493
Both Line and Transformation Connection Service Rate	kW	\$ 2.5897	\$ 2.5504	\$	2.5203	\$	2.5203

Kitchener Wilmot Hydro Sub-Transmission Rates		2016		2017		2018	
Rate Description	Unit	Rate		Rate		Rate	
Network Service Rate	kW	\$	3.04	\$	2.76	\$	2.76
Line Connection Service Rate	kW	\$	0.74	\$	0.74	\$	0.74
Transformation Connection Service Rate	kW						
Both Line and Transformation Connection Service Rate	kW	\$	0.74	\$	0.74	\$	0.74

Energy + Sub-Transmission Rates		2016		2017		2018	
Rate Description	Unit	Rate		Rate		Rate	
Network Service Rate	kW	\$	2.65	\$	2.73	\$	2.84
Line Connection Service Rate	kW	\$	1.85	\$	1.98	\$	2.04
Transformation Connection Service Rate	kW						
Both Line and Transformation Connection Service Rate	kW	\$	1.85	\$	1.98	\$	2.04
<b>Low Voltage Switchgear Credit (if applicable, enter as a negative value)</b>	\$	<b>Historical 2016</b>		<b>Current 2017</b>		<b>Forecast 2018</b>	

# Incentive Regulation Model for 2018 Filers

In the green shaded cells, enter billing detail for wholesale transmission for the same reporting period as the billing determinants on Tab 10. For Hydro One Sub-transmission Rates, if you are charged a combined Line and Transformer connection rate, please ensure that both the Line Connection and Transformation Connection columns are completed. If any of the Hydro One Sub-transmission rates (column E, I and M) are highlighted in orange, please double check the billing data entered in "Units Billed" and "Amount" columns. The highlighted rates do not match the Hydro One Sub-transmission rates approved for that time period. If data has been entered correctly, please provide explanation for the discrepancy in rates.

IESO Month	Network			Line Connection			Transformation Connection			Total Connection
	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Amount
January	199,794	\$3.66	\$ 731,246	219,458	\$0.87	\$ 190,928	23,931	\$2.02	\$ 48,341	\$ 239,269
February	192,962	\$3.66	\$ 706,241	199,964	\$0.87	\$ 173,969	23,694	\$2.02	\$ 47,862	\$ 221,831
March	195,084	\$3.66	\$ 714,007	205,947	\$0.87	\$ 179,174	22,735	\$2.02	\$ 45,925	\$ 225,099
April	197,185	\$3.66	\$ 721,697	212,931	\$0.87	\$ 185,250	21,618	\$2.02	\$ 43,668	\$ 228,918
May	197,185	\$3.66	\$ 721,697	212,931	\$0.87	\$ 185,250	21,618	\$2.02	\$ 43,668	\$ 228,918
June	235,198	\$3.66	\$ 860,825	241,778	\$0.87	\$ 210,346	25,078	\$2.02	\$ 50,658	\$ 261,004
July	244,628	\$3.66	\$ 895,338	253,847	\$0.87	\$ 220,847	24,776	\$2.02	\$ 50,048	\$ 270,894
August	244,453	\$3.66	\$ 894,698	255,502	\$0.87	\$ 222,287	24,844	\$2.02	\$ 50,185	\$ 272,472
September	255,459	\$3.66	\$ 934,980	261,979	\$0.87	\$ 227,922	25,579	\$2.02	\$ 51,670	\$ 279,591
October	176,660	\$3.66	\$ 646,576	195,400	\$0.87	\$ 169,998	22,179	\$2.02	\$ 44,802	\$ 214,800
November	189,977	\$3.66	\$ 695,316	196,984	\$0.87	\$ 171,376	21,651	\$2.02	\$ 43,735	\$ 215,111
December	203,647	\$3.66	\$ 745,348	205,027	\$0.87	\$ 178,373	22,809	\$2.02	\$ 46,074	\$ 224,448
<b>Total</b>	<b>2,532,232</b>	<b>\$ 3.66</b>	<b>\$ 9,267,969</b>	<b>2,661,748</b>	<b>\$ 0.87</b>	<b>\$ 2,315,720</b>	<b>280,512</b>	<b>\$ 2.02</b>	<b>\$ 566,634</b>	<b>\$ 2,882,355</b>

Hydro One Month	Network			Line Connection			Transformation Connection			Total Connection
	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Amount
January	2,720	\$3,4121	\$ 9,279	2,809	\$0.7879	\$ 2,213	2,809	\$1.8018	\$ 5,061	\$ 7,274
February	3,224	\$3,3896	\$ 10,927	3,350	\$0.7852	\$ 2,630	3,350	\$1.7924	\$ 6,004	\$ 8,634
March	3,232	\$3,3396	\$ 10,795	3,337	\$0.7791	\$ 2,600	3,337	\$1.7713	\$ 5,911	\$ 8,510
April	2,406	\$3,3396	\$ 8,046	2,498	\$0.7791	\$ 1,976	2,498	\$1.7713	\$ 4,265	\$ 6,140
May	2,844	\$3,3396	\$ 9,459	2,844	\$0.7791	\$ 2,216	2,844	\$1.7713	\$ 5,038	\$ 7,254
June	2,604	\$3,3396	\$ 8,695	2,698	\$0.7791	\$ 2,102	2,698	\$1.7713	\$ 4,779	\$ 6,880
July	2,938	\$3,3396	\$ 9,812	2,966	\$0.7791	\$ 2,311	2,966	\$1.7713	\$ 5,254	\$ 7,565
August	2,868	\$3,3396	\$ 9,577	2,951	\$0.7791	\$ 2,299	2,951	\$1.7713	\$ 5,228	\$ 7,527
September	3,034	\$3,3396	\$ 10,133	3,075	\$0.7791	\$ 2,396	3,075	\$1.7713	\$ 5,447	\$ 7,843
October	2,688	\$3,3396	\$ 8,978	2,867	\$0.7791	\$ 2,234	2,867	\$1.7713	\$ 5,079	\$ 7,313
November	2,838	\$3,3396	\$ 9,479	2,880	\$0.7791	\$ 2,244	2,880	\$1.7713	\$ 5,102	\$ 7,345
December	2,921	\$3,3396	\$ 9,756	2,946	\$0.7791	\$ 2,296	2,946	\$1.7713	\$ 5,219	\$ 7,515
<b>Total</b>	<b>34,319</b>	<b>\$ 3,3500</b>	<b>\$ 114,970</b>	<b>35,132</b>	<b>\$ 0.7804</b>	<b>\$ 27,416</b>	<b>35,132</b>	<b>\$ 1.7757</b>	<b>\$ 62,385</b>	<b>\$ 89,802</b>

Add Extra Host Here (I) (if needed) Month	Network			Line Connection			Transformation Connection			Total Connection
	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Amount
January	4,405	\$ 3,0422	\$ 13,400	4,405	\$ 0.7391	\$ 3,255				\$ 3,255
February	4,430	\$ 3,0422	\$ 13,476	4,430	\$ 0.7391	\$ 3,274				\$ 3,274
March	4,381	\$ 3,0422	\$ 12,415	4,381	\$ 0.7391	\$ 3,016				\$ 3,016
April	3,549	\$ 3,0422	\$ 10,798	3,549	\$ 0.7391	\$ 2,623				\$ 2,623
May	3,876	\$ 3,0422	\$ 11,793	3,876	\$ 0.7391	\$ 2,865				\$ 2,865
June	4,289	\$ 3,0422	\$ 13,047	4,289	\$ 0.7391	\$ 3,170				\$ 3,170
July	4,459	\$ 3,0422	\$ 13,564	4,459	\$ 0.7391	\$ 3,295				\$ 3,295
August	4,025	\$ 3,0422	\$ 12,245	4,025	\$ 0.7391	\$ 2,975				\$ 2,975
September	4,770	\$ 3,0422	\$ 14,511	4,770	\$ 0.7391	\$ 3,526				\$ 3,526
October	3,801	\$ 3,0422	\$ 10,966	3,801	\$ 0.7391	\$ 2,862				\$ 2,862
November	3,884	\$ 3,0422	\$ 11,815	3,884	\$ 0.7391	\$ 2,870				\$ 2,870
December	4,562	\$ 3,0422	\$ 13,878	4,562	\$ 0.7391	\$ 3,372				\$ 3,372
<b>Total</b>	<b>49,931</b>	<b>\$ 3.04</b>	<b>\$ 151,899</b>	<b>49,931</b>	<b>\$ 0.74</b>	<b>\$ 36,904</b>				<b>\$ 36,904</b>

Add Extra Host Here (II) (if needed) Month	Network			Line Connection			Transformation Connection			Total Connection
	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Amount
January	12,928	\$ 2,6534	\$ 34,304	12,928	\$ 1.8473	\$ 23,882				\$ 23,882
February	13,146	\$ 2,6534	\$ 34,882	13,351	\$ 1.8473	\$ 24,663				\$ 24,663
March	8,997	\$ 2,6534	\$ 23,872	8,997	\$ 1.8473	\$ 16,620				\$ 16,620
April	10,894	\$ 2,6534	\$ 28,907	10,894	\$ 1.8473	\$ 20,125				\$ 20,125
May	9,589	\$ 2,4994	\$ 23,966	9,589	\$ 1.8475	\$ 17,715				\$ 17,715
June	9,562	\$ 2,4994	\$ 23,900	9,562	\$ 1.8475	\$ 17,666				\$ 17,666
July	10,066	\$ 2,4994	\$ 25,158	10,066	\$ 1.8475	\$ 18,596				\$ 18,596
August	9,906	\$ 2,4994	\$ 24,759	9,906	\$ 1.8475	\$ 18,301				\$ 18,301
September	10,298	\$ 2,4994	\$ 25,740	10,298	\$ 1.8475	\$ 19,026				\$ 19,026
October	8,136	\$ 2,4994	\$ 20,336	8,176	\$ 1.8475	\$ 15,105				\$ 15,105
November	8,827	\$ 2,4994	\$ 22,063	8,827	\$ 1.8475	\$ 16,308				\$ 16,308
December	9,208	\$ 2,4994	\$ 23,015	9,347	\$ 1.8475	\$ 17,268				\$ 17,268
<b>Total</b>	<b>121,557</b>	<b>\$ 2.56</b>	<b>\$ 310,902</b>	<b>121,941</b>	<b>\$ 1.85</b>	<b>\$ 225,278</b>				<b>\$ 225,278</b>

Month	Network			Line Connection			Transformation Connection			Total Connection
	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Amount
January	219,847	\$ 3,5854	\$ 788,229	239,600	\$ 0.9194	\$ 220,280	26,740	\$ 1.9971	\$ 53,402	\$ 273,681
February	213,762	\$ 3,5812	\$ 765,525	221,095	\$ 0.9251	\$ 204,536	27,044	\$ 1.9918	\$ 53,866	\$ 258,402
March	211,394	\$ 3,6003	\$ 761,089	222,362	\$ 0.9058	\$ 201,409	26,072	\$ 1.9882	\$ 51,835	\$ 253,245
April	214,036	\$ 3,5949	\$ 769,443	229,782	\$ 0.9134	\$ 209,874	24,026	\$ 1.9951	\$ 47,933	\$ 257,807
May	213,494	\$ 3,5924	\$ 766,955	229,240	\$ 0.9075	\$ 208,046	24,462	\$ 1.9911	\$ 48,707	\$ 256,753
June	251,653	\$ 3,6021	\$ 906,467	258,326	\$ 0.9031	\$ 233,284	27,776	\$ 1.9958	\$ 55,436	\$ 288,721
July	262,091	\$ 3,6013	\$ 943,873	271,338	\$ 0.9031	\$ 245,050	27,742	\$ 1.9934	\$ 55,302	\$ 300,351
August	261,252	\$ 3,6030	\$ 941,279	272,384	\$ 0.9026	\$ 245,862	27,795	\$ 1.9936	\$ 55,413	\$ 301,275
September	273,561	\$ 3,6020	\$ 985,364	280,122	\$ 0.9027	\$ 252,869	28,654	\$ 1.9933	\$ 57,116	\$ 309,986
October	191,065	\$ 3,5944	\$ 686,945	210,044	\$ 0.9046	\$ 189,999	25,046	\$ 1.9915	\$ 49,881	\$ 239,880
November	205,526	\$ 3,5941	\$ 738,673	212,575	\$ 0.9070	\$ 192,799	24,531	\$ 1.9908	\$ 48,837	\$ 241,636
December	220,338	\$ 3,5945	\$ 791,997	221,882	\$ 0.9073	\$ 201,308	25,755	\$ 1.9915	\$ 51,293	\$ 252,602
<b>Total</b>	<b>2,738,039</b>	<b>\$ 3.60</b>	<b>\$ 9,845,740</b>	<b>2,868,751</b>	<b>\$ 0.91</b>	<b>\$ 2,605,318</b>	<b>315,644</b>	<b>\$ 1.99</b>	<b>\$ 629,020</b>	<b>\$ 3,234,337</b>

Low Voltage Switchgear Credit (if applicable) \$ -

Total including deduction for Low Voltage Switchgear Credit \$ 3,234,337

# Incentive Regulation Model for 2018 Filers

The purpose of this sheet is to calculate the expected billing when current 2017 Uniform Transmission Rates are applied against historical 2016 transmission units.

IESO				Network			Line Connection			Transformation Connection			Total Connection
Month	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Amount
January	199,794	\$ 3.6600	\$ 731,246	219,458	\$ 0.8700	\$ 190,928	23,931	\$ 2.0200	\$ 48,341				\$ 239,269
February	192,962	\$ 3.6600	\$ 706,241	199,964	\$ 0.8700	\$ 173,969	23,694	\$ 2.0200	\$ 47,862				\$ 221,831
March	195,084	\$ 3.6600	\$ 714,007	205,947	\$ 0.8700	\$ 179,174	22,735	\$ 2.0200	\$ 45,925				\$ 225,099
April	197,185	\$ 3.6600	\$ 721,697	212,931	\$ 0.8700	\$ 185,250	21,618	\$ 2.0200	\$ 43,668				\$ 228,918
May	197,185	\$ 3.6600	\$ 721,697	212,931	\$ 0.8700	\$ 185,250	21,618	\$ 2.0200	\$ 43,668				\$ 228,918
June	235,198	\$ 3.6600	\$ 860,825	241,778	\$ 0.8700	\$ 210,346	25,078	\$ 2.0200	\$ 50,658				\$ 261,004
July	244,628	\$ 3.6600	\$ 895,338	253,847	\$ 0.8700	\$ 220,847	24,776	\$ 2.0200	\$ 50,048				\$ 270,894
August	244,453	\$ 3.6600	\$ 894,698	255,502	\$ 0.8700	\$ 222,287	24,844	\$ 2.0200	\$ 50,185				\$ 272,472
September	255,459	\$ 3.6600	\$ 934,980	261,979	\$ 0.8700	\$ 227,922	25,579	\$ 2.0200	\$ 51,670				\$ 279,591
October	176,660	\$ 3.6600	\$ 646,576	195,400	\$ 0.8700	\$ 169,998	22,179	\$ 2.0200	\$ 44,802				\$ 214,800
November	189,977	\$ 3.6600	\$ 695,316	196,984	\$ 0.8700	\$ 171,376	21,651	\$ 2.0200	\$ 43,735				\$ 215,111
December	203,647	\$ 3.6600	\$ 745,348	205,027	\$ 0.8700	\$ 178,373	22,809	\$ 2.0200	\$ 46,074				\$ 224,448
<b>Total</b>	<b>2,532,232</b>	<b>\$ 3.66</b>	<b>\$ 9,267,969</b>	<b>2,661,748</b>	<b>\$ 0.87</b>	<b>\$ 2,315,720</b>	<b>280,512</b>	<b>\$ 2.02</b>	<b>\$ 566,634</b>				<b>\$ 2,882,355</b>

Hydro One				Network			Line Connection			Transformation Connection			Total Connection
Month	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Amount
January	2,720	\$ 3.1942	\$ 8,687	2,809	\$ 0.7710	\$ 2,166	2,809	\$ 1.7493	\$ 4,914				\$ 7,079
February	3,224	\$ 3.1942	\$ 10,297	3,350	\$ 0.7710	\$ 2,583	3,350	\$ 1.7493	\$ 5,860				\$ 8,442
March	3,232	\$ 3.1942	\$ 10,325	3,337	\$ 0.7710	\$ 2,573	3,337	\$ 1.7493	\$ 5,837				\$ 8,410
April	2,408	\$ 3.1942	\$ 7,690	2,408	\$ 0.7710	\$ 1,856	2,408	\$ 1.7493	\$ 4,212				\$ 6,068
May	2,844	\$ 3.1942	\$ 9,086	2,844	\$ 0.7710	\$ 2,193	2,844	\$ 1.7493	\$ 4,976				\$ 7,169
June	2,604	\$ 3.1942	\$ 8,316	2,698	\$ 0.7710	\$ 2,080	2,698	\$ 1.7493	\$ 4,719				\$ 6,799
July	2,938	\$ 3.1942	\$ 9,385	2,966	\$ 0.7710	\$ 2,287	2,966	\$ 1.7493	\$ 5,189				\$ 7,476
August	2,868	\$ 3.1942	\$ 9,160	2,951	\$ 0.7710	\$ 2,276	2,951	\$ 1.7493	\$ 5,163				\$ 7,438
September	3,034	\$ 3.1942	\$ 9,692	3,075	\$ 0.7710	\$ 2,371	3,075	\$ 1.7493	\$ 5,379				\$ 7,750
October	2,688	\$ 3.1942	\$ 8,587	2,867	\$ 0.7710	\$ 2,211	2,867	\$ 1.7493	\$ 5,016				\$ 7,227
November	2,838	\$ 3.1942	\$ 9,066	2,880	\$ 0.7710	\$ 2,221	2,880	\$ 1.7493	\$ 5,038				\$ 7,259
December	2,921	\$ 3.1942	\$ 9,331	2,946	\$ 0.7710	\$ 2,272	2,946	\$ 1.7493	\$ 5,154				\$ 7,426
<b>Total</b>	<b>34,319</b>	<b>\$ 3.19</b>	<b>\$ 109,622</b>	<b>35,132</b>	<b>\$ 0.77</b>	<b>\$ 27,087</b>	<b>35,132</b>	<b>\$ 1.75</b>	<b>\$ 61,456</b>				<b>\$ 88,543</b>

Add Extra Host Here (I)				Network			Line Connection			Transformation Connection			Total Connection
Month	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Amount
January	4,405	\$ 2.7621	\$ 12,167	4,405	\$ 0.7374	\$ 3,248	-	\$ -	\$ -				\$ 3,248
February	4,430	\$ 2.7621	\$ 12,236	4,430	\$ 0.7374	\$ 3,267	-	\$ -	\$ -				\$ 3,267
March	4,081	\$ 2.7621	\$ 11,272	4,081	\$ 0.7374	\$ 3,009	-	\$ -	\$ -				\$ 3,009
April	3,549	\$ 2.7621	\$ 9,803	3,549	\$ 0.7374	\$ 2,617	-	\$ -	\$ -				\$ 2,617
May	3,876	\$ 2.7621	\$ 10,706	3,876	\$ 0.7374	\$ 2,858	-	\$ -	\$ -				\$ 2,858
June	4,289	\$ 2.7621	\$ 11,847	4,289	\$ 0.7374	\$ 3,163	-	\$ -	\$ -				\$ 3,163
July	4,459	\$ 2.7621	\$ 12,316	4,459	\$ 0.7374	\$ 3,288	-	\$ -	\$ -				\$ 3,288
August	4,025	\$ 2.7621	\$ 11,117	4,025	\$ 0.7374	\$ 2,968	-	\$ -	\$ -				\$ 2,968
September	4,770	\$ 2.7621	\$ 13,175	4,770	\$ 0.7374	\$ 3,517	-	\$ -	\$ -				\$ 3,517
October	3,601	\$ 2.7621	\$ 9,946	3,601	\$ 0.7374	\$ 2,655	-	\$ -	\$ -				\$ 2,655
November	3,884	\$ 2.7621	\$ 10,728	3,884	\$ 0.7374	\$ 2,864	-	\$ -	\$ -				\$ 2,864
December	4,562	\$ 2.7621	\$ 12,601	4,562	\$ 0.7374	\$ 3,364	-	\$ -	\$ -				\$ 3,364
<b>Total</b>	<b>49,931</b>	<b>\$ 2.76</b>	<b>\$ 137,914</b>	<b>49,931</b>	<b>\$ 0.74</b>	<b>\$ 36,819</b>	<b>-</b>	<b>\$ -</b>	<b>\$ -</b>				<b>\$ 36,819</b>

Add Extra Host Here (II)				Network			Line Connection			Transformation Connection			Total Connection
Month	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Amount
January	12,928	\$ 2.7291	\$ 35,282	12,928	\$ 1.9762	\$ 25,548	-	\$ -	\$ -				\$ 25,548
February	13,146	\$ 2.7291	\$ 35,877	13,351	\$ 1.9762	\$ 26,384	-	\$ -	\$ -				\$ 26,384
March	8,997	\$ 2.7291	\$ 24,554	8,997	\$ 1.9762	\$ 17,780	-	\$ -	\$ -				\$ 17,780
April	10,894	\$ 2.7291	\$ 29,731	10,894	\$ 1.9762	\$ 21,529	-	\$ -	\$ -				\$ 21,529
May	9,589	\$ 2.7291	\$ 26,169	9,589	\$ 1.9762	\$ 18,950	-	\$ -	\$ -				\$ 18,950
June	9,562	\$ 2.7291	\$ 26,096	9,562	\$ 1.9762	\$ 18,896	-	\$ -	\$ -				\$ 18,896
July	10,066	\$ 2.7291	\$ 27,471	10,066	\$ 1.9762	\$ 19,892	-	\$ -	\$ -				\$ 19,892
August	9,906	\$ 2.7291	\$ 27,034	9,906	\$ 1.9762	\$ 19,576	-	\$ -	\$ -				\$ 19,576
September	10,298	\$ 2.7291	\$ 28,104	10,298	\$ 1.9762	\$ 20,351	-	\$ -	\$ -				\$ 20,351
October	8,136	\$ 2.7291	\$ 22,204	8,176	\$ 1.9762	\$ 16,157	-	\$ -	\$ -				\$ 16,157
November	8,827	\$ 2.7291	\$ 24,090	8,827	\$ 1.9762	\$ 17,444	-	\$ -	\$ -				\$ 17,444
December	9,208	\$ 2.7291	\$ 25,130	9,347	\$ 1.9762	\$ 18,472	-	\$ -	\$ -				\$ 18,472
<b>Total</b>	<b>121,557</b>	<b>\$ 2.73</b>	<b>\$ 331,741</b>	<b>121,941</b>	<b>\$ 1.98</b>	<b>\$ 240,980</b>	<b>-</b>	<b>\$ -</b>	<b>\$ -</b>				<b>\$ 240,980</b>



# Incentive Regulation Model for 2018 Filers

The purpose of this sheet is to calculate the expected billing when current 2017 Uniform Transmission Rates are applied against historical 2016 transmission units.

Total	Network			Line Connection			Transformation Connection			Total Connection
Month	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Amount
January	219,847	\$ 3.5815	\$ 787,382	239,600	\$ 0.9261	\$ 221,891	26,740	\$ 1.9916	\$ 53,254	\$ 275,145
February	213,762	\$ 3.5771	\$ 764,650	221,095	\$ 0.9326	\$ 206,202	27,044	\$ 1.9865	\$ 53,721	\$ 259,924
March	211,394	\$ 3.5959	\$ 760,158	222,362	\$ 0.9108	\$ 202,536	26,072	\$ 1.9854	\$ 51,762	\$ 254,298
April	214,036	\$ 3.5925	\$ 768,921	229,782	\$ 0.9194	\$ 211,252	24,026	\$ 1.9929	\$ 47,880	\$ 259,132
May	213,494	\$ 3.5957	\$ 767,658	229,240	\$ 0.9128	\$ 209,251	24,462	\$ 1.9885	\$ 48,644	\$ 257,895
June	251,653	\$ 3.6045	\$ 907,083	258,326	\$ 0.9077	\$ 234,486	27,776	\$ 1.9937	\$ 55,377	\$ 289,862
July	262,091	\$ 3.6037	\$ 944,511	271,338	\$ 0.9078	\$ 246,314	27,742	\$ 1.9911	\$ 55,236	\$ 301,551
August	261,252	\$ 3.6058	\$ 942,010	272,384	\$ 0.9072	\$ 247,107	27,795	\$ 1.9913	\$ 55,348	\$ 302,454
September	273,561	\$ 3.6041	\$ 985,951	280,122	\$ 0.9073	\$ 254,161	28,654	\$ 1.9909	\$ 57,049	\$ 311,210
October	191,085	\$ 3.5969	\$ 687,313	210,044	\$ 0.9094	\$ 191,022	25,046	\$ 1.9890	\$ 49,818	\$ 240,839
November	205,526	\$ 3.5966	\$ 739,200	212,575	\$ 0.9122	\$ 193,905	24,531	\$ 1.9882	\$ 48,773	\$ 242,678
December	220,338	\$ 3.5963	\$ 792,410	221,882	\$ 0.9126	\$ 202,481	25,755	\$ 1.9890	\$ 51,228	\$ 253,709
<b>Total</b>	<b>2,738,039</b>	<b>\$ 3.60</b>	<b>\$ 9,847,247</b>	<b>2,868,751</b>	<b>\$ 0.91</b>	<b>\$ 2,620,606</b>	<b>315,644</b>	<b>\$ 1.99</b>	<b>\$ 628,091</b>	<b>\$ 3,248,697</b>
							<b>Low Voltage Switchgear Credit (if applicable)</b>			\$ -
							<b>Total including deduction for Low Voltage Switchgear Credit</b>			<b>\$ 3,248,697</b>

# Incentive Regulation Model for 2018 Filers

The purpose of this sheet is to calculate the expected billing when forecasted 2018 Uniform Transmission Rates are applied against historical 2016 transmission units.

IESO				Network			Line Connection			Transformation Connection			Total Connection
Month	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Amount
January	199,794	\$ 3.6600	\$ 731,246	219,458	\$ 0.8700	\$ 190,928	23,931	\$ 2.0200	\$ 48,341			\$	239,269
February	192,962	\$ 3.6600	\$ 706,241	199,964	\$ 0.8700	\$ 173,969	23,694	\$ 2.0200	\$ 47,862			\$	221,831
March	195,084	\$ 3.6600	\$ 714,007	205,947	\$ 0.8700	\$ 179,174	22,735	\$ 2.0200	\$ 45,925			\$	225,099
April	197,185	\$ 3.6600	\$ 721,697	212,931	\$ 0.8700	\$ 185,250	21,618	\$ 2.0200	\$ 43,668			\$	228,918
May	197,185	\$ 3.6600	\$ 721,697	212,931	\$ 0.8700	\$ 185,250	21,618	\$ 2.0200	\$ 43,668			\$	228,918
June	235,198	\$ 3.6600	\$ 860,825	241,778	\$ 0.8700	\$ 210,346	25,078	\$ 2.0200	\$ 50,658			\$	261,004
July	244,628	\$ 3.6600	\$ 895,338	253,847	\$ 0.8700	\$ 220,847	24,776	\$ 2.0200	\$ 50,048			\$	270,894
August	244,453	\$ 3.6600	\$ 894,698	255,502	\$ 0.8700	\$ 222,287	24,844	\$ 2.0200	\$ 50,185			\$	272,472
September	255,459	\$ 3.6600	\$ 934,980	261,979	\$ 0.8700	\$ 227,922	25,579	\$ 2.0200	\$ 51,670			\$	279,591
October	176,660	\$ 3.6600	\$ 646,576	195,400	\$ 0.8700	\$ 169,998	22,179	\$ 2.0200	\$ 44,802			\$	214,800
November	189,977	\$ 3.6600	\$ 695,316	196,984	\$ 0.8700	\$ 171,376	21,651	\$ 2.0200	\$ 43,735			\$	215,111
December	203,647	\$ 3.6600	\$ 745,348	205,027	\$ 0.8700	\$ 178,373	22,809	\$ 2.0200	\$ 46,074			\$	224,448
<b>Total</b>	<b>2,532,232</b>	<b>\$ 3.66</b>	<b>\$ 9,267,969</b>	<b>2,661,748</b>	<b>\$ 0.87</b>	<b>\$ 2,315,720</b>	<b>280,512</b>	<b>\$ 2.02</b>	<b>\$ 566,634</b>			<b>\$</b>	<b>2,882,355</b>

Hydro One				Network			Line Connection			Transformation Connection			Total Connection
Month	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Amount
January	2,720	\$ 3.1942	\$ 8,687	2,809	\$ 0.7710	\$ 2,166	2,809	\$ 1.7493	\$ 4,914			\$	7,079
February	3,224	\$ 3.1942	\$ 10,297	3,350	\$ 0.7710	\$ 2,583	3,350	\$ 1.7493	\$ 5,860			\$	8,442
March	3,232	\$ 3.1942	\$ 10,325	3,337	\$ 0.7710	\$ 2,573	3,337	\$ 1.7493	\$ 5,837			\$	8,410
April	2,408	\$ 3.1942	\$ 7,690	2,408	\$ 0.7710	\$ 1,856	2,408	\$ 1.7493	\$ 4,212			\$	6,068
May	2,844	\$ 3.1942	\$ 9,086	2,844	\$ 0.7710	\$ 2,193	2,844	\$ 1.7493	\$ 4,976			\$	7,169
June	2,604	\$ 3.1942	\$ 8,316	2,698	\$ 0.7710	\$ 2,080	2,698	\$ 1.7493	\$ 4,719			\$	6,799
July	2,938	\$ 3.1942	\$ 9,385	2,966	\$ 0.7710	\$ 2,287	2,966	\$ 1.7493	\$ 5,189			\$	7,476
August	2,868	\$ 3.1942	\$ 9,160	2,951	\$ 0.7710	\$ 2,276	2,951	\$ 1.7493	\$ 5,163			\$	7,438
September	3,034	\$ 3.1942	\$ 9,692	3,075	\$ 0.7710	\$ 2,371	3,075	\$ 1.7493	\$ 5,379			\$	7,750
October	2,688	\$ 3.1942	\$ 8,587	2,867	\$ 0.7710	\$ 2,211	2,867	\$ 1.7493	\$ 5,016			\$	7,227
November	2,838	\$ 3.1942	\$ 9,066	2,880	\$ 0.7710	\$ 2,221	2,880	\$ 1.7493	\$ 5,038			\$	7,259
December	2,921	\$ 3.1942	\$ 9,331	2,946	\$ 0.7710	\$ 2,272	2,946	\$ 1.7493	\$ 5,154			\$	7,426
<b>Total</b>	<b>34,319</b>	<b>\$ 3.19</b>	<b>\$ 109,622</b>	<b>35,132</b>	<b>\$ 0.77</b>	<b>\$ 27,087</b>	<b>35,132</b>	<b>\$ 1.75</b>	<b>\$ 61,456</b>			<b>\$</b>	<b>88,543</b>

Add Extra Host Here (I)				Network			Line Connection			Transformation Connection			Total Connection
Month	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Amount
January	4,405	\$ 2.7621	\$ 12,167	4,405	\$ 0.7374	\$ 3,248	-	\$ -	\$ -			\$	3,248
February	4,430	\$ 2.7621	\$ 12,236	4,430	\$ 0.7374	\$ 3,267	-	\$ -	\$ -			\$	3,267
March	4,081	\$ 2.7621	\$ 11,272	4,081	\$ 0.7374	\$ 3,009	-	\$ -	\$ -			\$	3,009
April	3,549	\$ 2.7621	\$ 9,803	3,549	\$ 0.7374	\$ 2,617	-	\$ -	\$ -			\$	2,617
May	3,876	\$ 2.7621	\$ 10,706	3,876	\$ 0.7374	\$ 2,858	-	\$ -	\$ -			\$	2,858
June	4,289	\$ 2.7621	\$ 11,847	4,289	\$ 0.7374	\$ 3,163	-	\$ -	\$ -			\$	3,163
July	4,459	\$ 2.7621	\$ 12,316	4,459	\$ 0.7374	\$ 3,288	-	\$ -	\$ -			\$	3,288
August	4,025	\$ 2.7621	\$ 11,117	4,025	\$ 0.7374	\$ 2,968	-	\$ -	\$ -			\$	2,968
September	4,770	\$ 2.7621	\$ 13,175	4,770	\$ 0.7374	\$ 3,517	-	\$ -	\$ -			\$	3,517
October	3,601	\$ 2.7621	\$ 9,946	3,601	\$ 0.7374	\$ 2,655	-	\$ -	\$ -			\$	2,655
November	3,884	\$ 2.7621	\$ 10,728	3,884	\$ 0.7374	\$ 2,864	-	\$ -	\$ -			\$	2,864
December	4,562	\$ 2.7621	\$ 12,601	4,562	\$ 0.7374	\$ 3,364	-	\$ -	\$ -			\$	3,364
<b>Total</b>	<b>49,931</b>	<b>\$ 2.76</b>	<b>\$ 137,914</b>	<b>49,931</b>	<b>\$ 0.74</b>	<b>\$ 36,819</b>	<b>-</b>	<b>\$ -</b>	<b>\$ -</b>			<b>\$</b>	<b>36,819</b>

Add Extra Host Here (II)				Network			Line Connection			Transformation Connection			Total Connection
Month	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Amount
January	12,928	\$ 2.8439	\$ 36,766	12,928	\$ 2.0406	\$ 26,381	-	\$ -	\$ -			\$	26,381
February	13,146	\$ 2.8439	\$ 37,386	13,351	\$ 2.0406	\$ 27,244	-	\$ -	\$ -			\$	27,244
March	8,997	\$ 2.8439	\$ 25,587	8,997	\$ 2.0406	\$ 18,359	-	\$ -	\$ -			\$	18,359
April	10,894	\$ 2.8439	\$ 30,981	10,894	\$ 2.0406	\$ 22,230	-	\$ -	\$ -			\$	22,230
May	9,589	\$ 2.8439	\$ 27,270	9,589	\$ 2.0406	\$ 19,567	-	\$ -	\$ -			\$	19,567
June	9,562	\$ 2.8439	\$ 27,193	9,562	\$ 2.0406	\$ 19,512	-	\$ -	\$ -			\$	19,512
July	10,066	\$ 2.8439	\$ 28,627	10,066	\$ 2.0406	\$ 20,541	-	\$ -	\$ -			\$	20,541
August	9,906	\$ 2.8439	\$ 28,172	9,906	\$ 2.0406	\$ 20,214	-	\$ -	\$ -			\$	20,214
September	10,298	\$ 2.8439	\$ 29,286	10,298	\$ 2.0406	\$ 21,014	-	\$ -	\$ -			\$	21,014
October	8,136	\$ 2.8439	\$ 23,138	8,176	\$ 2.0406	\$ 16,684	-	\$ -	\$ -			\$	16,684
November	8,827	\$ 2.8439	\$ 25,103	8,827	\$ 2.0406	\$ 18,012	-	\$ -	\$ -			\$	18,012
December	9,208	\$ 2.8439	\$ 26,187	9,347	\$ 2.0406	\$ 19,073	-	\$ -	\$ -			\$	19,073

# Incentive Regulation Model for 2018 Filers

The purpose of this sheet is to calculate the expected billing when forecasted 2018 Uniform Transmission Rates are applied against historical 2016 transmission units.

<b>Total</b>	121,557	\$ 2.84	\$ 345,696	121,941	\$ 2.04	\$ 248,833	-	\$ -	\$ -	\$ 248,833
<b>Total</b>	<b>Network</b>			<b>Line Connection</b>			<b>Transformation Connection</b>			<b>Total Connection</b>
<b>Month</b>	<b>Units Billed</b>	<b>Rate</b>	<b>Amount</b>	<b>Units Billed</b>	<b>Rate</b>	<b>Amount</b>	<b>Units Billed</b>	<b>Rate</b>	<b>Amount</b>	<b>Amount</b>
January	219,847	\$ 3.59	\$ 788,866	239,600	\$ 0.93	\$ 222,723	26,740	\$ 1.99	\$ 53,254	\$ 275,978
February	213,762	\$ 3.58	\$ 766,160	221,095	\$ 0.94	\$ 207,062	27,044	\$ 1.99	\$ 53,721	\$ 260,783
March	211,394	\$ 3.60	\$ 761,191	222,362	\$ 0.91	\$ 203,115	26,072	\$ 1.99	\$ 51,762	\$ 254,877
April	214,036	\$ 3.60	\$ 770,171	229,782	\$ 0.92	\$ 211,954	24,026	\$ 1.99	\$ 47,880	\$ 259,833
May	213,494	\$ 3.60	\$ 768,759	229,240	\$ 0.92	\$ 209,869	24,462	\$ 1.99	\$ 48,644	\$ 258,513
June	251,653	\$ 3.61	\$ 908,181	258,326	\$ 0.91	\$ 235,101	27,776	\$ 1.99	\$ 55,377	\$ 290,478
July	262,091	\$ 3.61	\$ 945,667	271,338	\$ 0.91	\$ 246,963	27,742	\$ 1.99	\$ 55,236	\$ 302,199
August	261,252	\$ 3.61	\$ 943,147	272,384	\$ 0.91	\$ 247,744	27,795	\$ 1.99	\$ 55,348	\$ 303,092
September	273,561	\$ 3.61	\$ 987,133	280,122	\$ 0.91	\$ 254,824	28,654	\$ 1.99	\$ 57,049	\$ 311,873
October	191,085	\$ 3.60	\$ 688,247	210,044	\$ 0.91	\$ 191,548	25,046	\$ 1.99	\$ 49,818	\$ 241,366
November	205,526	\$ 3.60	\$ 740,213	212,575	\$ 0.91	\$ 194,473	24,531	\$ 1.99	\$ 48,773	\$ 243,246
December	220,338	\$ 3.60	\$ 793,467	221,882	\$ 0.92	\$ 203,083	25,755	\$ 1.99	\$ 51,228	\$ 254,311
<b>Total</b>	<b>2,738,039</b>	<b>\$ 3.60</b>	<b>\$ 9,861,201</b>	<b>2,868,751</b>	<b>\$ 0.92</b>	<b>\$ 2,628,459</b>	<b>315,644</b>	<b>\$ 1.99</b>	<b>\$ 628,091</b>	<b>\$ 3,256,550</b>
									<b>Low Voltage Switchgear Credit (if applicable)</b>	\$ -
									<b>Total including deduction for Low Voltage Switchgear Credit</b>	<b>\$ 3,256,550</b>

## Incentive Regulation Model for 2018 Filers

The purpose of this table is to re-align the current RTS Network Rates to recover current wholesale network costs.

Rate Class	Rate Description	Unit	Current RTSR- Network	Loss Adjusted Billed kWh	Billed kW	Billed Amount	Billed Amount %	Current Wholesale Billing	Adjusted RTSR Network
Residential Service Classification	Retail Transmission Rate - Network Service Rate	\$/kWh	0.0070	419,076,928	0	2,933,539	30.2%	2,971,372	0.0071
General Service Less Than 50 kW Service Classification	Retail Transmission Rate - Network Service Rate	\$/kWh	0.0064	200,107,241	0	1,280,686	13.2%	1,297,203	0.0065
General Service 50 To 4,999 kW Service Classification	Retail Transmission Rate - Network Service Rate - (less than 1,000 kW)	\$/kW	2.6388		549,968	1,451,256	14.9%	1,469,972	2.6728
General Service 50 To 4,999 kW Service Classification	Retail Transmission Rate - Network Service Rate - Interval Metered (less than 1,000 kW)	\$/kW	2.8028		735,598	2,061,734	21.2%	2,088,324	2.8389
General Service 50 To 4,999 kW Service Classification	Retail Transmission Rate - Network Service Rate - Interval Metered (1,000 to 4,999 kW)	\$/kW	2.7991		493,380	1,381,020	14.2%	1,398,831	2.8352
Large Use Service Classification	Retail Transmission Rate - Network Service Rate - Interval Metered	\$/kW	3.1032		178,218	553,046	5.7%	560,179	3.1432
Unmetered Scattered Load Service Classification	Retail Transmission Rate - Network Service Rate	\$/kWh	0.0064	2,827,832	0	18,098	0.2%	18,332	0.0065
Street Lighting Service Classification	Retail Transmission Rate - Network Service Rate	\$/kW	1.9903		21,346	42,485	0.4%	43,033	2.0160

The purpose of this table is to re-align the current RTS Connection Rates to recover current wholesale connection costs.

Rate Class	Rate Description	Unit	Current RTSR- Connection	Loss Adjusted Billed kWh	Billed kW	Billed Amount	Billed Amount %	Current Wholesale Billing	Adjusted RTSR- Connection
Residential Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0022	419,076,928	0	921,969	29.3%	951,704	0.0023
General Service Less Than 50 kW Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0020	200,107,241	0	400,214	12.7%	413,122	0.0021
General Service 50 To 4,999 kW Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate - (less than 1,000 kW)	\$/kW	0.7828		549,968	430,515	13.7%	444,400	0.8080
General Service 50 To 4,999 kW Service Classification	Retail Transmission Rate - Line and Trans. Connection Service Rate - Interval Metered (less than 1,000 k)	\$/kW	0.9777		735,598	719,194	22.9%	742,389	1.0092
General Service 50 To 4,999 kW Service Classification	Retail Transmission Rate - Line and Trans. Connection Service Rate - Interval Metered (1,000 to 4,999 k)	\$/kW	0.9767		493,380	481,884	15.3%	497,426	1.0082
Large Use Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered	\$/kW	0.9811		178,218	174,850	5.6%	180,489	1.0127
Unmetered Scattered Load Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0020	2,827,832	0	5,656	0.2%	5,838	0.0021
Street Lighting Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	0.6049		21,346	12,912	0.4%	13,329	0.6244

The purpose of this table is to update the re-aligned RTS Network Rates to recover future wholesale network costs.

Rate Class	Rate Description	Unit	Adjusted RTSR- Network	Loss Adjusted Billed kWh	Billed kW	Billed Amount	Billed Amount %	Current Wholesale Billing	Proposed RTSR- Network
Residential Service Classification	Retail Transmission Rate - Network Service Rate	\$/kWh	0.0071	419,076,928	0	2,971,372	30.2%	2,975,583	0.0071
General Service Less Than 50 kW Service Classification	Retail Transmission Rate - Network Service Rate	\$/kWh	0.0065	200,107,241	0	1,297,203	13.2%	1,299,042	0.0065
General Service 50 To 4,999 kW Service Classification	Retail Transmission Rate - Network Service Rate - (less than 1,000 kW)	\$/kW	2.6728		549,968	1,469,972	14.9%	1,472,056	2.6766
General Service 50 To 4,999 kW Service Classification	Retail Transmission Rate - Network Service Rate - Interval Metered (less than 1,000 kW)	\$/kW	2.8389		735,598	2,088,324	21.2%	2,091,284	2.8430
General Service 50 To 4,999 kW Service Classification	Retail Transmission Rate - Network Service Rate - Interval Metered (1,000 to 4,999 kW)	\$/kW	2.8352		493,380	1,388,831	14.2%	1,400,813	2.8392
Large Use Service Classification	Retail Transmission Rate - Network Service Rate - Interval Metered	\$/kW	3.1432		178,218	560,179	5.7%	560,973	3.1477
Unmetered Scattered Load Service Classification	Retail Transmission Rate - Network Service Rate	\$/kWh	0.0065	2,827,832	0	18,332	0.2%	18,358	0.0065
Street Lighting Service Classification	Retail Transmission Rate - Network Service Rate	\$/kW	2.0160		21,346	43,033	0.4%	43,094	2.0188

The purpose of this table is to update the re-aligned RTS Connection Rates to recover future wholesale connection costs.

Rate Class	Rate Description	Unit	Adjusted RTSR- Connection	Loss Adjusted Billed kWh	Billed kW	Billed Amount	Billed Amount %	Current Wholesale Billing	Proposed RTSR- Connection
Residential Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0023	419,076,928	0	951,704	29.3%	954,005	0.0023
General Service Less Than 50 kW Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0021	200,107,241	0	413,122	12.7%	414,121	0.0021
General Service 50 To 4,999 kW Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate - (less than 1,000 kW)	\$/kW	0.8080		549,968	444,400	13.7%	445,474	0.8100
General Service 50 To 4,999 kW Service Classification	Retail Transmission Rate - Line and Trans. Connection Service Rate - Interval Metered (less than 1,000 k)	\$/kW	1.0092		735,598	742,389	22.9%	744,184	1.0117
General Service 50 To 4,999 kW Service Classification	Retail Transmission Rate - Line and Trans. Connection Service Rate - Interval Metered (1,000 to 4,999 k)	\$/kW	1.0082		493,380	497,426	15.3%	498,628	1.0106
Large Use Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered	\$/kW	1.0127		178,218	180,489	5.6%	180,925	1.0152
Unmetered Scattered Load Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0021	2,827,832	0	5,838	0.2%	5,852	0.0021
Street Lighting Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	0.6244		21,346	13,329	0.4%	13,361	0.6259

# Incentive Regulation Model for 2018 Filers

If applicable, please enter any adjustments related to the revenue to cost ratio model into columns C and E. The Price Escalator and Stretch Factor have been set at the 2017 values and will be updated by OEB staff at a later date.

Price Escalator	1.90%	Productivity Factor	0.00%	# of Residential Customers (approved in the last CoS)	49,453	Effective Year of Residential Rate Design Transition (yyyy)	2016
Choose Stretch Factor Group	III	Price Cap Index	1.60%	Billed kWh for Residential Class (approved in the last CoS)	408,868,804	OEB-approved # of Transition Years	4
Associated Stretch Factor Value	0.30%			Rate Design Transition Years Left	2		

Rate Class	Current MFC	MFC Adjustment from R/C Model	Current Volumetric Charge	DVR Adjustment from R/C Model	Price Cap Index to be Applied to MFC and DVR	Proposed MFC	Proposed Volumetric Charge
RESIDENTIAL SERVICE CLASSIFICATION	23.62		0.0105		1.60%	27.68	0.0054
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	32.47		0.0162		1.60%	32.99	0.0165
GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION	121.29		5.1459		1.60%	123.23	5.2282
LARGE USE SERVICE CLASSIFICATION	7087.33		4.0839		1.60%	7,200.73	4.1492
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	10.78		0.0134		1.60%	10.95	0.0136
STREET LIGHTING SERVICE CLASSIFICATION	0.34		9.5254		1.60%	0.35	9.6778
EMBEDDED DISTRIBUTOR SERVICE CLASSIFICATION	0		0.0203		1.60%	0.00	0.0206
MICROFIT SERVICE CLASSIFICATION	5.4					5.4	

	Revenue from Rates	Current F/V Split	Decoupling MFC Split	Incremental Fixed Charge (\$/month/year)	New F/V Split	Adjusted Rates <sup>1</sup>	Revenue at New F/V Split
Current Residential Fixed Rate (inclusive of R/C adj.)	23.6200	14,016,958	76.6%	11.7%	88.3%	27.24	16,165,197
Current Residential Variable Rate (inclusive of R/C adj.)	0.0105	4,293,122	23.4%	3.62	11.7%	0.0053	2,167,005
		18,310,081					18,332,201

<sup>1</sup> These are the residential rates to which the Price Cap Index will be applied to. Wheeling Service Rate will be adjusted for PCI on Sheet 19.



# Incentive Regulation Model for 2018 Filers

*Update the following rates if an OEB Decision has been issued at the time of completing this application*

Regulatory Charges		Proposed
Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0032
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

### Time-of-Use RPP Prices

As of		July 1, 2017
Off-Peak	\$/kWh	0.0650
Mid-Peak	\$/kWh	0.0950
On-Peak	\$/kWh	0.1320

### Debt Retirement Charge (DRC)

Debt Retirement Charge (DRC)	\$/kWh	0.0070
------------------------------	--------	--------

If your utility's DRC differs from the value in Cell D29, please update this value.

# Incentive Regulation Model for 2018 Filers

In the Green Cells below, enter any proposed rate riders that are not already included in this model (e.g.: proposed ICM rate riders). Please note that existing SMIRR and SM Ently Charge do not need to be included below.

In column A, the rate rider descriptions must begin with "Rate Rider for".

In column B, choose the associated unit from the drop-down menu.

In column C, enter the rate. All rate riders with a "\$" unit should be rounded to 2 decimal places and all others rounded to 4 decimal places.

In column E, enter the expiry date (e.g. April 30, 2019) or description of the expiry date in text (e.g. the effective date of the next cost of service-based rate order).

In column G, choose the sub-total as applicable in the bill impact calculation from the drop-down menu.

## RESIDENTIAL SERVICE CLASSIFICATION

							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		

## GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		

## GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION

							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		

## LARGE USE SERVICE CLASSIFICATION

							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		

## UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		

## STREET LIGHTING SERVICE CLASSIFICATION

							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		

## EMBEDDED DISTRIBUTOR SERVICE CLASSIFICATION

							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		

## MICROFIT SERVICE CLASSIFICATION

							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		
							- effective until		

**Waterloo North Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2018**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2017-0080

## 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. All customers are single-phase. 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 Debt Retirement Charge, the Global Adjustment and the HST.

## MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	27.68
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Rate Rider for Recovery of Stranded Meter Assets - effective until December 31, 2018	\$	0.58
Distribution Volumetric Rate	\$/kWh	0.0054
Low Voltage Service Rate	\$/kWh	0.0002
Rate Rider for Disposition of Global Adjustment Account (2018) - effective until December 31, 2018 Applicable only for Non-RPP Customers	\$/kWh	0.0005
Rate Rider for Disposition of Deferral/Variance Accounts (2018) - effective until December 31, 2018	\$/kWh	(0.0007)
Rate Rider for Disposition of Capacity Based Recovery Account (2018) - effective until January 01, 2018 Applicable only for Class B Customers	\$/kWh	0.0002
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0071
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0023

## MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0032
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25



**Waterloo North Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2018**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2017-0080

## ONTARIO ELECTRICITY SUPPORT PROGRAM RECIPIENTS

In addition to the charges specified on page 1 of this tariff of rates and charges, the following credits are to be applied to eligible residential customers.

### APPLICATION

The application of the credits is in accordance with the Distribution System Code (Section 9) and subsection 79.2 of the Ontario Energy Board Act, 1998.

The application of these credits 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.

In this class:

“Aboriginal person” includes a person who is a First Nations person, a Métis person or an Inuit person;

“account-holder” means a consumer who has an account with a distributor that falls within a residential-rate classification as specified in a rate order made by the Ontario Energy Board under section 78 of the Act, and who lives at the service address to which the account relates for at least six months in a year;

“electricity-intensive medical device” means an oxygen concentrator, a mechanical ventilator, or such other device as may be specified by the Ontario Energy Board;

“household” means the account-holder and any other people living at the accountholder’s service address for at least six months in a year, including people other than the account-holder’s spouse, children or other relatives;

“household income” means the combined annual after-tax income of all members of a household aged 16 or over;

### MONTHLY RATES AND CHARGES

#### Class A

(a) account-holders with a household income of \$28,000 or less living in a household of one or two persons;

(b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of three persons;

(c) account-holders with a household income of between \$39,001 and \$48,000 living in a household of five persons;

(d) account-holders with a household income of between \$48,001 and \$52,000 living in a household of seven or more persons;

but does not include account-holders in Class E.

OESP Credit	\$	(30.00)
-------------	----	---------

#### Class B

(a) account-holders with a household income of \$28,000 or less living in a household of three persons;

(b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of four persons;

(c) account-holders with a household income of between \$39,001 and \$48,000 living in a household of six persons;

but does not include account-holders in Class F.

OESP Credit	\$	(34.00)
-------------	----	---------

#### Class C

(a) account-holders with a household income of \$28,000 or less living in a household of four persons;

(b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of five persons;

(c) account-holders with a household income of between \$39,001 and \$48,000 living in a household of seven or more persons;

but does not include account-holders in Class G.

OESP Credit	\$	(38.00)
-------------	----	---------

**Waterloo North Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2018**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2017-0080

**Class D**

- (a) account-holders with a household income of \$28,000 or less living in a household of five persons;  
 (b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of six persons;  
 but does not include account-holders in Class H.

OESP Credit \$ (42.00)

**Class E**

Class E comprises account-holders with a household income and household size described under Class A who also meet any of the following conditions:

- (a) the dwelling to which the account relates is heated primarily by electricity;  
 (b) the account-holder or any member of the account-holder's household is an Aboriginal person; or  
 (c) the account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates.

OESP Credit \$ (45.00)

**Class F**

- (a) account-holders with a household income of \$28,000 or less living in a household of six or more persons;  
 (b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of seven or more persons; or  
 (c) account-holders with a household income and household size described under Class B who also meet any of the following conditions:

- i. the dwelling to which the account relates is heated primarily by electricity;  
 ii. the account-holder or any member of the account-holder's household is an Aboriginal person; or  
 iii. the account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates.

OESP Credit \$ (50.00)

**Class G**

Class G comprises account-holders with a household income and household size described under Class C who also meet any of the following conditions:

- (a) the dwelling to which the account relates is heated primarily by electricity;  
 (b) the account-holder or any member of the account-holder's household is an Aboriginal person; or  
 (c) the account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates.

OESP Credit \$ (55.00)

**Class H**

Class H comprises account-holders with a household income and household size described under Class D who also meet any of the following conditions:

- (a) the dwelling to which the account relates is heated primarily by electricity;  
 (b) the account-holder or any member of the account-holder's household is an Aboriginal person; or  
 (c) the account-holder or any member of the account-holder's household regularly uses, for medical purposes,

**Waterloo North Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2018**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2017-0080

an electricity-intensive medical device at the dwelling to which the account relates.

OESP Credit	\$	(60.00)
-------------	----	---------

**Class I**

Class I comprises account-holders with a household income and household size described under paragraphs (a) or (b) of Class F who also meet any of the following conditions:

(a) the dwelling to which the account relates is heated primarily by electricity;

(b) the account-holder or any member of the account-holder's household is an Aboriginal person; or

(c) the account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates.

OESP Credit	\$	(75.00)
-------------	----	---------

**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. 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 Debt Retirement Charge, the Global Adjustment and the HST.

**MONTHLY RATES AND CHARGES - Delivery Component**

Service Charge	\$	32.99
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Rate Rider for Recovery of Stranded Meter Assets - effective until December 31, 2018	\$	1.38
Distribution Volumetric Rate	\$/kWh	0.0165
Low Voltage Service Rate	\$/kWh	0.0002
Rate Rider for Disposition of Global Adjustment Account (2018) - effective until December 31, 2018 Applicable only for Non-RPP Customers	\$/kWh	0.0005
Rate Rider for Disposition of Deferral/Variance Accounts (2018) - effective until December 31, 2018	\$/kWh	(0.0006)
Rate Rider for Disposition of Capacity Based Recovery Account (2018) - effective until January 01, 2018 Applicable only for Class B Customers	\$/kWh	0.0002

**Waterloo North Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2018**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2017-0080

Retail Transmission Rate - Network Service Rate	\$/kWh	0.0065
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0021

**MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0032
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

**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. Note that for the application of the Retail Transmission Rate - Network Service Rate and the Retail Transmission Rate - Line and Transformation Connection Service Rate the following sub-classifications apply: General Service 50 to 999 kW non-interval metered; General Service 50 to 999 kW interval metered; and General Service 1,000 to 4,999 kW interval metered.

**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.

The rate rider for the disposition of Class B WMS - Sub-account CBR (2017) is not applicable to wholesale market participants (WMP) and customers that transitioned between Class A and Class B in 2015. These transition customers 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 in accordance with a customer's Class A or Class B classification as at December 31, 2015 and the above noted exception for 2015 transition customers, for the entire period to the sunset date of the rate rider.

The rate rider for the disposition of Global Adjustment (2017) is only applicable to non-RPP Class B customers. It is not applicable to WMP and customers that transitioned between Class A and Class B in the period of last Global Adjustment disposition to 2015. These transition customers 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 in accordance with a customer's Class A or Class B classification as at December 31, 2015 and the above noted exception for 2015 transition customers, for the entire period to the sunset date of the rate rider.

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 Debt Retirement Charge, the Global Adjustment and the HST.

**MONTHLY RATES AND CHARGES - Delivery Component**

**Waterloo North Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2018**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2017-0080

Service Charge	\$	123.23
Distribution Volumetric Rate	\$/kW	5.2282
Low Voltage Service Rate	\$/kW	0.0738
Rate Rider for Disposition of Global Adjustment Account (2018) - effective until December 31, 2018 Applicable only for Non-RPP Customers	\$/kWh	0.0005
Rate Rider for Disposition of Deferral/Variance Accounts (2018) - effective until December 31, 2018 Applicable only for Non-Wholesale Market Participants	\$/kW	(0.2048)
Rate Rider for Disposition of Deferral/Variance Accounts (2018) - effective until December 31, 2018 Rate Rider for Disposition of Capacity Based Recovery Account (2018) - effective until January 01, 2018 Applicable only for Class B Customers	\$/kW	(0.0380)
	\$/kWh	0.0651
Retail Transmission Rate - Network Service Rate - (less than 1,000 kW)	\$/kW	2.6766
Retail Transmission Rate - Network Service Rate - Interval Metered (less than 1,000 kW)	\$/kW	2.8430
Retail Transmission Rate - Network Service Rate - Interval Metered (1,000 to 4,999 kW)	\$/kW	2.8392
Retail Transmission Rate - Line and Transformation Connection Service Rate - (less than 1,000 kW)	\$/kW	0.8100
Retail Transmission Rate - Line and Trans. Connection Service Rate - Interval Metered (less than 1,000 kW)	\$/kW	1.0117
Retail Transmission Rate - Line and Trans. Connection Service Rate - Interval Metered (1,000 to 4,999 kW)	\$/kW	1.0106

**MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0032
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

**LARGE USE SERVICE CLASSIFICATION**

This classification applies to an 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, 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.

**Waterloo North Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2018**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2017-0080

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 Debt Retirement Charge, the Global Adjustment and the HST.

**MONTHLY RATES AND CHARGES - Delivery Component**

Service Charge	\$	7,200.73
Distribution Volumetric Rate	\$/kW	4.1492
Low Voltage Service Rate	\$/kW	0.0925
Rate Rider for Disposition of Deferral/Variance Accounts (2018) - effective until December 31, 2018	\$/kW	(0.3435)
Retail Transmission Rate - Network Service Rate - Interval Metered	\$/kW	3.1477
Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered	\$/kW	1.0152

**MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0032
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

**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 Debt Retirement Charge, the Global Adjustment and the HST.

**MONTHLY RATES AND CHARGES - Delivery Component**

**Waterloo North Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2018**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2017-0080

Service Charge (per connection)	\$	10.95
Distribution Volumetric Rate	\$/kWh	0.0136
Low Voltage Service Rate	\$/kWh	0.0002
Rate Rider for Disposition of Global Adjustment Account (2018) - effective until December 31, 2018 Applicable only for Non-RPP Customers	\$/kWh	0.0005
Rate Rider for Disposition of Deferral/Variance Accounts (2018) - effective until December 31, 2018	\$/kWh	(0.0007)
Rate Rider for Disposition of Capacity Based Recovery Account (2018) - effective until January 01, 2018 Applicable only for Class B Customers	\$/kWh	0.0002
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0065
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0021

**MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0032
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

**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 Debt Retirement Charge, the Global Adjustment and the HST.

**MONTHLY RATES AND CHARGES - Delivery Component**

Service Charge (per connection)	\$	0.35
Distribution Volumetric Rate	\$/kW	9.6778
Low Voltage Service Rate	\$/kW	0.0570

**Waterloo North Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2018**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2017-0080

Rate Rider for Disposition of Global Adjustment Account (2018) - effective until December 31, 2018 Applicable only for Non-RPP Customers	\$/kWh	0.0005
Rate Rider for Disposition of Deferral/Variance Accounts (2018) - effective until December 31, 2018	\$/kW	(0.1993)
Rate Rider for Disposition of Capacity Based Recovery Account (2018) - effective until January 01, 2018 Applicable only for Class B Customers	\$/kWh	0.0607
Retail Transmission Rate - Network Service Rate	\$/kW	2.0188
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	0.6259

**MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0032
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

**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 Debt Retirement Charge, the Global Adjustment and the HST.

**MONTHLY RATES AND CHARGES - Delivery Component**

Service Charge	\$	5.40
----------------	----	------

**EMBEDDED DISTRIBUTOR SERVICE CLASSIFICATION**

This classification applies to an electricity distributor licensed by the Ontario Energy Board that is provided electricity by means of this distributor's facilities. 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.



**Waterloo North Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2018**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2017-0080

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 Debt Retirement Charge, the Global Adjustment and the HST.

### MONTHLY RATES AND CHARGES - Delivery Component

Distribution Volumetric Rate	\$/kW	0.0206
Rate Rider for Disposition of Global Adjustment Account (2018) - effective until December 31, 2018 Applicable only for Non-RPP Customers	\$/kWh	0.0005
Rate Rider for Disposition of Deferral/Variance Accounts (2018) - effective until December 31, 2018	\$/kW	(0.2771)
Rate Rider for Disposition of Capacity Based Recovery Account (2018) - effective until January 01, 2018 Applicable only for Class B Customers	\$/kWh	0.0726

### MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0032
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

### 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)

### 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 Debt Retirement Charge, the Global Adjustment and the HST.

#### Customer Administration

**Waterloo North Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2018**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2017-0080

Easement Letter	\$	15.00
Notification charge	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Returned Cheque (plus bank charges)	\$	15.00
Duplicate invoices for previous billing	\$	15.00
Income tax letter	\$	15.00
Account set up charge / change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00

**Non-Payment of Account**

Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Disconnect/Reconnect at Meter - during regular hours	\$	65.00
Disconnect/Reconnect at Meter - after regular hours	\$	185.00

**Other**

Specific charge for access to the power poles - \$/pole/year (with the exception of wireless attachments)	\$	22.35
--	----	-------

**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 Debt Retirement Charge, 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	\$	100.00
Monthly Fixed Charge, per retailer	\$	20.00
Monthly Variable Charge, per customer, per retailer	\$/cust.	0.50
Distributor-consolidated billing monthly charge, per customer, per retailer	\$/cust.	0.30
Retailer-consolidated billing monthly credit, per customer, per retailer	\$/cust.	(0.30)
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	\$	0.25

**Waterloo North Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2018**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2017-0080

Processing fee, per request, applied to the requesting party	\$	0.50
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)	\$	2.00

## 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	1.0362
Total Loss Factor - Secondary Metered Customer > 5,000 kW	1.0147
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0259
Total Loss Factor - Primary Metered Customer > 5,000 kW	1.0047




Customer Class:	<b>RESIDENTIAL SERVICE CLASSIFICATION</b>	
RPP / Non-RPP:	RPP	
Consumption	750	kWh
Demand	-	kW
Current Loss Factor	1.0362	
Proposed/Approved Loss Factor	1.0362	

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 23.62	1	\$ 23.62	\$ 27.68	1	\$ 27.68	\$ 4.06	17.19%
Distribution Volumetric Rate	\$ 0.0105	750	\$ 7.88	\$ 0.0054	750	\$ 4.05	\$ (3.83)	-48.57%
Fixed Rate Riders	\$ 0.58	1	\$ 0.58	\$ 0.58	1	\$ -	\$ -	0.00%
Volumetric Rate Riders	\$ -	750	\$ -	\$ -	750	\$ -	\$ -	-
<b>Sub-Total A (excluding pass through)</b>			<b>\$ 32.08</b>			<b>\$ 32.31</b>	<b>\$ 0.23</b>	<b>0.73%</b>
Line Losses on Cost of Power	\$ 0.0822	27	\$ 2.23	\$ 0.0822	27	\$ 2.23	\$ -	0.00%
Total Deferral/Variance Account Rate Riders	-\$ 0.0033	750	\$ (2.48)	-\$ 0.0007	750	\$ (0.53)	\$ 1.95	-78.79%
CBR Class B Rate Riders	\$ 0.0003	750	\$ 0.23	\$ 0.0002	750	\$ 0.15	\$ (0.08)	-33.33%
GA Rate Riders	\$ -	750	\$ -	\$ -	750	\$ -	\$ -	-
Low Voltage Service Charge	\$ 0.0002	750	\$ 0.15	\$ 0.0002	750	\$ 0.15	\$ -	0.00%
Smart Meter Entity Charge (if applicable) and/or any fixed (\$) Deferral/Variance Account Rate Riders	\$ 0.79	1	\$ 0.79	\$ 0.79	1	\$ 0.79	\$ -	0.00%
Additional Volumetric Rate Riders (Sheet 18)		750	\$ -	\$ -	750	\$ -	\$ -	-
<b>Sub-Total B - Distribution (includes Sub-Total A)</b>			<b>\$ 33.00</b>			<b>\$ 35.11</b>	<b>\$ 2.11</b>	<b>6.39%</b>
RTSR - Network	\$ 0.0070	777	\$ 5.44	\$ 0.0071	777	\$ 5.52	\$ 0.08	1.43%
RTSR - Connection and/or Line and Transformation Connection	\$ 0.0022	777	\$ 1.71	\$ 0.0023	777	\$ 1.79	\$ 0.08	4.55%
<b>Sub-Total C - Delivery (including Sub-Total B)</b>			<b>\$ 40.15</b>			<b>\$ 42.41</b>	<b>\$ 2.27</b>	<b>5.64%</b>
Wholesale Market Service Charge (WMSC)	\$ 0.0036	777	\$ 2.80	\$ 0.0036	777	\$ 2.80	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	\$ 0.0013	777	\$ 1.01	\$ 0.0003	777	\$ 0.23	\$ (0.78)	-76.92%
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
Debt Retirement Charge (DRC)								
TOU - Off Peak	\$ 0.0650	488	\$ 31.69	\$ 0.0650	488	\$ 31.69	\$ -	0.00%
TOU - Mid Peak	\$ 0.0950	128	\$ 12.11	\$ 0.0950	128	\$ 12.11	\$ -	0.00%
TOU - On Peak	\$ 0.1320	135	\$ 17.82	\$ 0.1320	135	\$ 17.82	\$ -	0.00%
<b>Total Bill on TOU (before Taxes)</b>			<b>\$ 105.82</b>			<b>\$ 107.31</b>	<b>\$ 1.49</b>	<b>1.41%</b>
HST 13%			\$ 13.76	13%		\$ 13.95	\$ 0.19	1.41%
8% Rebate			\$ (8.47)	8%		\$ (8.58)	\$ (0.12)	-
<b>Total Bill on TOU</b>			<b>\$ 111.11</b>			<b>\$ 112.68</b>	<b>\$ 1.56</b>	<b>1.41%</b>

Customer Class:	<b>GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION</b>	
RPP / Non-RPP:	RPP	
Consumption	2,000	kWh
Demand	-	kW
Current Loss Factor	1.0362	
Proposed/Approved Loss Factor	1.0362	

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 32.47	1	\$ 32.47	\$ 32.99	1	\$ 32.99	\$ 0.52	1.60%
Distribution Volumetric Rate	\$ 0.0162	2000	\$ 32.40	\$ 0.0165	2000	\$ 33.00	\$ 0.60	1.85%
Fixed Rate Riders	\$ 1.38	1	\$ 1.38	\$ 1.38	1	\$ -	\$ -	0.00%
Volumetric Rate Riders	\$ -	2000	\$ -	\$ -	2000	\$ -	\$ -	-
<b>Sub-Total A (excluding pass through)</b>			<b>\$ 66.25</b>			<b>\$ 67.37</b>	<b>\$ 1.12</b>	<b>1.69%</b>
Line Losses on Cost of Power	\$ 0.0822	72	\$ 5.95	\$ 0.0822	72	\$ 5.95	\$ -	0.00%
Total Deferral/Variance Account Rate Riders	-\$ 0.0033	2,000	\$ (6.60)	-\$ 0.0006	2,000	\$ (1.20)	\$ 5.40	-81.82%
CBR Class B Rate Riders	\$ 0.0003	2,000	\$ 0.60	\$ 0.0002	2,000	\$ 0.40	\$ (0.20)	-33.33%
GA Rate Riders	\$ -	2,000	\$ -	\$ -	2,000	\$ -	\$ -	-

Low Voltage Service Charge	\$	0.0002	2,000	\$	0.40	\$	0.0002	2,000	\$	0.40	\$	-	0.00%
Smart Meter Entity Charge (if applicable) and/or any fixed (\$) Deferral/Variance Account Rate Riders	\$	0.79	1	\$	0.79	\$	0.79	1	\$	0.79	\$	-	0.00%
Additional Volumetric Rate Riders (Sheet 18)			2,000	\$	-	\$	-	2,000	\$	-	\$	-	
<b>Sub-Total B - Distribution (includes Sub-Total A)</b>				\$	<b>67.39</b>				\$	<b>73.71</b>	\$	<b>6.32</b>	<b>9.38%</b>
RTSR - Network	\$	0.0064	2,072	\$	13.26	\$	0.0065	2,072	\$	13.47	\$	0.21	1.56%
RTSR - Connection and/or Line and Transformation Connection	\$	0.0020	2,072	\$	4.14	\$	0.0021	2,072	\$	4.35	\$	0.21	5.00%
<b>Sub-Total C - Delivery (including Sub-Total B)</b>				\$	<b>84.80</b>				\$	<b>91.53</b>	\$	<b>6.73</b>	<b>7.94%</b>
Wholesale Market Service Charge (WMSC)	\$	0.0036	2,072	\$	7.46	\$	0.0036	2,072	\$	7.46	\$	-	0.00%
Rural and Remote Rate Protection (RRRP)	\$	0.0013	2,072	\$	2.69	\$	0.0003	2,072	\$	0.62	\$	(2.07)	-76.92%
Standard Supply Service Charge	\$	0.25	1	\$	0.25	\$	0.25	1	\$	0.25	\$	-	0.00%
Debt Retirement Charge (DRC)	\$	0.0070	2,000	\$	14.00	\$	0.0070	2,000	\$	14.00	\$	-	0.00%
TOU - Off Peak	\$	0.0650	1,300	\$	84.50	\$	0.0650	1,300	\$	84.50	\$	-	0.00%
TOU - Mid Peak	\$	0.0950	340	\$	32.30	\$	0.0950	340	\$	32.30	\$	-	0.00%
TOU - On Peak	\$	0.1320	360	\$	47.52	\$	0.1320	360	\$	47.52	\$	-	0.00%
<b>Total Bill on TOU (before Taxes)</b>				\$	<b>273.52</b>				\$	<b>278.18</b>	\$	<b>4.66</b>	<b>1.70%</b>
HST		13%		\$	35.56		13%		\$	36.16	\$	0.61	1.70%
8% Rebate		8%		\$	(21.88)		8%		\$	(22.25)	\$	(0.37)	
<b>Total Bill on TOU</b>				\$	<b>287.20</b>				\$	<b>292.09</b>	\$	<b>4.90</b>	<b>1.70%</b>

Customer Class:	GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION
RPP / Non-RPP:	Non-RPP (Other)
Consumption	100,000 kWh
Demand	250 kW
Current Loss Factor	1.0362
Proposed/Approved Loss Factor	1.0362

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 121.29	1	\$ 121.29	\$ 123.23	1	\$ 123.23	\$ 1.94	1.60%
Distribution Volumetric Rate	\$ 5.1459	250	\$ 1,286.48	\$ 5.2282	250	\$ 1,307.05	\$ 20.57	1.60%
Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Volumetric Rate Riders	\$ -	250	\$ -	\$ -	250	\$ -	\$ -	
<b>Sub-Total A (excluding pass through)</b>			\$ <b>1,407.77</b>			\$ <b>1,430.28</b>	\$ <b>22.51</b>	<b>1.60%</b>
Line Losses on Cost of Power	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	
Total Deferral/Variance Account Rate Riders	-\$ 1.2886	250	\$ (322.15)	-\$ 0.2428	250	\$ (60.70)	\$ 261.45	-81.16%
CBR Class B Rate Riders	\$ 0.1114	250	\$ 27.85	\$ 0.0651	250	\$ 16.28	\$ (11.58)	-41.56%
GA Rate Riders	\$ 0.0024	100,000	\$ 240.00	\$ 0.0005	100,000	\$ 50.00	\$ (190.00)	-79.17%
Low Voltage Service Charge	\$ 0.0738	250	\$ 18.45	\$ 0.0738	250	\$ 18.45	\$ -	0.00%
Smart Meter Entity Charge (if applicable) and/or any fixed (\$) Deferral/Variance Account Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Additional Volumetric Rate Riders (Sheet 18)		250	\$ -	\$ -	250	\$ -	\$ -	
<b>Sub-Total B - Distribution (includes Sub-Total A)</b>			\$ <b>1,371.92</b>			\$ <b>1,454.31</b>	\$ <b>82.39</b>	<b>6.01%</b>
RTSR - Network	\$ 2.6388	250	\$ 659.70	\$ 2.6766	250	\$ 669.15	\$ 9.45	1.43%
RTSR - Connection and/or Line and Transformation Connection	\$ 0.7828	250	\$ 195.70	\$ 0.8100	250	\$ 202.50	\$ 6.80	3.47%
<b>Sub-Total C - Delivery (including Sub-Total B)</b>			\$ <b>2,227.32</b>			\$ <b>2,325.96</b>	\$ <b>98.64</b>	<b>4.43%</b>
Wholesale Market Service Charge (WMSC)	\$ 0.0036	103,620	\$ 373.03	\$ 0.0036	103,620	\$ 373.03	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	\$ 0.0013	103,620	\$ 134.71	\$ 0.0003	103,620	\$ 31.09	\$ (103.62)	-76.92%
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
Debt Retirement Charge (DRC)	\$ 0.0070	100,000	\$ 700.00	\$ 0.0070	100,000	\$ 700.00	\$ -	0.00%
Average IESO Wholesale Market Price	\$ 0.1101	103,620	\$ 11,408.56	\$ 0.1101	103,620	\$ 11,408.56	\$ -	0.00%
<b>Total Bill on Average IESO Wholesale Market Price</b>			\$ <b>14,843.87</b>			\$ <b>14,838.89</b>	\$ <b>(4.98)</b>	<b>-0.03%</b>
HST		13%	\$ 1,929.70		13%	\$ 1,929.06	\$ (0.65)	-0.03%
<b>Total Bill on Average IESO Wholesale Market Price</b>			\$ <b>16,773.57</b>			\$ <b>16,767.94</b>	\$ <b>(5.63)</b>	<b>-0.03%</b>

Customer Class:	<b>LARGE USE SERVICE CLASSIFICATION</b>	
RPP / Non-RPP:	Non-RPP (Other)	
Consumption	8,000,000	kWh
Demand	14,500	kW
Current Loss Factor	1.0047	
Proposed/Approved Loss Factor	1.0047	

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 7,087.33	1	\$ 7,087.33	\$ 7,200.73	1	\$ 7,200.73	\$ 113.40	1.60%
Distribution Volumetric Rate	\$ 4.0839	14500	\$ 59,216.55	\$ 4.1492	14500	\$ 60,163.40	\$ 946.85	1.60%
Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Volumetric Rate Riders	\$ -	14500	\$ -	\$ -	14500	\$ -	\$ -	
<b>Sub-Total A (excluding pass through)</b>			<b>\$ 66,303.88</b>			<b>\$ 67,364.13</b>	<b>\$ 1,060.25</b>	<b>1.60%</b>
Line Losses on Cost of Power	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	
Total Deferral/Variance Account Rate Riders	-\$ 1.7964	14,500	\$ (26,047.80)	-\$ 0.3435	14,500	\$ (4,980.75)	\$ 21,067.05	-80.88%
CBR Class B Rate Riders	\$ -	14,500	\$ -	\$ -	14,500	\$ -	\$ -	
GA Rate Riders	\$ -	8,000,000	\$ -	\$ -	8,000,000	\$ -	\$ -	
Low Voltage Service Charge	\$ 0.0925	14,500	\$ 1,341.25	\$ 0.0925	14,500	\$ 1,341.25	\$ -	0.00%
Smart Meter Entity Charge (if applicable) and/or any fixed (\$) Deferral/Variance Account Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Additional Volumetric Rate Riders (Sheet 18)		14,500	\$ -	\$ -	14,500	\$ -	\$ -	
<b>Sub-Total B - Distribution (includes Sub-Total A)</b>			<b>\$ 41,597.33</b>			<b>\$ 63,724.63</b>	<b>\$ 22,127.30</b>	<b>53.19%</b>
RTSR - Network	\$ 3.1032	14,500	\$ 44,996.40	\$ 3.1477	14,500	\$ 45,641.65	\$ 645.25	1.43%
RTSR - Connection and/or Line and Transformation Connection	\$ 0.9811	14,500	\$ 14,225.95	\$ 1.0152	14,500	\$ 14,720.40	\$ 494.45	3.48%
<b>Sub-Total C - Delivery (including Sub-Total B)</b>			<b>\$ 100,819.68</b>			<b>\$ 124,086.68</b>	<b>\$ 23,267.00</b>	<b>23.08%</b>
Wholesale Market Service Charge (WMSC)	\$ 0.0036	8,037,600	\$ 28,935.36	\$ 0.0036	8,037,600	\$ 28,935.36	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	\$ 0.0013	8,037,600	\$ 10,448.88	\$ 0.0003	8,037,600	\$ 2,411.28	\$ (8,037.60)	-76.92%
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
Debt Retirement Charge (DRC)	\$ 0.0070	8,000,000	\$ 56,000.00	\$ 0.0070	8,000,000	\$ 56,000.00	\$ -	0.00%
Average IESO Wholesale Market Price	\$ 0.1101	8,037,600	\$ 884,939.76	\$ 0.1101	8,037,600	\$ 884,939.76	\$ -	0.00%
<b>Total Bill on Average IESO Wholesale Market Price</b>			<b>\$ 1,081,143.93</b>			<b>\$ 1,096,373.33</b>	<b>\$ 15,229.40</b>	<b>1.41%</b>
HST		13%	\$ 140,548.71		13%	\$ 142,528.53	\$ 1,979.82	1.41%
<b>Total Bill on Average IESO Wholesale Market Price</b>			<b>\$ 1,221,692.64</b>			<b>\$ 1,238,901.86</b>	<b>\$ 17,209.22</b>	<b>1.41%</b>

Customer Class:	<b>UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION</b>	
RPP / Non-RPP:	RPP	
Consumption	150	kWh
Demand	-	kW
Current Loss Factor	1.0362	
Proposed/Approved Loss Factor	1.0362	

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 10.78	1	\$ 10.78	\$ 10.95	1	\$ 10.95	\$ 0.17	1.58%
Distribution Volumetric Rate	\$ 0.0134	150	\$ 2.01	\$ 0.0136	150	\$ 2.04	\$ 0.03	1.49%
Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Volumetric Rate Riders	\$ -	150	\$ -	\$ -	150	\$ -	\$ -	
<b>Sub-Total A (excluding pass through)</b>			<b>\$ 12.79</b>			<b>\$ 12.99</b>	<b>\$ 0.20</b>	<b>1.56%</b>
Line Losses on Cost of Power	\$ 0.0822	5	\$ 0.45	\$ 0.0822	5	\$ 0.45	\$ -	0.00%
Total Deferral/Variance Account Rate Riders	-\$ 0.0033	150	\$ (0.50)	-\$ 0.0007	150	\$ (0.11)	\$ 0.39	-78.79%
CBR Class B Rate Riders	\$ 0.0003	150	\$ 0.05	\$ 0.0002	150	\$ 0.03	\$ (0.02)	-33.33%
GA Rate Riders	\$ -	150	\$ -	\$ -	150	\$ -	\$ -	
Low Voltage Service Charge	\$ 0.0002	150	\$ 0.03	\$ 0.0002	150	\$ 0.03	\$ -	0.00%
Smart Meter Entity Charge (if applicable) and/or any fixed (\$) Deferral/Variance Account Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Additional Volumetric Rate Riders (Sheet 18)		150	\$ -	\$ -	150	\$ -	\$ -	
<b>Sub-Total B - Distribution (includes Sub-Total A)</b>			<b>\$ 12.82</b>			<b>\$ 13.39</b>	<b>\$ 0.57</b>	<b>4.49%</b>
RTSR - Network	\$ 0.0064	155	\$ 0.99	\$ 0.0065	155	\$ 1.01	\$ 0.02	1.56%

RTSR - Connection and/or Line and Transformation Connection	\$	0.0020	155	\$	0.31	\$	0.0021	155	\$	0.33	\$	0.02	5.00%
<b>Sub-Total C - Delivery (including Sub-Total B)</b>				\$	14.12				\$	14.73	\$	0.61	4.29%
Wholesale Market Service Charge (WMSC)	\$	0.0036	155	\$	0.56	\$	0.0036	155	\$	0.56	\$	-	0.00%
Rural and Remote Rate Protection (RRRP)	\$	0.0013	155	\$	0.20	\$	0.0003	155	\$	0.05	\$	(0.16)	-76.92%
Standard Supply Service Charge	\$	0.25	1	\$	0.25	\$	0.25	1	\$	0.25	\$	-	0.00%
Debt Retirement Charge (DRC)	\$	0.0070	150	\$	1.05	\$	0.0070	150	\$	1.05	\$	-	0.00%
TOU - Off Peak	\$	0.0650	98	\$	6.34	\$	0.0650	98	\$	6.34	\$	-	0.00%
TOU - Mid Peak	\$	0.0950	26	\$	2.42	\$	0.0950	26	\$	2.42	\$	-	0.00%
TOU - On Peak	\$	0.1320	27	\$	3.56	\$	0.1320	27	\$	3.56	\$	-	0.00%
<b>Total Bill on TOU (before Taxes)</b>				\$	28.51				\$	28.96	\$	0.45	1.58%
HST		13%		\$	3.71		13%		\$	3.76	\$	0.06	1.58%
<b>Total Bill on TOU</b>				\$	32.21				\$	32.72	\$	0.51	1.58%

Customer Class:	STREET LIGHTING SERVICE CLASSIFICATION
RPP / Non-RPP:	Non-RPP (Other)
Consumption	50 kWh
Demand	0 kW
Current Loss Factor	1.0362
Proposed/Approved Loss Factor	1.0362

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 0.34	1	\$ 0.34	\$ 0.35	1	\$ 0.35	\$ 0.01	2.94%
Distribution Volumetric Rate	\$ 9.5254	0.14	\$ 1.33	\$ 9.6778	0.14	\$ 1.35	\$ 0.02	1.60%
Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-
Volumetric Rate Riders	\$ -	0.14	\$ -	\$ -	0.14	\$ -	\$ -	-
<b>Sub-Total A (excluding pass through)</b>			\$ 1.67			\$ 1.70	\$ 0.03	1.87%
Line Losses on Cost of Power	\$ 0.1101	2	\$ 0.20	\$ 0.1101	2	\$ 0.20	\$ -	0.00%
Total Deferral/Variance Account Rate Riders	-\$ 1.1618	0	\$ (0.16)	-\$ 0.1993	0	\$ (0.03)	\$ 0.13	-82.85%
CBR Class B Rate Riders	\$ 0.1005	0	\$ 0.01	\$ 0.0607	0	\$ 0.01	\$ (0.01)	-39.60%
GA Rate Riders	\$ 0.0024	50	\$ 0.12	\$ 0.0005	50	\$ 0.03	\$ (0.10)	-79.17%
Low Voltage Service Charge	\$ 0.0570	0	\$ 0.01	\$ 0.0570	0	\$ 0.01	\$ -	0.00%
Smart Meter Entity Charge (if applicable) and/or any fixed (\$) Deferral/Variance Account Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-
Additional Volumetric Rate Riders (Sheet 18)		0	\$ -	\$ -	0	\$ -	\$ -	-
<b>Sub-Total B - Distribution (includes Sub-Total A)</b>			\$ 1.85			\$ 1.92	\$ 0.07	3.54%
RTSR - Network	\$ 1.9903	0	\$ 0.28	\$ 2.0188	0	\$ 0.28	\$ 0.00	1.43%
RTSR - Connection and/or Line and Transformation Connection	\$ 0.6049	0	\$ 0.08	\$ 0.6259	0	\$ 0.09	\$ 0.00	3.47%
<b>Sub-Total C - Delivery (including Sub-Total B)</b>			\$ 2.22			\$ 2.29	\$ 0.07	3.27%
Wholesale Market Service Charge (WMSC)	\$ 0.0036	52	\$ 0.19	\$ 0.0036	52	\$ 0.19	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	\$ 0.0013	52	\$ 0.07	\$ 0.0003	52	\$ 0.02	\$ (0.05)	-76.92%
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
Debt Retirement Charge (DRC)	\$ 0.0070	50	\$ 0.35	\$ 0.0070	50	\$ 0.35	\$ -	0.00%
Average IESO Wholesale Market Price	\$ 0.1101	50	\$ 5.51	\$ 0.1101	50	\$ 5.51	\$ -	0.00%
<b>Total Bill on Average IESO Wholesale Market Price</b>			\$ 8.57			\$ 8.60	\$ 0.02	0.24%
HST		13%	\$ 1.11		13%	\$ 1.12	\$ 0.00	0.24%
<b>Total Bill on Average IESO Wholesale Market Price</b>			\$ 9.69			\$ 9.71	\$ 0.02	0.24%

Customer Class:	EMBEDDED DISTRIBUTOR SERVICE CLASSIFICATION
RPP / Non-RPP:	Non-RPP (Other)
Consumption	2,615,000 kWh
Demand	6,000 kW
Current Loss Factor	1.0362
Proposed/Approved Loss Factor	1.0362

Current OEB-Approved	Proposed	Impact
----------------------	----------	--------





Debt Retirement Charge (DRC)													
Non-RPP Retailer Avg. Price	\$	0.1101	750	\$	82.58	\$	0.1101	750	\$	82.58	\$	-	0.00%
<b>Total Bill on Non-RPP Avg. Price</b>				\$	<b>129.09</b>				\$	<b>129.15</b>	\$	<b>0.06</b>	<b>0.05%</b>
HST		13%		\$	16.78		13%		\$	16.79	\$	0.01	0.05%
8% Rebate		8%					8%						
<b>Total Bill on Non-RPP Avg. Price</b>				\$	<b>145.87</b>				\$	<b>145.94</b>	\$	<b>0.07</b>	<b>0.05%</b>

Customer Class:	GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION
RPP / Non-RPP:	Non-RPP (Retailer)
Consumption	2,000 kWh
Demand	- kW
Current Loss Factor	1.0362
Proposed/Approved Loss Factor	1.0362

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 32.47	1	\$ 32.47	\$ 32.99	1	\$ 32.99	\$ 0.52	1.60%
Distribution Volumetric Rate	\$ 0.0162	2000	\$ 32.40	\$ 0.0165	2000	\$ 33.00	\$ 0.60	1.85%
Fixed Rate Riders	\$ 1.38	1	\$ 1.38	\$ 1.38	1	\$ 1.38	\$ -	0.00%
Volumetric Rate Riders	\$ -	2000	\$ -	\$ -	2000	\$ -	\$ -	
<b>Sub-Total A (excluding pass through)</b>			\$ <b>66.25</b>			\$ <b>67.37</b>	\$ <b>1.12</b>	<b>1.69%</b>
Line Losses on Cost of Power	\$ 0.1101	72	\$ 7.97	\$ 0.1101	72	\$ 7.97	\$ -	0.00%
Total Deferral/Variance Account Rate Riders	-\$ 0.0033	2,000	\$ (6.60)	-\$ 0.0006	2,000	\$ (1.20)	\$ 5.40	-81.82%
CBR Class B Rate Riders	\$ 0.0003	2,000	\$ 0.60	\$ 0.0002	2,000	\$ 0.40	\$ (0.20)	-33.33%
GA Rate Riders	\$ 0.0024	2,000	\$ 4.80	\$ 0.0005	2,000	\$ 1.00	\$ (3.80)	-79.17%
Low Voltage Service Charge	\$ 0.0002	2,000	\$ 0.40	\$ 0.0002	2,000	\$ 0.40	\$ -	0.00%
Smart Meter Entity Charge (if applicable) and/or any fixed (\$) Deferral/Variance Account Rate Riders	\$ 0.79	1	\$ 0.79	\$ 0.79	1	\$ 0.79	\$ -	0.00%
Additional Volumetric Rate Riders (Sheet 18)		2,000	\$ -	\$ -	2,000	\$ -	\$ -	
<b>Sub-Total B - Distribution (includes Sub-Total A)</b>			\$ <b>74.21</b>			\$ <b>76.73</b>	\$ <b>2.52</b>	<b>3.40%</b>
RTSR - Network	\$ 0.0064	2,072	\$ 13.26	\$ 0.0065	2,072	\$ 13.47	\$ 0.21	1.56%
RTSR - Connection and/or Line and Transformation Connection	\$ 0.0020	2,072	\$ 4.14	\$ 0.0021	2,072	\$ 4.35	\$ 0.21	5.00%
<b>Sub-Total C - Delivery (including Sub-Total B)</b>			\$ <b>91.62</b>			\$ <b>94.55</b>	\$ <b>2.93</b>	<b>3.20%</b>
Wholesale Market Service Charge (WMSC)	\$ 0.0036	2,072	\$ 7.46	\$ 0.0036	2,072	\$ 7.46	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	\$ 0.0013	2,072	\$ 2.69	\$ 0.0003	2,072	\$ 0.62	\$ (2.07)	-76.92%
Standard Supply Service Charge								
Debt Retirement Charge (DRC)	\$ 0.0070	2,000	\$ 14.00	\$ 0.0070	2,000	\$ 14.00	\$ -	0.00%
Non-RPP Retailer Avg. Price	\$ 0.1101	2,000	\$ 220.20	\$ 0.1101	2,000	\$ 220.20	\$ -	0.00%
<b>Total Bill on Non-RPP Avg. Price</b>			\$ <b>335.97</b>			\$ <b>336.84</b>	\$ <b>0.86</b>	<b>0.26%</b>
HST		13%	\$ 43.68		13%	\$ 43.79	\$ 0.11	0.26%
8% Rebate		8%			8%			
<b>Total Bill on Non-RPP Avg. Price</b>			\$ <b>379.65</b>			\$ <b>380.62</b>	\$ <b>0.97</b>	<b>0.26%</b>

Customer Class:	RESIDENTIAL SERVICE CLASSIFICATION
RPP / Non-RPP:	RPP
Consumption	285 kWh
Demand	- kW
Current Loss Factor	1.0362
Proposed/Approved Loss Factor	1.0362

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 23.62	1	\$ 23.62	\$ 27.68	1	\$ 27.68	\$ 4.06	17.19%
Distribution Volumetric Rate	\$ 0.0105	285	\$ 2.99	\$ 0.0054	285	\$ 1.54	\$ (1.45)	-48.57%
Fixed Rate Riders	\$ 0.58	1	\$ 0.58	\$ 0.58	1	\$ 0.58	\$ -	0.00%
Volumetric Rate Riders	\$ -	285	\$ -	\$ -	285	\$ -	\$ -	
<b>Sub-Total A (excluding pass through)</b>			\$ <b>27.19</b>			\$ <b>29.80</b>	\$ <b>2.61</b>	<b>9.59%</b>
Line Losses on Cost of Power	\$ 0.0822	10	\$ 0.85	\$ 0.0822	10	\$ 0.85	\$ -	0.00%

Total Deferral/Variance Account Rate Riders	-\$	0.0033	285	\$	(0.94)	-\$	0.0007	285	\$	(0.20)	\$	0.74	-78.79%
CBR Class B Rate Riders	\$	0.0003	285	\$	0.09	\$	0.0002	285	\$	0.06	\$	(0.03)	-33.33%
GA Rate Riders	\$	-	285	\$	-	\$	-	285	\$	-	\$	-	
Low Voltage Service Charge	\$	0.0002	285	\$	0.06	\$	0.0002	285	\$	0.06	\$	-	0.00%
Smart Meter Entity Charge (if applicable) and/or any fixed (\$) Deferral/Variance Account Rate Riders	\$	0.79	1	\$	0.79	\$	0.79	1	\$	0.79	\$	-	0.00%
Additional Volumetric Rate Riders (Sheet 18)			285	\$	-	\$	-	285	\$	-	\$	-	
<b>Sub-Total B - Distribution (includes Sub-Total A)</b>				\$	<b>28.03</b>				\$	<b>31.35</b>	\$	<b>3.32</b>	<b>11.84%</b>
RTSR - Network	\$	0.0070	295	\$	2.07	\$	0.0071	295	\$	2.10	\$	0.03	1.43%
RTSR - Connection and/or Line and Transformation Connection	\$	0.0022	295	\$	0.65	\$	0.0023	295	\$	0.68	\$	0.03	4.55%
<b>Sub-Total C - Delivery (including Sub-Total B)</b>				\$	<b>30.75</b>				\$	<b>34.13</b>	\$	<b>3.38</b>	<b>10.99%</b>
Wholesale Market Service Charge (WMSC)	\$	0.0036	295	\$	1.06	\$	0.0036	295	\$	1.06	\$	-	0.00%
Rural and Remote Rate Protection (RRRP)	\$	0.0013	295	\$	0.38	\$	0.0003	295	\$	0.09	\$	(0.30)	-76.92%
Standard Supply Service Charge	\$	0.25	1	\$	0.25	\$	0.25	1	\$	0.25	\$	-	0.00%
Debt Retirement Charge (DRC)													
TOU - Off Peak	\$	0.0650	185	\$	12.04	\$	0.0650	185	\$	12.04	\$	-	0.00%
TOU - Mid Peak	\$	0.0950	48	\$	4.60	\$	0.0950	48	\$	4.60	\$	-	0.00%
TOU - On Peak	\$	0.1320	51	\$	6.77	\$	0.1320	51	\$	6.77	\$	-	0.00%
<b>Total Bill on TOU (before Taxes)</b>				\$	<b>55.86</b>				\$	<b>58.94</b>	\$	<b>3.08</b>	<b>5.52%</b>
HST		13%		\$	7.26		13%		\$	7.66	\$	0.40	5.52%
8% Rebate		8%		\$	(4.47)		8%		\$	(4.72)	\$	(0.25)	
<b>Total Bill on TOU</b>				\$	<b>58.65</b>				\$	<b>61.89</b>	\$	<b>3.24</b>	<b>5.52%</b>

# **Attachment B**

## **2018 GA Analysis Workform**

**Account 1589 Global Adjustment (GA) Analysis Workform**

Input cells   
 Drop down cells

Note 1 **Year(s) Requested for Disposition** 2016

Note 2 **Consumption Data Excluding for Loss Factor (Data to agree with RRR as applicable)**

Year		2016				
Total Metered excluding WMP	C = A+B	1,263,474,070	-	-	kWh	100%
RPP	A	626,835,712			kWh	49.6%
Non RPP	B = D+E	636,638,358	-	-	kWh	50.4%
Non-RPP Class A	D	95,179,112			kWh	7.5%
Non-RPP Class B*	E	541,459,246			kWh	42.9%

\*Non-RPP Class B consumption reported in this table is not expected to directly agree with the Non-RPP Class B Including Loss Adjusted Billed Consumption in the GA Analysis of Expected Balance table below. The difference should be equal to the loss factor.

Note 3 **GA Billing Rate**

GA is billed on the 1st Estimate

**GA Billing Rate Description**

All non-RPP Class B customers are billed on the first GA estimate. The majority of non-RPP customers are billed on a calendar month basis. Consumption for each billing cycle is billed in the subsequent month. The non-RPP customers who are not billed on a calendar month basis are residential and GS<50kW retail customers are billed in a monthly cycle that is not on a calendar schedule.

Note 4 **GA Analysis of Expected Balance**

Year	2016								
Calendar Month	Non-RPP Class B Including Loss Adjusted 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 (kWh)	GA Rate Billed (\$/kWh)	\$ Consumption at GA Rate Billed	GA Actual Rate Paid (\$/kWh)	\$ Consumption at Actual Rate Paid	Expected GA Variance (\$)
	F	G	H	I = F-G+H	J	K = I*J	L	M = I*L	=M-K
January	60,916,233	59,253,313	60,867,813	62,530,733	0.08423	\$ 5,266,964	0.09179	\$ 5,739,696	\$ 472,732
February	60,176,885	60,867,813	58,680,682	57,989,754	0.10384	\$ 6,021,656	0.09851	\$ 5,712,571	\$ 309,085
March	60,672,055	58,680,682	60,838,585	62,829,958	0.09022	\$ 5,668,519	0.1061	\$ 6,666,259	\$ 997,740
April	61,450,074	60,838,585	57,110,172	57,721,661	0.12115	\$ 6,992,979	0.11132	\$ 6,425,575	\$ 567,404
May	58,677,418	57,110,172	59,142,392	60,709,638	0.10405	\$ 6,316,838	0.10749	\$ 6,525,679	\$ 208,841
June	59,305,297	59,142,392	60,490,387	60,653,292	0.1165	\$ 7,066,109	0.09545	\$ 5,789,357	\$ 1,276,752
July	62,235,806	60,490,387	62,827,093	64,572,512	0.07667	\$ 4,950,774	0.08306	\$ 5,363,393	\$ 412,618
August	63,332,554	62,827,093	65,755,138	66,260,599	0.08569	\$ 5,677,871	0.07103	\$ 4,706,490	\$ 971,380
September	68,056,470	65,755,138	61,638,624	63,939,956	0.0706	\$ 4,514,161	0.09531	\$ 6,094,117	\$ 1,579,956
October	62,096,290	61,638,624	59,971,521	60,429,187	0.0972	\$ 5,873,717	0.11226	\$ 6,783,781	\$ 910,064
November	61,406,005	59,971,521	59,395,835	60,830,319	0.12271	\$ 7,464,488	0.11109	\$ 6,757,640	\$ 706,848
December	59,684,461	59,395,835	59,269,972	59,558,598	0.10594	\$ 6,309,638	0.08708	\$ 5,186,363	\$ 1,123,275
<b>Net Change in Expected GA Balance in the Year</b>	<b>738,009,548</b>	<b>725,971,555</b>	<b>725,988,214</b>	<b>738,026,207</b>		<b>\$ 72,123,713</b>		<b>\$ 71,750,920</b>	<b>-\$ 372,794</b>

Note 5 Net Change in Account 1589 Principal Balance in the Year Requested for Disposition \$ 335,437  
 Preliminary Difference \$ 708,231

Note 6 **Reconciling Items between Expected GA Balance and Amount Requested for Disposition**

	Item	Applicability of Reconciling Item (Y/N)	Amount (Quantify if it is a significant reconciling item)	Explanation
1a	Remove impacts to GA from prior year RPP Settlement true up process that are booked in current year	Yes	\$ 25,000	CR \$25k related to prior year but included in the GL in the current year, therefore, should record DR in current year
1b	Add impacts to GA from current year RPP Settlement true up process that are booked in subsequent year	No	\$ -	
2a	Remove prior year end unbilled to actual revenue differences	Yes	\$ 4,000	CR \$4k (actual revenues were greater than accrued revenues) related to prior year but recorded in the GL in the current year, therefore, should record DR in current year
2b	Add current year end unbilled to actual revenue differences	Yes	-\$ 10,000	CR \$10k (actual revenues were greater than accrued revenues) relates to current year but recorded in the GL in the following year, therefore, should record the CR in current year
3a	Remove difference between prior year accrual to forecast from long term load transfers	No	\$ -	N/A
3b	Add difference between current year accrual to forecast from long term load transfers	Yes	\$ 23,000	CR \$23K (actual payable was lower than accrued) related to prior year but recorded in the GL in the current year
4	Remove GA balances pertaining to Class A customers	No	\$ -	No amounts relating to Class A customers
5	Significant prior period billing adjustments included in current year GL balance but would not be included in the billing consumption used in the GA Analysis	No	\$ -	No significant prior period billing adjustments
6				
7				
8				
9				
10				
	<b>Total Reconciling Items</b>		\$ 42,000	
	<b>Preliminary Difference</b>		\$ 708,231	
	<b>Unresolved Difference</b>		\$ 666,231	
	<b>Unresolved Difference as % of Expected GA Payments to IESO</b>			0.9%

Note 7 **Cumulative Expected GA Balance (if multiple years requested for disposition)**

Year	Annual Net Change in Expected GA Balance from GA Analysis (cell K47)	Annual Net Change in Principal GA Requested for Disposition (cell K48)	Preliminary Difference (cell K49)	Total Reconciling Items (cell D70)	Unresolved Difference	Payments to IESO (cell J47)	Unresolved Difference as % of Expected GA Payments to IESO
					\$ -		0.0%
					\$ -		0.0%
					\$ -		0.0%
					\$ -		0.0%
<b>Cumulative Balance</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A

**Additional Notes and Comments**

Variance below 1% materiality threshold.

# **Attachment C**

**Current January 1, 2017 Tariff Sheet**



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

---

**DECISION AND RATE ORDER**

**EB-2016-0109**

**WATERLOO NORTH HYDRO INC.**

**Application for an order approving just and reasonable rates and other charges for electricity distribution to be effective January 1, 2017.**

**By Delegation, Before: Lynne Anderson**

---

**December 8, 2016**



# 1 INTRODUCTION AND SUMMARY

This is the Decision and Rate Order for Waterloo North Hydro Inc.'s Incentive Regulation Mechanism application for 2017 rates.

Waterloo North Hydro Inc. (Waterloo North Hydro) serves about 56,000 mostly residential and commercial electricity customers in the City of Waterloo and the Townships of Wellesley and Woolwich. The company is seeking the Ontario Energy Board's approval for the rates it charges to distribute electricity to its customers, as is required of licenced and rate-regulated distributors in Ontario.

Distributors may choose one of three Ontario Energy Board (OEB) rate-setting methods. Waterloo North Hydro has selected the Price Cap Incentive rate setting (Price Cap IR) option that has a five-year term. Rates are set through a cost of service rebasing application for the first year and are adjusted mechanistically through an Incentive Regulation Mechanism (IRM application) for each of the ensuing four years. The price cap adjustment is based on inflation and the OEB's assessment of a distributor's efficiency.

Waterloo North Hydro filed an IRM application with the OEB on August 15, 2016 to seek approval for changes to its distribution rates to be effective January 1, 2017. Waterloo North Hydro last appeared before the OEB with a cost of service application for 2016 in the EB-2015-0108 proceeding.

The OEB addresses the following issues with respect to Waterloo North Hydro's IRM application in this Decision and Rate Order.

- Price Cap Adjustment
- Regulatory Charges
- Retail Transmission Service Rates
- Group 1 Deferral and Variance Accounts
- Residential Rate Design
- Implementation and Order

Waterloo North Hydro applied for a rate increase of 1.60% in accordance with the OEB-approved 2017 parameters for inflation and productivity. The 1.60% price cap adjustment applies to distribution rates (fixed and variable charges) uniformly across all customer classes; it does not apply to the rates and charges listed in Schedule B.

Waterloo North Hydro also applied to change the composition of its distribution service rates. Residential distribution service rates currently include a fixed monthly charge and a variable usage charge. Last year, the OEB issued a policy to transition these rates to

a fully fixed structure over a four-year period beginning in 2016.<sup>1</sup> Accordingly, the fixed monthly charge for 2017 has once again been adjusted upward in this Decision by more than the mechanistic adjustment alone. The variable usage rate is commensurately lower. This policy change does not affect the total revenue distributors collect from residential customers.

This Decision on Waterloo North Hydro's IRM application will result in a monthly decrease of \$2.55 for a residential customer consuming 750 kWh.

The OEB approves the adjustments made to Waterloo North Hydro's application, and the associated rates calculated, as a result of this proceeding.

## 2 THE PROCESS

The OEB follows a standard, streamlined process for IRM applications under Price Cap IR.

The OEB first prepares a rate model that includes information from past proceedings and annual reporting requirements. The distributor then reviews and updates the model and includes it with its application.

On August 15, 2016, Waterloo North Hydro submitted its IRM application supported by written evidence and a completed rate model. Questions were asked and answers were provided by Waterloo North Hydro through emails and phone calls. Based on this information, a decision was drafted and provided to Waterloo North Hydro on November 17, 2016. Waterloo North Hydro was given the opportunity to provide its comments on the draft for consideration prior to finalizing this Decision.

## 3 ORGANIZATION OF THE DECISION

The OEB has organized this Decision into sections to reflect the issues that were considered in making its findings.<sup>2</sup> Each section outlines the OEB's reasons for approving or denying the proposals included in the application and affecting 2017 rates. The last section addresses the steps to implement the final rates that flow from this Decision.

---

<sup>1</sup> Board Policy: A New Distribution Rate Design for Residential Electricity Customers, EB-2012-0410, April 2, 2015

<sup>2</sup> See list of issues in the Introduction, p.1

## 4 PRICE CAP ADJUSTMENT

The price cap adjustment follows an OEB-approved formula that includes annually updated components for inflation and the OEB's expectations of efficiency and productivity gains.<sup>3</sup> The formula is an *inflation minus X-factor* rate adjustment, which is intended to incent innovation and efficiency. The OEB has set the inflation factor for 2017 rates at 1.9% based on its established formula.<sup>4</sup>

The X-factors for individual distributors have two parts: a productivity element established from a historical analysis of industry cost performance; and a stretch factor based on a distributor's efficiency relative to its expected costs. Subtracting the X-factor from inflation ensures that rates decline in real, constant-dollar terms, providing distributors an incentive to improve efficiency or else experience declining net income.

Based on industry conditions over the historical study period, the productivity factor has been set at zero percent. A stretch factor is assigned based on the distributor's total cost performance as benchmarked relative to other distributors in Ontario. For Price Cap IR applications, a range of stretch factors has been set from 0.0% to 0.6%.<sup>5</sup> The most efficient distributor, based on the cost evaluation ranking, would be assigned the lowest stretch factor of 0.0%. Higher stretch factors are applied to distributors in accordance with their cost performance relative to expected levels, to reflect the incremental productivity gains that distributors are expected to achieve.

### Findings

The OEB assigned Waterloo North Hydro a stretch factor of 0.30% based on the updated benchmarking study for use for rates effective in 2017.<sup>6</sup> The resulting net price cap adjustment for Waterloo North Hydro is 1.60% (i.e. 1.90% - (0% + 0.30%)).

The 1.60% adjustment applies to distribution rates (fixed and variable charges) uniformly across all customer classes; it does not apply to the rates and charges listed in Schedule B.

---

<sup>3</sup> Report on Rate Setting Parameters and Benchmarking under the Renewed Regulatory Framework for Ontario's Electricity Distributors (December 4, 2013)

<sup>4</sup> As outlined in the Report cited at footnote 3 above

<sup>5</sup> Report to the Ontario Energy Board – "Empirical Research in Support of Incentive Rate-Setting: 2015 Benchmarking Update." Pacific Economics Group LLC. July 2016

<sup>6</sup> As outlined in the Report cited at footnote 5 above

## 5 REGULATORY CHARGES

Customers are charged a number of fees to cover the costs associated with various programs and wholesale market services.

The Rural or Remote Electricity Rate Protection (RRRP) program is designed to provide financial assistance to eligible customers located in rural or remote areas where the cost of providing electricity service, and therefore the rates, greatly exceeds those elsewhere in the province of Ontario. The RRRP program cost is recovered from all electricity customers in the province through a charge that is reviewed annually and approved by the OEB.

Wholesale market service (WMS) charges recover the cost of the services provided by the Independent Electricity System Operator (IESO) to operate the electricity system and administer the wholesale market. These charges may include costs associated with: operating reserve, system congestion and imports, and losses on the IESO-controlled grid. Individual electricity distributors recover the WMS charges from their customers through the WMS rate.

The Ontario Electricity Support Program (OESP) is a program to deliver on-bill rate assistance to low income electricity customers. All Ontario customers contribute to the OESP through the OESP charge.

These three regulatory charges are components of the Regulatory Charge on customers' bill and are established annually by the OEB through a separate order.

### Findings

As of the date of this Decision and Rate Order, the OEB has not yet issued an order on the RRRP, WMS or OESP charges for 2017. The Tariff of Rates and Charges flowing from this Decision will reflect the currently-approved charges. When new charges are established for 2017, the OEB will issue a rate order, which will apply to Waterloo North Hydro's 2017 rates.

## 6 RETAIL TRANSMISSION SERVICE RATES

Electricity distributors use Retail Transmission Service Rates (RTSRs) to pass along the cost of transmission service to their distribution customers. The RTSRs are adjusted annually to reflect the revised costs as calculated by the application of the current Uniform Transmission Rates (UTRs) to historical transmission deliveries. The UTRs are established annually by a separate OEB order. Partially embedded distributors, such as

Waterloo North Hydro, must also adjust their RTSRs to reflect any changes to the applicable RTSRs of their host distributors. Waterloo North Hydro is partially embedded in the licensed service areas of Hydro One Networks Inc. and Kitchener-Wilmot Hydro and Energy + (Formerly Cambridge & North Dumfries Hydro) service areas.

## Findings

The OEB approves the RTSRs as adjusted in this application to reflect current applicable rates. As is typical for distributors whose rates are set as of January 1, these RTSRs are based on previous year's rates as the OEB has not yet adjusted UTRs and Hydro One sub-transmission class rates for 2017. The differences between the previous and the new 2017 RTSRs, once approved, will be captured in Accounts 1584 and 1586 for future disposition.

## 7 GROUP 1 DEFERRAL AND VARIANCE ACCOUNT BALANCES

### Deferral & Variance Accounts

Group 1 deferral and variance accounts (Group 1 accounts) track the differences between the costs that a distributor is billed for certain IESO and host distributor services (including the cost of power) and the associated revenues that the distributor receives from its customers for these services. The total net difference between these costs and revenues is disposed to customers through a temporary charge or credit known as a rate rider.

The OEB's policy<sup>7</sup> is to review and dispose of the distributor's Group 1 account balances if they exceed (as a debit or credit) the pre-set disposition threshold of \$0.001 per kWh during the IR plan term. The distributor must justify why any account balance in excess of the threshold should not be disposed. The distributor may dispose of balances below this threshold if its proposal to do so is justified.

Waterloo North Hydro's 2015 actual year-end total balance for Group 1 accounts including interest projected to December 31, 2016 is a credit of \$2,598,319. This amount represents a total credit of \$0.0018 per kWh, which exceeds the pre-set disposition threshold. Waterloo North Hydro proposes to dispose of this credit amount over a one-year period.

---

<sup>7</sup> Report of the Board on Electricity Distributors' Deferral and Variance Account Review Initiative (July 31, 2009)

The Group 1 balance includes a Global Adjustment (GA) account debit balance of \$1,689,612. Ontario electricity customers' costs for the commodity portion of their electricity service reflect the sum of two charges: the price of electricity established by the operation of the IESO administered wholesale market, and the GA. The GA charge consists of the difference between the market price and the rates paid to regulated and contracted generators, and conservation and demand management (demand response) program costs. The GA is established monthly and varies in accordance with market conditions.

Most customers pay the GA charge based on the amount of electricity they consume in a month (kWh); these customers are referred to as Class B. Customers who participate in the Industrial Conservation Initiative, are referred to as Class A. The costs for the GA are recovered from Class A and Class B customers in different ways:

- Class A customers are assessed GA costs through a peak demand factor that is based on the percentage their peak demand contributes to the top five Ontario system peaks. This factor determines a Class A customer's allocation for a year-long billing period that starts in July every year. Distributors settle with Class A customers billed based on the actual GA costs resulting in no variance.
- Class B customers are billed GA based on an IESO published GA price. For Class B customers, distributors track any difference between the billed amounts and actual costs in the GA Variance Account for disposal, once audited.

Waterloo North Hydro proposed the recovery of the Global Adjustment variance account debit balance of \$1,689,612 as at December 31, 2015, including interest to December 31, 2016, from customers who were Class B customers for the entire period from January 2015 to December 2015, through a kWh rate rider.

The Group 1 balance also includes the recovery of Capacity Based Recovery ("CBR") costs related to Demand Response (DR) providers contracted under the wholesale energy market Demand Response 3 (DR3) program. Waterloo North Hydro paid CBR charges to the IESO in 2015 and recorded these to a dedicated sub-account. The disposition of this sub-account is impacted by whether or not a distributor had any customers who were part of Class A during the period from January 2015 to December 2015.

In this application, Waterloo North Hydro had customers who were part of Class A during the period from January 2015 to December 2015 so it requested that the balance

of this account be disposed through a separate kWh rate rider for Class B customers in order to ensure proper allocation between Class A and Class B customers.

### **Findings**

The balances proposed for disposition are the same as the amounts reported as part of the OEB's *Reporting and Record-Keeping Requirements*. The OEB approves the disposition of a credit balance of \$2,598,319 as of December 31, 2015, including interest projected to December 31, 2016 for Group 1 accounts.

The following table identifies the principal and interest amounts which the OEB approves for disposition.

**Group 1 Deferral and Variance Account Balances**

<b>Account Name</b>	<b>Account Number</b>	<b>Principal Balance (\$) A</b>	<b>Interest Balance (\$) B</b>	<b>Total Claim (\$) C=A+B</b>
LV Variance Account	1550	107,063	1,335	108,398
Smart Meter Entity Variance Charge	1551	(9,044)	(51)	(9,095)
RSVA - Wholesale Market Service Charge	1580	(3,201,078)	(45,851)	(3,246,929)
Variance WMS - Sub-account CBR Class B	1580	368,591	5,261	373,852
RSVA - Retail Transmission Network Charge	1584	(410,700)	(7,066)	(417,766)
RSVA - Retail Transmission Connection Charge	1586	(70,449)	(950)	(71,399)
RSVA - Power	1588	(1,145,965)	(21,524)	(1,167,489)
RSVA - Global Adjustment	1589	1,654,466	35,146	1,689,612
Disposition and Recovery of Regulatory Balances (2014)	1595	229,221	(86,724)	142,497
<b>Total Group 1 Excluding Global Adjustment - Account 1589</b>		(4,132,361)	(155,570)	(4,287,931)
<b>Total Group 1 Excluding Global Adjustment – Account 1589 and Sub-account CBR class B</b>		(4,500,952)	(160,831)	(4,661,783)
<b>Total Group 1</b>		(2,477,895)	(120,424)	(2,598,319)

The balance of each Group 1 account approved for disposition shall be transferred to the applicable principal and interest carrying charge sub-accounts of Account 1595. Such transfer shall be pursuant to the requirements specified in Article 220,



Account Descriptions, of the *Accounting Procedures Handbook for Electricity Distributors*, effective January 1, 2012. The date of the transfer must be the same as the effective date for the associated rates, which is, generally, the start of the rate year. Waterloo North Hydro should ensure these adjustments are included in the reporting period ending March 31, 2017 (Quarter 1).

The OEB approves these balances to be disposed through the following rate riders as follows:

- Deferral and Variance Account balances (excluding Global Adjustment) Rate Rider
- Class B Global Adjustment Rate Rider
- Class B Capacity Based Recovery Rate Rider

The rate riders will be in effect over a one-year period from January 1, 2017 to December 31, 2017.

## 8 RESIDENTIAL RATE DESIGN

All residential distribution rates currently include a fixed monthly charge and a variable usage charge. The OEB residential rate design policy<sup>8</sup> stipulates that electricity distributors will transition residential customers to a fully fixed monthly distribution service charge over a four year period starting in 2016. This year's IRM applications are once again required to adjust the distribution rates to increase the fixed charge and decrease the variable charge consistent with the policy.

The OEB expects the applicant to apply two tests to evaluate whether mitigation (generally a lengthening of the transition period) for customers in the transition is required. The first test is to calculate the change in the monthly fixed charge, and to consider mitigation if it exceeds \$4. The second is to calculate the total bill impact of the proposals in the application for low volume residential customers (defined as those residential RPP customers whose consumption is at the 10<sup>th</sup> percentile for the class). Mitigation may be required if the bill impact related to the application exceeds 10% for these customers.

Waterloo North Hydro's implementation of the transition results in an increase to the fixed charge prior to the price cap adjustment of \$3.54. The bill impacts arising from the proposals in this application, including the fixed rate change, are below 10% for low volume residential customers.

---

<sup>8</sup> Ibid page 2

## Findings

The OEB finds that the increases to the monthly fixed charge and to low consumption consumers are below the thresholds set in the OEB policy and approves the increase as proposed by the applicant and calculated in the final rate model.

## 9 IMPLEMENTATION AND ORDER

### Rate Model

This Decision and Rate Order is accompanied by a rate model, applicable supporting model and a Tariff of Rates and Charges (Schedule A). Entries in the model were reviewed to ensure that they are in accordance with Waterloo North Hydro's EB-2015-0108 cost of service decision, the 2016 OEB-approved Tariff of Rates and Charges as well as the cost, revenue and consumption results from 2015 as reported by Waterloo North Hydro to the OEB. The rate model was adjusted, where applicable, to correct any discrepancies.

### THE ONTARIO ENERGY BOARD ORDERS THAT

1. The Tariff of Rates and Charges set out in Schedule A of this Decision and Rate Order is approved effective January 1, 2017 for electricity consumed or estimated to have been consumed on and after such date. Waterloo North Hydro Inc. shall notify its customers of the rate changes no later than the delivery of the first bill reflecting the new rates.

**ADDRESS**

Ontario Energy Board  
P.O. Box 2319  
2300 Yonge Street, 27th Floor  
Toronto ON M4P 1E4  
Attention: Board Secretary

E-mail: [boardsec@ontarioenergyboard.ca](mailto:boardsec@ontarioenergyboard.ca)

Tel: 1-888-632-6273 (Toll free)

Fax: 416-440-7656

**DATED** at Toronto, December 8, 2016

**ONTARIO ENERGY BOARD**

Original Signed By

Kirsten Walli  
Board Secretary

**Schedule A**

**To Decision and Rate Order**

**Tariff of Rates and Charges**

**OEB File No: EB-2016-0109**

**DATED: December 8, 2016**

**Waterloo North Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2017**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2016-0109

**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. All customers are single-phase. 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 Debt Retirement Charge, the Global Adjustment and the HST.

**MONTHLY RATES AND CHARGES – Delivery Component**

Service Charge	\$	23.62
Rate Rider for Smart Metering Entity Charge – effective until October 31, 2018	\$	0.79
Rate Rider for Recovery of Stranded Meter Assets – effective until December 31, 2018	\$	0.58
Distribution Volumetric Rate	\$/kWh	0.0105
Low Voltage Service Rate	\$/kWh	0.0002
Rate Rider for Disposition of Global Adjustment Account (2017) - effective until December 31, 2017		
Applicable only for Non-RPP Customers	\$/kWh	0.0024
Rate Rider for Disposition of Deferral/Variance Accounts (2017) - effective until December 31, 2017	\$/kWh	(0.0033)
Rate Rider for Disposition of Capacity Based Recovery Account (2017) - effective until December 31, 2017		
Applicable only for Class B Customers	\$/kWh	0.0003
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0070
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0022

**MONTHLY RATES AND CHARGES – Regulatory Component**

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

**Waterloo North Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2017**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2016-0109

## ONTARIO ELECTRICITY SUPPORT PROGRAM RECIPIENTS

In addition to the charges specified on page 1 of this tariff of rates and charges, the following credits are to be applied to eligible residential customers.

### APPLICATION

The application of the credits is in accordance with the Distribution System Code (Section 9) and subsection 79.2 of the Ontario Energy Board Act, 1998.

The application of these credits 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.

In this class:

“Aboriginal person” includes a person who is a First Nations person, a Métis person or an Inuit person;

“account-holder” means a consumer who has an account with a distributor that falls within a residential-rate classification as specified in a rate order made by the Ontario Energy Board under section 78 of the Act, and who lives at the service address to which the account relates for at least six months in a year;

“electricity-intensive medical device” means an oxygen concentrator, a mechanical ventilator, or such other device as may be specified by the Ontario Energy Board;

“household” means the account-holder and any other people living at the accountholder’s service address for at least six months in a year, including people other than the account-holder’s spouse, children or other relatives;

“household income” means the combined annual after-tax income of all members of a household aged 16 or over;

### MONTHLY RATES AND CHARGES

#### Class A

(a) account-holders with a household income of \$28,000 or less living in a household of one or two persons;

(b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of three persons;

(c) account-holders with a household income of between \$39,001 and \$48,000 living in a household of five persons;

(d) account-holders with a household income of between \$48,001 and \$52,000 living in a household of seven or more persons;

but does not include account-holders in Class E.

OESP Credit	\$	(30.00)
-------------	----	---------

#### Class B

(a) account-holders with a household income of \$28,000 or less living in a household of three persons;

(b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of four persons;

(c) account-holders with a household income of between \$39,001 and \$48,000 living in a household of six persons;

but does not include account-holders in Class F.

OESP Credit	\$	(34.00)
-------------	----	---------

#### Class C

(a) account-holders with a household income of \$28,000 or less living in a household of four persons;

(b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of five persons;

(c) account-holders with a household income of between \$39,001 and \$48,000 living in a household of seven or more persons;

but does not include account-holders in Class G.

OESP Credit	\$	(38.00)
-------------	----	---------

#### Class D

(a) account-holders with a household income of \$28,000 or less living in a household of five persons;

(b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of six persons;

but does not include account-holders in Class H.

OESP Credit	\$	(42.00)
-------------	----	---------

**Waterloo North Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2017**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2016-0109

**Class E**

Class E comprises account-holders with a household income and household size described under Class A who also meet any of the following conditions:

- (a) the dwelling to which the account relates is heated primarily by electricity;
- (b) the account-holder or any member of the account-holder's household is an Aboriginal person; or
- (c) the account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates.

OESP Credit

\$ (45.00)

**Class F**

- (a) account-holders with a household income of \$28,000 or less living in a household of six or more persons;
- (b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of seven or more persons; or
- (c) account-holders with a household income and household size described under Class B who also meet any of the following conditions:

of the following conditions:

- i. the dwelling to which the account relates is heated primarily by electricity;
- ii. the account-holder or any member of the account-holder's household is an Aboriginal person; or
- iii. the account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates.

OESP Credit

\$ (50.00)

**Class G**

Class G comprises account-holders with a household income and household size described under Class C who also meet any of the following conditions:

- (a) the dwelling to which the account relates is heated primarily by electricity;
- (b) the account-holder or any member of the account-holder's household is an Aboriginal person; or
- (c) the account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates.

OESP Credit

\$ (55.00)

**Class H**

Class H comprises account-holders with a household income and household size described under Class D who also meet any of the following conditions:

- (a) the dwelling to which the account relates is heated primarily by electricity;
- (b) the account-holder or any member of the account-holder's household is an Aboriginal person; or
- (c) the account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates.

OESP Credit

\$ (60.00)

**Class I**

Class I comprises account-holders with a household income and household size described under paragraphs (a) or (b) of Class F who also meet any of the following conditions:

- (a) the dwelling to which the account relates is heated primarily by electricity;
- (b) the account-holder or any member of the account-holder's household is an Aboriginal person; or
- (c) the account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates.

OESP Credit

\$ (75.00)

**Waterloo North Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2017**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2016-0109

## 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. 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 Debt Retirement Charge, the Global Adjustment and the HST.

### MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	32.47
Rate Rider for Smart Metering Entity Charge – effective until October 31, 2018	\$	0.79
Rate Rider for Recovery of Stranded Meter Assets – effective until December 31, 2018	\$	1.38
Distribution Volumetric Rate	\$/kWh	0.0162
Low Voltage Service Rate	\$/kWh	0.0002
Rate Rider for Disposition of Global Adjustment Account (2017) - effective until December 31, 2017		
Applicable only for Non-RPP Customers	\$/kWh	0.0024
Rate Rider for Disposition of Deferral/Variance Accounts (2017) - effective until December 31, 2017	\$/kWh	(0.0033)
Rate Rider for Disposition of Capacity Based Recovery Account (2017) - effective until December 31, 2017		
Applicable only for Class B Customers	\$/kWh	0.0003
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0064
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0020

### MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25



**Waterloo North Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2017**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2016-0109

## 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. Note that for the application of the Retail Transmission Rate – Network Service Rate and the Retail Transmission Rate – Line and Transformation Connection Service Rate the following sub-classifications apply: General Service 50 to 999 kW non-interval metered; General Service 50 to 999 kW interval metered; and General Service 1,000 to 4,999 kW interval metered.

### 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.

The rate rider for the disposition of Class B WMS – Sub-account CBR (2017) is not applicable to wholesale market participants (WMP) and customers that transitioned between Class A and Class B in 2015. These transition customers 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 in accordance with a customer's Class A or Class B classification as at December 31, 2015 and the above noted exception for 2015 transition customers, for the entire period to the sunset date of the rate rider.

The rate rider for the disposition of Global Adjustment (2017) is only applicable to non-RPP Class B customers. It is not applicable to WMP and customers that transitioned between Class A and Class B in the period of last Global Adjustment disposition to 2015. These transition customers 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 in accordance with a customer's Class A or Class B classification as at December 31, 2015 and the above noted exception for 2015 transition customers, for the entire period to the sunset date of the rate rider.

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 Debt Retirement Charge, the Global Adjustment and the HST.

### MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	121.29
Distribution Volumetric Rate	\$/kW	5.1459
Low Voltage Service Rate	\$/kW	0.0738
Rate Rider for Disposition of Global Adjustment Account (2017) - effective until December 31, 2017 Applicable only for Non-RPP Customers	\$/kWh	0.0024
Rate Rider for Disposition of Deferral/Variance Accounts (2017) - effective until December 31, 2017 Applicable only for Non-Wholesale Market Participants	\$/kW	(1.2296)
Rate Rider for Disposition of Deferral/Variance Accounts (2017) - effective until December 31, 2017	\$/kW	(0.0590)
Rate Rider for Disposition of Capacity Based Recovery Account (2017) - effective until December 31, 2017 Applicable only for Class B Customers	\$/kW	0.1114

**Waterloo North Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2017**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2016-0109

## GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION

### MONTHLY RATES AND CHARGES – Delivery Component

Retail Transmission Rate – Network Service Rate – (less than 1,000 kW)	\$/kW	2.6388
Retail Transmission Rate – Network Service Rate – Interval Metered (less than 1,000 kW)	\$/kW	2.8028
Retail Transmission Rate – Network Service Rate – Interval Metered (1,000 to 4,999 kW)	\$/kW	2.7991
Retail Transmission Rate – Line and Transformation Connection Service Rate – (less than 1,000 kW)	\$/kW	0.7828
Retail Transmission Rate – Line and Trans. Connection Service Rate – Interval Metered (less than 1,000 kW)	\$/kW	0.9777
Retail Transmission Rate – Line and Trans. Connection Service Rate – Interval Metered (1,000 to 4,999 kW)	\$/kW	0.9767

### MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

**Waterloo North Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2017**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2016-0109

**LARGE USE SERVICE CLASSIFICATION**

This classification applies to an 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, 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.

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 Debt Retirement Charge, the Global Adjustment and the HST.

**MONTHLY RATES AND CHARGES – Delivery Component**

Service Charge	\$	7,087.33
Distribution Volumetric Rate	\$/kW	4.0839
Low Voltage Service Rate	\$/kW	0.0925
Rate Rider for Disposition of Deferral/Variance Accounts (2017) - effective until December 31, 2017	\$/kW	(1.7964)
Retail Transmission Rate – Network Service Rate – Interval Metered	\$/kW	3.1032
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	\$/kW	0.9811

**MONTHLY RATES AND CHARGES – Regulatory Component**

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

**Waterloo North Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2017**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2016-0109

## 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 Debt Retirement Charge, the Global Adjustment and the HST.

### MONTHLY RATES AND CHARGES – Delivery Component

Service Charge (per connection)	\$	10.78
Distribution Volumetric Rate	\$/kWh	0.0134
Low Voltage Service Rate	\$/kWh	0.0002
Rate Rider for Disposition of Global Adjustment Account (2017) - effective until December 31, 2017		
Applicable only for Non-RPP Customers	\$/kWh	0.0024
Rate Rider for Disposition of Deferral/Variance Accounts (2017) - effective until December 31, 2017	\$/kWh	(0.0033)
Rate Rider for Disposition of Capacity Based Recovery Account (2017) - effective until December 31, 2017		
Applicable only for Class B Customers	\$/kWh	0.0003
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0064
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0020

### MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

**Waterloo North Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2017**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2016-0109

## 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 Debt Retirement Charge, the Global Adjustment and the HST.

### MONTHLY RATES AND CHARGES – Delivery Component

Service Charge (per connection)	\$	0.34
Distribution Volumetric Rate	\$/kW	9.5254
Low Voltage Service Rate	\$/kW	0.0570
Rate Rider for Disposition of Global Adjustment Account (2017) - effective until December 31, 2017		
Applicable only for Non-RPP Customers	\$/kWh	0.0024
Rate Rider for Disposition of Deferral/Variance Accounts (2017) - effective until December 31, 2017	\$/kW	(1.1618)
Rate Rider for Disposition of Capacity Based Recovery Account (2017) - effective until December 31, 2017		
Applicable only for Class B Customers	\$/kW	0.1005
Retail Transmission Rate – Network Service Rate	\$/kW	1.9903
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.6049

### MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

**Waterloo North Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2017**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2016-0109

**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 Debt Retirement Charge, the Global Adjustment and the HST.

**MONTHLY RATES AND CHARGES – Delivery Component**

Service Charge	\$	5.40
----------------	----	------

**Waterloo North Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2017**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2016-0109

**EMBEDDED DISTRIBUTOR SERVICE CLASSIFICATION**

This classification applies to an electricity distributor licensed by the Ontario Energy Board that is provided electricity by means of this distributor's facilities. 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 Debt Retirement Charge, the Global Adjustment and the HST.

**MONTHLY RATES AND CHARGES – Delivery Component**

Distribution Volumetric Rate	\$/kW	0.0203
Rate Rider for Disposition of Capacity Based Recovery Account (2017) - effective until December 31, 2017		
Applicable only for Class B Customers	\$/kW	0.1246
Rate Rider for Disposition of Global Adjustment Account (2017) - effective until December 31, 2017		
Applicable only for Non-RPP Customers	\$/kWh	0.0024
Rate Rider for Disposition of Deferral/Variance Accounts (2017) - effective until December 31, 2017	\$/kW	<b>(1.4473)</b>

**MONTHLY RATES AND CHARGES – Regulatory Component**

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

**Waterloo North Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2017**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2016-0109

**ALLOWANCES**

Transformer Allowance for Ownership - per kW of billing demand/month	\$/kW	(0.60)
Primary Metering Allowance for transformer losses – applied to measured demand and energy	%	(1.00)

**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 Debt Retirement Charge, the Global Adjustment and the HST.

**Customer Administration**

Easement Letter	\$	15.00
Notification Charge	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Returned Cheque charge (plus bank charges)	\$	15.00
Duplicate Invoices for Previous Billing	\$	15.00
Income Tax Letter	\$	15.00
Account set up charge / change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00

**Non-Payment of Account**

Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Disconnect/Reconnect at meter – during regular hours	\$	65.00
Disconnect/Reconnect at meter – after regular hours	\$	185.00

**Other**

Specific charge for access to the power poles - \$/pole/year (with the exception of wireless attachments)	\$	22.35
--	----	-------



**Waterloo North Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2017**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2016-0109

## 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 Debt Retirement Charge, 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	\$	100.00
Monthly Fixed Charge, per retailer	\$	20.00
Monthly Variable Charge, per customer, per retailer	\$/cust.	0.50
Distributor-consolidated billing monthly charge, per customer, per retailer	\$/cust.	0.30
Retailer-consolidated billing monthly credit, per customer, per retailer	\$/cust.	(0.30)
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	\$	0.25
Processing fee, per request, applied to the requesting party	\$	0.50
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)	\$	2.00

### 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	1.0362
Total Loss Factor – Secondary Metered Customer > 5,000 kW	1.0147
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0259
Total Loss Factor – Primary Metered Customer > 5,000 kW	1.0047

**Schedule B**

**To Decision and Rate Order**

**List of Rates and Charges Not Affected by the Price Cap or Annual IR Index**

**OEB File No: EB-2016-0109**

**DATED: December 8, 2016**

The following rates and charges are not affected by the Price Cap or Annual IR Index:

- Rate riders
- Rate adders
- Low voltage service charges
- Retail transmission service rates
- Wholesale market service rate
- Rural or remote electricity rate protection charge
- Standard supply service – administrative charge
- Ontario Electricity Support Program
- Transformation and primary metering allowances
- Loss factors
- Specific service charges
- microFIT charge
- Retail service charges

## **Attachment D**

# **2016 Cost of Service Settlement Agreement**

**John A.D. Vellone**  
T (416) 367-6730  
F (416) 361-2758  
[jvellone@blg.com](mailto:jvellone@blg.com)

**James K. Little**  
T (416) 367-6299  
F (416) 361-7332  
[jlittle@blg.com](mailto:jlittle@blg.com)

Borden Ladner Gervais LLP  
Scotia Plaza, 40 King Street W  
Toronto, ON, Canada M5H 3Y4  
T 416.367.6000  
F 416.367.6749  
blg.com



November 13, 2015

**Delivered by RESS, Email and Courier**

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
2300 Yonge Street  
Suite 2701  
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: Board File No. EB-2015-0108  
Waterloo North Hydro (“WNH”)  
Updated Settlement Proposal (incl. updates for Cost of Capital)**

Please find attached WNH’s amended Settlement Proposal. The version that was previously filed with the Ontario Energy Board on October 1, 2015 has been amended with respect to the appropriate use of the terms “privilege” and “confidentiality, as described in the Board Decision and Procedural Order No. 3 issued on November 6, 2015, as well as being updated with the Cost of Capital Parameter Updates for 2016 Applications which was issued by the Board on October 15, 2015.

All amended sections have been side barred for ease of reference.

Instructions for updating copies of previously filed evidence in this matter are provided as Attachment A to this letter.

In support of this updated Settlement Proposal, WNH has also filed several excel files which are listed in Attachment B to this letter.

Yours very truly,

**BORDEN LADNER GERVAIS LLP**

Per:

*Original signed by James K. Little*

James K. Little  
Encl.

cc: Chris Amos, Waterloo North Hydro  
Parties in EB-2015-0108

# Waterloo North Hydro Inc. Board File No. EB-2015-0108

## Attachment A

### Settlement Proposal Update Instructions

Settlement Proposal	Cover	Date	Update	Page	1
Settlement Proposal	Table of Contents,	Update Page References	Update	Page	2
Settlement Proposal	Live Excel Models,	Update File Names	Update	Page	2
Settlement Proposal	Settlement Proposal,	Filed with the Ontario Energy Board: Dates	Update	Page	3
Settlement Proposal	Settlement Proposal,	Update Parameters Reference	Update	Page	3
Settlement Proposal	Settlement Proposal,	Update Board Rules References	Update	Page	3
Settlement Proposal	Settlement Proposal,	Replace 'Guidelines' with 'Practice Direction'	Update	Page	4
Settlement Proposal	Settlement Proposal,	Update Confidentiality References	Update	Page	4
Settlement Proposal	Settlement Proposal,	Replace 'Guidelines' with 'Practice Direction'	Update	Page	5
Settlement Proposal	Issue 2.1,	Update Parameters Reference and Table 5 Reference	Update	Page	14
Settlement Proposal	Issue 2.1,	Table 5 - Long-Term Debt Rate Calculation Added	Update	Page	15
Settlement Proposal	Issue 2.1,	Table 5 Reference (Originally Filed), Updated to Table 6	Update	Page	15
Settlement Proposal	Issue 2.1,	Table 5 Header (Originally Filed), Updated to Table 6	Update	Page	16
Settlement Proposal	Issue 2.1,	Update PILs Model File Name	Update	Page	16
Settlement Proposal	Issue 2.1,	Update Bill Impacts Model File Name	Update	Page	16
Settlement Proposal	Issue 2.1,	Table 6 Reference (Originally Filed), Updated to Table 7	Update	Page	16
Settlement Proposal	Issue 2.1,	Table 6 Header (Originally Filed), Updated to Table 7	Update	Page	17
Settlement Proposal	Issue 2.1,	Table 7 - Revenue Requirement - Updated	Update	Page	17
Settlement Proposal	Issue 2.2,	Update RRWF Model File Name	Update	Page	18
Settlement Proposal	Issue 3.1,	Table 7 Reference (Originally Filed), Updated to Table 8 - twice	Update	Page	19
Settlement Proposal	Issue 3.1,	Table 7 Header (Originally Filed), Updated to Table 8	Update	Page	19
Settlement Proposal	Issue 3.1,	Table 8 Reference (Originally Filed), Updated to Table 9	Update	Page	19
Settlement Proposal	Issue 3.1,	Table 8 Header (Originally Filed), Updated to Table 9	Update	Page	20
Settlement Proposal	Issue 3.2,	Table 9 Reference (Originally Filed), Updated to Table 10	Update	Page	23
Settlement Proposal	Issue 3.2,	Table 9 Header (Originally Filed), Updated to Table 10	Update	Page	23
Settlement Proposal	Issue 3.2,	Table 10 - Revenue to Cost Ratios - Updated	Update	Page	23
Settlement Proposal	Issue 3.2,	Update Cost Allocation Model File Name	Update	Page	23
Settlement Proposal	Issue 3.3,	Updated Appendix 2-PA Calculations	Update	Page	25
Settlement Proposal	Issue 3.3,	Table 11 Reference (Originally Filed), Updated to Table 12	Update	Page	25
Settlement Proposal	Issue 3.3,	Update Unmetered Scattered Load Charges	Update	Page	25
Settlement Proposal	Issue 3.3,	Table 10 Reference (Originally Filed), Updated to Table 11	Update	Page	25
Settlement Proposal	Issue 3.3,	Table 10 Header (Originally Filed), Updated to Table 11	Update	Page	26
Settlement Proposal	Issue 3.3,	Table 11 - Distribution Charges - Updated	Update	Page	26
Settlement Proposal	Issue 3.3,	Table 11 Header (Originally Filed), Updated to Table 12	Update	Page	26
Settlement Proposal	Issue 3.3,	Table 12 - OEB Appendix 2-PA Residential Service Charge Transition - Updated	Update	Page	26
Settlement Proposal	Issue 3.3,	Table 12 Reference (Originally Filed), Updated to Table 13	Update	Page	27
Settlement Proposal	Issue 3.3,	Table 12 Header (Originally Filed), Updated to Table 13	Update	Page	27
Settlement Proposal	Issue 3.3,	Table 13 - Revenue Reconciliation - Updated	Update	Page	27
Settlement Proposal	Issue 3.4,	Table 13 Reference (Originally Filed), Updated to Table 14	Update	Page	28
Settlement Proposal	Issue 3.4,	Table 13 Header (Originally Filed), Updated to Table 14	Update	Page	28
Settlement Proposal	Issue 3.4,	Table 14 Reference (Originally Filed), Updated to Table 15	Update	Page	28
Settlement Proposal	Issue 3.4,	Table 14 Header (Originally Filed), Updated to Table 15	Update	Page	28
Settlement Proposal	Issue 4.1,	Update EDDVAR Model File Name	Update	Page	29
Settlement Proposal	Issue 4.2,	Update Parameters Reference	Update	Page	30
Settlement Proposal	Issue 4.2,	Update EDDVAR Model File Name	Update	Page	31
Settlement Proposal	Issue 4.2,	Tables 15-17 Reference (Originally Filed), Updated to Table 16-18	Update	Page	32
Settlement Proposal	Issue 4.2,	Table 15 Header (Originally Filed), Updated to Table 16	Update	Page	32
Settlement Proposal	Issue 4.2,	Table 16 Header (Originally Filed), Updated to Table 17	Update	Page	33
Settlement Proposal	Issue 4.2,	Table 17 Header (Originally Filed), Updated to Table 18	Update	Page	35
Settlement Proposal	Issue 4.2,	Table 18 Reference (Originally Filed), Updated to Table 19	Update	Page	36
Settlement Proposal	Issue 4.2,	Table 18 Header (Originally Filed), Updated to Table 19	Update	Page	36
Settlement Proposal	Issue 4.2,	Table 19 Reference (Originally Filed), Updated to Table 20	Update	Page	36
Settlement Proposal	Issue 4.2,	Table 19 Header (Originally Filed), Updated to Table 20	Update	Page	36
Settlement Proposal	Appendix A	Updated Proposed Tariff Schedule of Rates - Descriptions, Rates, Remove OCEB	Update	Pages	39 - 49
Settlement Proposal	Appendix D	Updated Bill Impacts Schedule	Update	Page	52
Settlement Proposal	Appendix E	Updated OEB Appendix 2-EC, Account 1576	Update	Page	53

**Waterloo North Hydro Inc. Board File No. EB-2015-0108**

Attachment B

Filed Supporting Documentation

Waterloo\_2016\_COS\_2015\_EDDVAR\_Continuity Schedule\_Settlement\_Update CoC\_20151023  
Waterloo\_2016\_COS\_Cost\_Allocation\_Model\_Settlement\_Update CoC\_20151023  
Waterloo\_2016\_Test\_Year\_Income\_Tax\_PILs\_Workform\_Settlement\_Update CoC\_20151023  
Waterloo\_2016\_Bill Impacts\_Appendix 2-W\_Settlement\_Update CoC\_20151023  
Waterloo\_2016\_Load Forecast Model\_Settlement\_20151001  
Waterloo\_2016\_Revised\_Rev\_Reqt\_Work\_Form\_V6\_Settlement\_Update CoC\_20151023  
Waterloo\_2016\_Proposed Tariff Schedule\_Appendix 2-Z\_Settlement\_Update CoC\_20151106

**EB-2015-0108**

**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 Waterloo  
Hydro Inc. for an order approving just and reasonable rates  
and other charges for electricity distribution to be effective  
January 1, 2016.

**WATERLOO NORTH HYDRO INC.**

**SETTLEMENT PROPOSAL**

**Originally filed: October 1, 2015**

**Amended (to reflect updated Cost of Capital parameters): November 13, 2015**



**Waterloo North Hydro Inc.**

**EB-2015-0108**

**Settlement Proposal**

**Table of Contents**

**SUMMARY..... 7**

**1. PLANNING..... 8**

    1.1 Capital.....8

    1.2 OM&A.....11

**2. REVENUE REQUIREMENT ..... 14**

    2.1 Are all elements of the Base Revenue Requirement reasonable, and have they been appropriately determined in accordance with OEB policies and practices? .....14

    2.2 Has the Base Revenue Requirement been accurately determined based on these elements? .....18

**3. LOAD FORECAST, COST ALLOCATION AND RATE DESIGN ..... 19**

    3.1 Are the proposed load and customer forecast, loss factors, CDM adjustments and resulting billing determinants appropriate, and, to the extent applicable, are they an appropriate reflection of the energy and demand requirements of the applicant’s customers? .....19

    3.2 Are the proposed cost allocation methodology, allocations, and revenue-to-cost ratios appropriate? .....23

    3.3 Are the applicant’s proposals, including the proposed fixed/variable splits, for rate design appropriate? .....25

    3.4 Are the proposed Retail Transmission Service Rates and Low Voltage service rates appropriate? .....28

**4. ACCOUNTING..... 29**

    4.1 Have all impacts of any changes in accounting standards, policies, estimates and adjustments been properly identified and recorded, and is the rate-making treatment of each of these impacts appropriate? .....29

    4.2 Are the applicant’s proposals for deferral and variance accounts, including the balances in the existing accounts and their disposition, and the continuation of existing accounts, appropriate? .....30

**APPENDIX A – WNH 2016 TARIFF SHEET ..... 38**

**APPENDIX B – OEB APPENDIX 2-AB..... 50**

**APPENDIX C – 2016 FIXED ASSET CONTINUITY SCHEDULE ..... 51**

**APPENDIX D – BILL IMPACTS ..... 52**

**APPENDIX E – OEB APPENDIX 2-EC, ACCOUNT 1576 ..... 53**

**APPENDIX F – DRAFT ACCOUNTING ORDER – WIRELESS AND WIRELINE ..... 54**

**APPENDIX G – DRAFT ACCOUNTING ORDER – MS DISPOSITION ..... 56**

**APPENDIX H – DRAFT ACCOUNTING ORDER – OPEB ..... 57**

**APPENDIX I - OPA/IESO FINAL 2011-2014 CDM RESULTS ..... 59**

**LIVE EXCEL MODELS**

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

- Waterloo\_2016\_COS\_2015\_EDDVAR\_Continuity Schedule\_Settlement\_Update CoC\_20151023
- Waterloo\_2016\_COS\_Cost\_Allocation\_Model\_Settlement\_Update CoC\_20151023
- Waterloo\_2016\_Test\_Year\_Income\_Tax\_PILs\_Workform\_Settlement\_Update CoC\_20151023
- Waterloo\_2016\_Bill Impacts\_Appendix 2-W\_Settlement\_Update CoC\_20151023
- Waterloo\_2016\_Load Forecast Model\_Settlement\_20151001
- Waterloo\_2016\_Revised\_Rev\_Reqt\_Work\_Form\_V6\_Settlement\_Update CoC\_20151023
- Waterloo\_2016\_Proposed Tariff Schedule\_Appendix 2-Z\_Settlement\_Update CoC\_20151106

**Waterloo North Hydro Inc.**

**EB-2015-0108**

**Settlement Proposal**

**Original Filed with OEB:** October 1, 2015

**Amended:** November 13, 2015 (to reflect updated cost of capital parameters)

Waterloo North Hydro Inc. (the “Applicant” or “WNH”) filed an application with the Ontario Energy Board (the “Board”) on May 1, 2015, as updated on May 12, 2015 under section 78 of the Ontario Energy Board Act, 1998, S.O. 1998, c. 15, (Schedule B) (the “Act”), seeking approval for changes to the rates that WNH charges for electricity distribution, to be effective January 1, 2016 (Board Docket Number EB-2015-0108) (the “Application”).

The Board issued and WNH published a Notice of Application and Hearing dated June 5, 2015 and Procedural Order No. 1 on June 22, 2015, the latter of which required the parties to the proceeding to develop a draft issues list.

WNH filed its interrogatory responses with the Board on July 31, 2015 and August 7, 2015, pursuant to which WNH updated several models and submitted them to the Board as Excel documents. To clarify matters arising from interrogatories, a technical conference was held on August 19, 2015. On August 24, 2015, following the interrogatories and technical conference, OEB staff submitted a proposed issues list as agreed to by the parties. On August 31, 2015 the Board issued its decision on the proposed issues list, approving the list submitted by OEB staff, and made provision for a settlement conference.

The Settlement Proposal was filed with the Board in connection with the Application on October 1, 2015. The Settlement Proposal is being updated with the Cost of Capital Parameter Updates issued by the Board on October 15, 2015 for Applications with rates effective in 2016 and the results are reflected in this updated Settlement Proposal.

Further to the Board’s Procedural Order No. 1 and its Issues List Decision, a settlement conference was convened on September 3, 2015 and continued to September 4, 2015 in accordance with the Board’s *Rules of Practice and Procedure* (the “Rules”) and the Board’s *Practice Direction on Settlement Conferences* (the “Practice Direction”). Jim Faught acted as facilitator for the settlement conference which lasted for two days.

WNH and the following intervenors (the “Intervenors”), participated in the settlement conference:

University of Waterloo via E2 Energy Inc. (“UofW”);  
Energy Probe Research Foundation (“EP”);  
School Energy Coalition (“SEC”); and  
Vulnerable Energy Consumers Coalition (“VECC”).

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

Ontario Energy Board staff (“OEB staff”) also participated in the settlement conference. The role adopted by OEB staff is set out in page 5 of the Practice Direction. Although OEB staff is not a party to this Settlement Proposal, as noted in the Practice Direction, OEB staff who did participate in the settlement conference are bound by the same confidentiality requirements that apply to the Parties to the proceeding.

This document is called a “Settlement Proposal” because it is a proposal by the Parties to the Board to settle the issues in this proceeding. It is termed a proposal as between the Parties and the Board. However, as between the Parties, and subject only to the Board’s approval of this Settlement Proposal, this document is intended to be a legal agreement, creating mutual obligations, and binding and enforceable in accordance with its terms. As set forth later in this Preamble, this agreement is subject to a condition subsequent, that if it is not accepted by the Board in its entirety, then unless amended by the Parties it is null and void and of no further effect. In entering into this agreement, the Parties understand and agree that, pursuant to the Act, the Board has exclusive jurisdiction with respect to the interpretation and enforcement of the terms hereof.

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

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

There are Appendices to this Settlement Proposal which provide further support for the proposed settlement. The Parties acknowledge that the Appendices were prepared by WNH. While the Intervenors have reviewed the Appendices, the Intervenors are relying on the accuracy of the underlying evidence in entering into this Settlement Proposal.

Outlined below are the final positions of the Parties following the settlement conference. For ease of reference, this Settlement Proposal follows the format of the final approved issues list for the Application attached to Procedural Order No. 2.

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

<p><b>“Complete Settlement”</b> means an issue for which complete settlement was reached by all Parties, and if this Settlement Proposal is accepted by the Board, the Parties will not adduce any evidence or argument during the oral hearing in respect of these issues.</p>	<p># issues settled:  <b>All</b></p>
<p><b>“Partial Settlement”</b> means an issue for which there is partial settlement, as WNH and the Intervenors who take any position on the issue were able to agree on some, but not all, aspects of the particular issue. If this Settlement Proposal is accepted by the Board, the Parties who take any position on the issue will only adduce evidence and argument during the hearing on those portions of the issues not addressed in this Settlement Proposal.</p>	<p># issues partially settled:  <b>None</b></p>
<p><b>“No Settlement”</b> means an issue for which no settlement was reached. WNH and the Intervenors who take a position on the issue will adduce evidence and/or argument at the hearing on the issue.</p>	<p># issues not settled:  <b>None</b></p>

If applicable, a Party who is noted as taking no position on an issue may or may not have participated in the discussion on that particular issue, but in either case such Party takes no position a) on the settlement reached, and b) on the sufficiency of the evidence filed to date.

According to the Practice Direction (p. 3), the Parties must consider whether a Settlement Proposal should include an appropriate adjustment mechanism for any settled issue that may be affected by external factors. These adjustments are specifically set out in the text of the Settlement Proposal.

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

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

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

## **SUMMARY**

In reaching this complete settlement, the Parties have been guided by the Filing Requirements for 2015 rates, the approved issues list attached as Schedule A to the Board's decision of August 31, 2015, and the Report of the Board titled *Renewed Regulatory Framework for Electricity Distributors: A Performance-Based Approach* dated October 18, 2012 ("RRFE").

This Settlement Proposal reflects a complete settlement of the issues in this proceeding.

The Parties believe that, since there are no areas of disagreement among the Parties, no oral hearing is required if this Settlement Proposal is accepted.

Based on the foregoing, and the evidence and rationale provided below, the parties agree that this Settlement Proposal is appropriate and recommend its acceptance by the Board. Please refer to Appendix A for the schedule of draft tariffs resulting if this settlement is accepted by the Board. This Settlement Proposal reflects the Parties agreement on an effective date for new rates of January 1, 2016.

## 1. Planning

### 1.1 Capital

*Is the level of planned capital expenditures appropriate and is the rationale for planning and pacing choices appropriate and adequately explained, giving due consideration to:*

- *customer feedback and preferences;*
- *productivity;*
- *benchmarking of costs;*
- *reliability and service quality;*
- *impact on distribution rates;*
- *trade-offs with OM&A spending;*
- *government-mandated obligations; and*
- *the objectives of the Applicant and its customers*

**Complete Settlement:** For the purposes of the settlement of all of the issues in this proceeding, WNH agrees to adjust its 2015 rate base and test year capital plan to reflect the following changes:

- WNH agrees to remove MS3 from the 2016 opening rate base which amounts to a reduction of the Net Book Value of \$2,112 (Cost \$22,648, Accumulated Depreciation \$20,536 = \$2,112 Net Book Value) to reflect the fact that MS3 was taken out of service before January 1, 2016 as described in 1-EP-5 and JTC1.1.;
- WNH agrees to remove MS1 from 2016 closing rate base which amounts to a reduction of the Net Book Value of \$26,562 (Cost \$50,783, Accumulated Depreciation \$24,221 = \$26,562 Net Book Value) to reflect the fact that MS1 is forecast to be taken out of service by December 31, 2016 as described in 1-EP-5 and JTC1.1.;
- Recognizing the Board intends to address the method for accounting of OPEBs in rates as part of a generic policy process, WNH agrees to increase its test year capital expenditures by \$86,000 to account for the capitalization of the cash amount to reflect the recovery of OPEBs on a cash, rather than an accrual, basis,<sup>1</sup> subject to the approval of a new variance account as described further in the settlement of issue 4.2 below to record the difference in rates between these two methodologies pending the Board's final determination on the generic policy issue;
- A reduction of \$500,000 to in capital additions for the test year. This will allow for a steadier pacing of capital expenditures and an incentive for WNH to increase its productivity for its capital program. WNH proposes to achieve this reduction

---

<sup>1</sup> All of the Parties recognize that the Board intends to hold a generic policy discussion on this matter, and that nothing in this settlement is intended to limit the positions any of the Parties may take in that more general policy discussion.

in capital additions, in part, by deferring some of the projects originally planned for the test year in a manner largely consistent with the prioritization process described in the Distribution System Plan (Exhibit 2, Appendix 2-A).

With the above adjustments, and for the purposes of settlement of all the issues in this proceeding, the Parties accept that the level of planned capital expenditures and the rationale for planning and pacing choices are appropriate and adequately explained, giving due consideration to:

- The customer feedback and preferences as more fully detailed in Exhibit 1 at Section 2.4.3 pp 76-108, Attachment 1-6, Attachment 1-7 and Attachment 1-8;
- The past and planned productivity initiatives of WNH as more fully detailed in Exhibit 1 at Section 2.4.1 pp 11-19 and Section 2.4.1.1, and Section 2.4.1.2.
- WNH's benchmarking performance as more fully detailed in Exhibit 1 at Section 2.4.1, Section 2.4.3, Attachment 1-14 and in the Board's 2014 scorecard which was filed on September 2, 2015;
- WNH's past reliability and service quality performance as well as WNH's targets for performance in the test year as more fully detailed in Interrogatory 1-Staff-3;
- The total impact on distribution rates, as more fully detailed in Appendix D of this Settlement Proposal;
- The settlement on OM&A as described under issue 1.2 of this Settlement Proposal;
- WNH's performance meeting government mandated obligations as more fully detailed in Exhibit 1 at Section 2.4.1.2, Section 2.4.3 and Attachment 1-14; and
- WNH's targets and objectives as more fully detailed in Exhibit 1 at Section 2.4.1.2, Section 2.4.2 and Attachment 1-1, and Exhibit 2 at Attachment 2-1.

The Parties further agree that the Distribution System Plan filed in this proceeding, combined with the resources made available to WNH in the Test Year under the terms of this Settlement Proposal, provide a foundation to WNH in the Test Year to continue to: (a) pursue continuous improvement in productivity; (b) maintain system reliability and service quality objectives; and (c) maintain reliable and safe operation of its distribution system.

Appendix B of this Settlement Proposal provides updated Appendix 2-AB to reflect this settlement. Appendix C of this Settlement Proposal provides an updated 2016 Fixed Asset Continuity Schedule to reflect this settlement.

Capital Additions as a result of the Settlement are produced below in Table 1.



**Table 1 – Gross Capital Additions Summary**

<b>Capital Additions</b>	<b>Application</b>	<b>IRR - Changes</b>	<b>Settlement Changes</b>	<b>Settlement Proposal</b>
2015 Opening Balance	316,996,025	-	-	316,996,025
2015 Additions	21,308,611	1,530,366	-	22,838,977
2015 Contributed Capital	(4,914,818)	(1,374,120)	-	(6,288,938)
2015 Disposals	(642,135)	-	-	(642,135)
2015 Closing Balance / 2016 Opening Balance	332,747,683	156,246	-	332,903,929
2016 Adjust Opening Balance - MS Disposal	-	-	(22,648)	(22,648)
2016 Additions	19,078,917	4,141,804	(414,000)	22,806,721
2016 Contributed Capital	(2,289,738)	(4,082,571)	-	(6,372,309)
2016 Disposals	(316,071)	-	(50,783)	(366,854)
<b>2016 Closing Balance</b>	<b>349,220,791</b>	<b>215,478</b>	<b>(487,431)</b>	<b>348,948,838</b>

**Evidence:**

*Application:* Exhibit 1 - pages 15-17, 19-20, 21-53, 56, 58-67, 76-108, Attachments 1-7, 1-8, 1-14; Exhibit 2, including Tables 2-5, 2-10, 2-11, 2-17, 2-18, 2-31, 2-38, Attachments 2-1 (DSP), 2-2; Exhibit 4 Tables 4-44, 4-45, 4-51, 4-52, pages 80-99; Exhibit 9 pages 14-24

*IRRs:* 1-Staff-3, 11, 12, 13, 14, 17, 1-Energy Probe-2, 5, 1-SEC-3, 1.0-VECC-1, 2, 4, 6; 2-Staff-19, 21, 25, 26, 29, 30, 31, 36, 39, 40, 41, 42, 43, 45, 46, 48, 49, 50, 51, 54, 55, 56, 57, 58, 60, 64, 66, 68, 69, 70, 72, 73, 74, 75, 78, 79, 80, 81, 82, 83, 85, 87, 88, 89, 90, 91, 92, 2-Energy Probe- 14, 15, 17, 18, 1-E2-5, 2-SEC-7, 8, 9, 11, 13, 18, 20, 21, 22, 28, 29, 31, 35, 36, 2.0-VECC-10, 11, 15, 16

*TC Transcript:* August 19, 2015 TC Transcript at pages 6-7, 10-12, 15-22, 26-46, 48-54, 57-59, 63-67, 69-71, 73, 75-76, 83-84, 89-90

*Undertaking Responses:* JTC1.1, JTC1.2, JTC1.3, JTC1.5, JTC1.6, JTC1.8, JTC1.22

*Appendices to this Settlement Proposal:* Appendix A, Appendix B, Appendix C, Appendix D]

**Supporting Parties:** All

## 1.2 OM&A

*Is the level of planned OM&A expenditures appropriate and is the rationale for planning choices appropriate and adequately explained, giving due consideration to:*

- *customer feedback and preferences;*
- *productivity;*
- *benchmarking of costs;*
- *reliability and service quality;*
- *impact on distribution rates;*
- *trade-offs with capital spending;*
- *government-mandated obligations; and*
- *the objectives of the Applicant and its customers.*

**Complete Settlement:** For the purposes of the settlement of all of the issues in this proceeding, WNH agrees to reduce its proposed OM&A expenses in the test year by \$310,000.

Subject to the creation of a deferral and variance account described below in issue 4.2, the Parties agree to a reduction in OM&A of a further \$262,000 to reflect the adjustment to OPEBs from an accrual to cash basis. \$176,000 will be recorded in a deferral account as discussed in item 4.2 below and \$86,000 is to be recorded in capital in item 1.1 above. Table 2 below provides a reconciliation of OPEBs in OM&A. <sup>2</sup>

**Table 2 – Reconciliation of OPEB Charges in OM&A**

<b>Reconciliation of Changes to OM&amp;A for OPEB</b>	
Amounts included in Application, OM&A	\$ 391,999
Annual Premiums Paid	\$ (215,973)
<b>Cash vs Accrual Difference</b>	<b>\$ 176,026</b>
<b>Moved from OM&amp;A to Deferral Account</b>	<b>\$ 176,000</b>
Annual Premiums Paid	\$ 215,973
<b>Allocate 40% to Capital from OM&amp;A</b>	<b>\$ 86,389</b>
<b>Moved from OM&amp;A to Capital</b>	<b>\$ 86,000</b>

The Parties agree with WNH's overall objectives, and have agreed that the revised OM&A budget will allow WNH to achieve those objectives in the Test Year. Based on the foregoing and the evidence filed by WNH, the Parties agree that the level of planned OM&A expenditures and the rationale for planning and pacing choices are appropriate and adequately explained, giving due consideration to:

<sup>2</sup> All of the Parties recognize that the Board intends to hold a generic policy discussion on this matter, and that nothing in this settlement is intended to limit the positions any of the Parties may take in that more general policy discussion.

- The customer feedback and preferences as more fully detailed in Exhibit 1 at Section 2.4.3 pp 76-108, Attachment 1-6, Attachment 1-7 and Attachment 1-8;
- The past and planned productivity initiatives of WNH as more fully detailed in Exhibit 1 at Section 2.4.1 pp 11-19, and Section 2.4.1.1, and Section 2.4.1.2.
- WNH’s benchmarking performance as more fully detailed in Exhibit 1 at Section 2.4.1, Section 2.4.3, Attachment 1-14 and the Board’s 2014 scorecard which was filed on September 2, 2015;
- WNH’s past reliability and service quality performance as well as WNH’s targets for performance in the test year as more fully detailed in Interrogatory 1-Staff-3;
- The total impact on distribution rates, as more fully detailed in Appendix D of this Settlement Proposal;
- The changes in capital spending as described under issue 1.1 of this Settlement Proposal;
- WNH’s performance meeting government mandated obligations as more fully detailed in Exhibit 1 at Section 2.4.1.2, Section 2.4.3 and Attachment 1-14; and
- WNH’s targets and objectives as more fully detailed in Exhibit 1 at Section 2.4.1.2, Section 2.4.2 and Attachment 1-1, and Exhibit 2 at Attachment 2-1.

WHN has considered possible adjustments to its budget on a preliminary basis and has provided, in Settlement Table 2: a revised OM&A budget based on the proposed total amount. The breakdown of the budget into categories is not intended by the Parties to be in any way a deviation from the normal rule that, once the budget is established, it is up to management to determine through the year how best to spend that budget given the actual circumstances and priorities of the company throughout the test year.

Changes to OM&A are reproduced below as Table 3.

**Table 3 – OM&A**

OM&A	Application	IRR - Changes	Settlement Changes	Settlement Proposal
Operations	5,799,381		(110,000)	5,689,381
Maintenance	1,613,140			1,613,140
Billing & Collecting	2,902,731		(100,000)	2,802,731
Community Relations	142,200			142,200
Administrative & General	3,221,882	10,000	(362,000)	2,869,882
LEAP	42,000			42,000
<b>Total OM&amp;A</b>	<b>13,721,334</b>	<b>10,000</b>	<b>(572,000)</b>	<b>13,159,334</b>

Finally, for the purposes of settlement of the issues in this proceeding, WNH agrees to, prior to its next rebasing application, undertake a review of executive compensation incentive plans with its board of directors to evaluate the potential for more objective measures, and to identify potential opportunities for even better alignment with the Board's RRFE outcomes and the metrics of the DSP.

**Evidence:**

*Application:* Exhibit 1 pages 15-18, 19, 21-53, 55-56, 67-69, 76-108, Attachments 1-7, 1-8, 1-14; Exhibit 2 Tables 2-2, 2-24, Attachment 2-1 DSP including Appendix C, D; Exhibit 4 including Tables 4-1, 4-6, 4-6A

*IRRs:* 1-Staff-6, 11, 14, 17, 1-Energy Probe-2, 8, 1-SEC-3, 1.0-VECC-2, 3; 2-Staff-21, 26, 46, 2-SEC-18, 30, 38; 4-Staff-113, 114, 115, 116, 118, 119, 120, 121, 122, 123, 124, 126, 130, 131, 4-Energy Probe-30, 31, 33, 34, 35, 36, 39, 4-SEC-39, 41, 42, 45, 46, 4.0-VECC-26, 27, 28, 30, 31, 32, 33, 34, 36, 37, 39

*TC Transcript:* August 19, 2015 TC Transcript at pages 9-14, 48-49, 73-75, 85-86, 98,-120, 122-127

*Undertaking Responses:* JTC1.4, JTC1.15, JTC1.16, JTC1.17, JTC1.18, JTC1.19, JTC1.22

*Appendices to this Settlement Proposal:* Appendix A, Appendix D

**Supporting Parties:** All

## 2. Revenue Requirement

2.1 Are all elements of the Base Revenue Requirement reasonable, and have they been appropriately determined in accordance with OEB policies and practices?

**Complete Settlement:** The Parties agree that all elements of the Base Revenue Requirement have been correctly determined in accordance with Board policies and practices. Specifically:

- a) *Rate Base:* Based on the adjustment to OPEBs described above in issue 1.1, WNH agrees to an increase of \$ 86,000 to its rate base calculation for the test year. WNH further agrees to adjust its rate base calculations to reflect the removal of MS1 and MS3 from service as described in issue 1.1 above. Finally, WNH further agrees to adjust its rate base calculations to reflect a reduction in test year capital additions of \$500,000 as described in issue 1.1 above. For clarity, a summary of the rate base calculation and adjustments has been provided below as Table 4. Subject to this adjustment, and any other adjustments contained herein, the Parties agree that the test year rate base is correct and based on Board policies and practices.

**Table 4 – Rate Base Calculation**

Rate Class / Details	Application (A)	Interrogatories (B)	Variance (C) = (B) - (A)	Settlement (D)	Variance (E) = (D) - (B)
Average Gross Fixed Assets	340,984,237	341,170,099	185,862	340,915,060	(255,040)
Average Accumulated Depreciation	146,617,358	146,624,329	6,972	146,552,361	(71,968)
Average Net Book Value	194,366,880	194,545,770	178,890	194,362,699	(183,071)
Working Capital	177,783,549	187,813,339	10,029,790	190,606,909	2,793,571
Working Capital Allowance (%)	13.0%	7.5%	-5.5%	7.5%	-
Working Capital Allowance (\$)	23,111,861	14,086,000	(9,025,861)	14,295,518	209,518
<b>Rate Base</b>	<b>217,478,741</b>	<b>208,631,771</b>	<b>(8,846,971)</b>	<b>208,658,217</b>	<b>26,446</b>

- b) *Working Capital:* The Parties agree that the working capital calculations, as updated by this Settlement Proposal, are reasonable and have been appropriately determined in accordance with OEB policies and practices.
- c) *Cost of Capital:* For the purposes of settlement of the issues in this proceeding, WNH agrees to adjust the debt rate applicable to the forecasted long-term debt of \$7,200,000 expected to be issued in June, 2016 to 3.43%, which is reflective of the best information available at the time of the settlement negotiations. Subject to this adjustment, the Parties agree that the proposed capital structure, rate of return on equity and short and long-term debt costs are determined in accordance with Board policy. All the Parties agree that the cost of capital calculation must be adjusted to reflect the updated cost of capital parameters. This proposal has been updated to reflect the Cost of Capital Parameter Updates issued by the Board on October 15, 2015 for applications with rates effective in 2016. Details of the calculation of the Long-Term Debt Rate are provided in Table 5 below.

**Table 5 – Long Term Debt Rate Calculation**

		Year		2016					
Row	Description	Lender	Affiliated or Third-Party Debt?	Fixed or Variable-Rate?	Start Date	Term (years)	Average Principal (\$)	Rate (%) (Note 2)	Interest (\$) (Note 1)
1	Shareholder - Sr Debt	Waterloo North Hydro Holding Company	Affiliated	Fixed	1-Jul-09	On Demand	\$ 17,266,271	4.54%	783,889
2	Shareholder - Jr Debt	Waterloo North Hydro Holding Company	Affiliated	Fixed	1-May-00	On Demand	\$ 16,246,940	4.54%	737,611
4	Banker's Acceptance - Mortgage	CIBC	Third-Party	Fixed	12-Apr-12	25	\$ 22,116,127	3.95%	873,587
5	Banker's Acceptance - Smart Meters	CIBC	Third-Party	Fixed	1-Apr-13	8	\$ 7,159,732	2.98%	213,360
6	Banker's Acceptance - Term Loan 2013	CIBC	Third-Party	Fixed	4-Jul-13	20	\$ 12,776,883	4.434%	566,527
7	Banker's Acceptance - Term Loan 2014	CIBC	Third-Party	Fixed	4-Jun-14	20	\$ 13,542,454	4.035%	546,438
8	Banker's Acceptance - Term Loan 2015	CIBC	Third-Party	Fixed	1-Jun-15	20	\$ 10,000,000	3.43%	343,000
9	Banker's Acceptance - Term Loan 2016	CIBC Part Year 3	Third-Party	Fixed	1-Jun-16	20	\$ 4,200,000	3.43%	144,060
Total							\$ 103,308,406	4.07%	4,208,472

- d) *Other Revenue*: For the purposes of settlement of the issues in this proceeding, WNH agrees to increase its forecast of other revenues by \$40,000, which is reflective of a historic average of other revenue excluding one-time amounts. The Parties agree that this methodology is appropriate.
- e) *Depreciation*: For the purposes of settlement of the issues in this proceeding, WNH agrees to update its depreciation calculations to reflect the following changes:
- a. *Overhead Conductors*: With respect to this asset category, WNH agrees to depreciate overhead conductions over a period of 50 years, which is within the Kinectrics range for this asset category. 2016 Depreciation in Account # 1835 decreased \$70,036 for this change;
  - b. *Communication Towers*: With respect to this asset category, WNH agrees to depreciate this equipment asset over a period of 60 years, which is within the Kinectrics range for this asset category. 2016 Depreciation in Account # 1808 decreased \$3,488 for this change;
  - c. *Disposal of MS # 1*: WNH agrees to remove MS # 1 from Rate Base in 2016 and the associated 2016 depreciation in Account # 1808 of \$747 has also been removed;
  - d. *Reduction of 2016 Rate Base in Issue 1.1 and 2.1(a)*: WNH agrees to remove the 2016 depreciation associated with the reduction of Rate Base of \$500,000 detailed in Issue 1.1 and 2.1(a). 2016 Depreciation was removed in Account # 1835 in the amount of \$2,778 and Account # 1845 in the amount of \$3,571; and
  - e. *Addition of OPEB Capital Portion in Issue 1.2*: WNH agrees to the addition of \$86,000, the capital portion of OPEB premiums paid, the 2016 Depreciation in Account # 1845 in the amount of \$1,229 was added for this item.

Depreciation adjustments are reflected in Table 6 below.

**Table 6 – Depreciation**

Details	USoA	Undertaking	Settlement Agreement	
		JTC1.22 RRWF	Change	Balance
Net Depreciation		8,157,240		8,157,240
<i>Settlement Agreement Changes</i>				
<i>Buildings and Fixtures</i>				
Remove MS # 1 2016 Depreciation	1808		(747)	
Change Tower Useful Life to 60 Years from 50 Years			(3,488)	
<i>Overhead Conductors and Devices</i>				
Change Overhead Conductors/Devices Useful Life to 50 Years from 45 Years	1835		(70,036)	
Allocated 1/2 of \$500k Decrease to USoA 1835 - Change in Depreciation			(2,778)	
<i>Underground Conductors and Devices</i>				
Allocated 1/2 of \$500k Decrease to USoA 1845- Change in Depreciation	1845		(3,571)	
Depreciation on \$86k Increase in OPEB			1,229	(79,391)
<b>Net Depreciation after Changes</b>		<b>8,157,240</b>	<b>(79,391)</b>	<b>8,077,849</b>

Subject to the adjustments above and adjustments to rate base as noted herein, the Parties accept that the WNH depreciation/amortization expenses are appropriate and reflect the useful lives of the assets and the Board’s accounting policies.

- f) *Taxes*: For the purposes of settlement of the issues in this proceeding, and subject to the other adjustments arising in this Settlement Proposal, the parties agree that the proposed level of taxes are accurate. A working Microsoft Excel format of the PILs workform reflecting this Settlement Proposal is provided as part of the supporting material in file named “Waterloo\_2016\_Test\_Year\_Income\_Tax\_PILs\_Workform\_Settlement\_Update CoC\_20151023”.

A revised Appendix 2-W (Bill Impacts) in working Microsoft Excel format reflecting this Settlement Proposal is provided as part of the supporting material in file named “Waterloo\_2016\_Bill Impacts\_Appendix 2-W\_Settlement\_Update CoC\_20151023”.

WNH has made changes to the Revenue Requirement as reproduced below in Table 7 to reflect the Settlement Proposal.

**Table 7 – Revenue Requirement**

Details	Application (A)	Interrogatories (B)	Variance	Settlement (D)	Variance	Settlement Update CoC (F)	Variance
			(C) = (B) - (A)		(E) = (D) - (B)		(G) = (F) - (D)
OM&A Expenses	13,679,334	13,689,334	10,000	13,117,334	(572,000)	13,117,334	-
Donations - LEAP	42,000	42,000	-	42,000	-	42,000	-
Property Taxes	489,734	489,734	-	489,734	-	489,734	-
Amortization Expenses	8,151,672	8,157,240	5,568	8,077,849	(79,392)	8,077,849	-
Regulated Return On Capital	13,427,518	12,881,291	(546,227)	12,789,608	(91,683)	12,568,049	(221,559)
PILs	803,815	740,537	(63,279)	718,460	(22,077)	685,358	(33,101)
Service Revenue Requirement	36,594,073	36,000,135	(593,938)	35,234,984	(765,152)	34,980,324	(254,660)
Less: Revenue Offsets	1,181,606	1,183,596	1,990	1,223,596	40,000	1,223,596	-
Base Revenue Requirement	35,412,467	34,816,540	(595,928)	34,011,388	(805,152)	33,756,728	(254,660)
Revenue at Existing Rates	31,257,951	31,276,093	18,142	31,669,501	393,408	31,669,501	-
Revenue Deficiency	4,154,517	3,540,447	(614,070)	2,341,887	(1,198,559)	2,087,227	(254,660)

**Evidence:**

*Application:* Exhibit 1 pages 53-54, Tables 1-5, 1-16; Exhibit 2, including at Tables 2-1, 2-2, 2-3, 2-24, 2-25; Exhibit 3 pages 38-45, Tables 3-1, 3-37 through 3-43; Exhibit 4; Exhibit 5; Exhibit 6

*IRRs:* 1-Staff-8, 21, 22, 23, 24; 2-Energy Probe-12; 3-Staff-110, 111, 3-Energy Probe-26, 3.0-VECC-25; 4-Staff 128, 129, 4-Energy Probe-40, 41, 42, 43, 44, 45, 4.0-VECC-38; 5-Staff-133, 5-Energy Probe-46, 47, 48, 5-SEC-48, 5.0-VECC-42; 9-Staff-149

*TC Transcript:* August 19, 2015 TC Transcript at pages 92-93, 106-107, 128-129

*Undertaking Responses:* JTC1.10, JTC1.12, JTC1.21, JTC1.22

*Appendices to this Settlement Proposal:* Appendix C, Appendix D

**Supporting Parties: All**



**2.2** Has the Base Revenue Requirement been accurately determined based on these elements?

**Complete Settlement:** For the purposes of settlement of the issues in this proceeding, and subject to the adjustments expressly noted in this Settlement Proposal, the Parties agree that the proposed Base Revenue Requirement has been accurately determined in the Appendices.

In Sheet 10 of the RRWF property taxes have not been included in the OM&A or Taxes/PILs category but it has been included in the total Service Revenue Requirement.

A revised Revenue Requirement Workform in working Microsoft Excel format reflecting this Settlement Proposal is provided as part of the supporting material in file named "Waterloo\_2016\_Revised\_Rev\_Reqt\_Work\_Form\_V6\_Settlement\_Update CoC\_20151023".

**Evidence:**

*Application:* Exhibit 6, including Tables 6-1 through 6-5, Attachment 6-1

*IRRs:* 6-Energy Probe-49, 1-E2-3

*TC Transcript:* N/A

*Undertaking Responses:* JTC1.22

*Appendices to this Settlement Proposal:* N/A

**Supporting Parties:** All

### 3. Load Forecast, Cost Allocation and Rate Design

3.1 Are the proposed load and customer forecast, loss factors, CDM adjustments and resulting billing determinants appropriate, and, to the extent applicable, are they an appropriate reflection of the energy and demand requirements of the applicant's customers?

**Complete Settlement:** For the purposes of the settlement of the issues in this proceeding, WNH agrees to the following adjustments:

- an increase of 148 residential customers and 10 GS>50 customers for the customer forecast;
- an increase in load forecast for the test year resulting in a load forecast of 1540 GWh.
- 2016 annualized savings for LRAMVA purposes is a total of 14,950,000 kWh, allocated in Table 8 below.
- As outlined in Section 4.2 below, for the purposes of settlement of the issues in this proceeding, the Parties agree that the LRAMVA calculations for 2011 to 2014 should be updated to reflect the latest IESO results. As a result, the 2016 annualized savings for LRAMVA of 14,950,000 kWh has been split by rate class in Table 8 to reflect the final 2011 to 2014 OPA CDM Results. Prior to the preparation of this settlement proposal the 14,950,000 kWh was split by rate class to reflect the final 2011 to 2013 OPA CDM Results.

**Table 8 – CDM Savings**

LRAMVA Split kWh 11-14		CDM Savings	
		kWh	kW
Residential	18.7%	2,793,968	
GS < 50 kW	24.7%	3,691,547	
GS >50 kW	42.4%	6,337,140	15,626
Large User	14.2%	2,127,346	3,895
<b>Total</b>	<b>100.0%</b>	<b>14,950,000</b>	

Subject to the adjustments above, the Parties agree that the customer forecast, loss factors, CDM adjustments and the resulting billing determinates are appropriate and are reflective of the energy and demand requirements of the applicant's customers. The adjusted 2016 load forecast is presented below as Table 9:

**Table 9 – Load Forecast**

Rate Class / Details	Application (A)	Interrogatories (B)	Variance (C) = (B) - (A)	Settlement (D)	Variance (E) = (D) - (B)
<b>Predicted kWh Purchases</b>	1,513,105,368	1,513,105,368	-	1,540,000,000	26,894,632
<b>CDM Purchase Adjustment</b>	(14,562,388)	(14,558,610)	3,778	(15,534,181)	(975,571)
<b>Predicted kWh Purchases after CDM</b>	1,498,542,980	1,498,546,758	3,778	1,524,465,819	25,919,062
<b>Residential</b>					
Customers	49,305	49,305	-	49,453	148
kWh	399,341,268	399,471,640	130,373	408,868,804	9,397,164
<b>General Service &lt; 50 kW</b>					
Customers	5,632	5,632	-	5,642	10
kWh	192,108,795	192,172,348	63,554	196,732,916	4,560,568
<b>General Service &gt; 50 to 4999 kW</b>					
Customers	693	693	-	693	-
kWh	710,364,299	712,810,799	2,446,499	721,724,020	8,913,222
kW	1,746,786	1,752,802	6,016	1,774,720	21,918
<b>Large User</b>					
Customers	1	1	-	1	-
kWh	95,063,906	92,802,320	(2,261,586)	94,944,937	2,142,617
kW	173,581	169,451	(4,130)	173,364	3,912
<b>Direct Market Participant</b>					
Customers	2	2	-	2	-
kWh	6,823,514	6,823,514	-	6,823,514	-
kW	12,620	12,620	-	12,620	-
<b>Street Lights</b>					
Connections	13,828	13,828	-	13,828	-
kWh	7,594,660	7,594,660	-	7,594,660	-
kW	21,115	21,115	-	21,115	-
<b>Unmetered Loads</b>					
Connections	563	563	-	563	-
kWh	3,140,372	3,140,372	-	3,140,372	-
<b>Embedded Distributor</b>					
Customers	1	1	-	1	-
kWh	31,378,863	31,378,863	-	31,378,863	-
kW	71,406	71,406	-	71,406	-
<b>Total</b>					
Customer/Connections	70,025	70,025	-	70,183	158
kWh	1,445,815,676	1,446,194,516	378,840	1,471,208,086	25,013,570
kW from applicable classes	2,025,508	2,027,394	1,886	2,053,224	25,830

Rate Class / Details	Settlement before CDM (A)	Settlement after CDM (B)	CDM Adjustment (C) = (B) - (A)
<b>Predicted kWh Purchases</b>	1,540,000,000	1,524,465,819	(15,534,181)
<b>Residential</b>			
Customers	49,453	49,453	-
kWh	411,670,526	408,868,804	(2,801,722)
<b>General Service &lt; 50 kW</b>			
Customers	5,642	5,642	-
kWh	200,434,708	196,732,916	(3,701,791)
<b>General Service &gt; 50 to 4999 kW</b>			
Customers	693	693	-
kWh	728,078,747	721,724,020	(6,354,726)
kW	1,790,346	1,774,720	(15,626)
<b>Large User</b>			
Customers	1	1	-
kWh	97,078,186	94,944,937	(2,133,250)
kW	177,259	173,364	(3,895)
<b>Direct Market Participant</b>			
Customers	2	2	-
kWh	6,823,514	6,823,514	-
kW	12,620	12,620	-
<b>Street Lights</b>			
Connections	13,828	13,828	-
kWh	7,594,660	7,594,660	-
kW	21,115	21,115	-
<b>Unmetered Loads</b>			
Connections	563	563	-
kWh	3,140,372	3,140,372	-
<b>Embedded Distributor</b>			
Customers	1	1	-
kWh	31,378,863	31,378,863	-
kW	71,406	71,406	-
<b>Total</b>			
Customer/Connections	70,183	70,183	-
kWh	1,486,199,575	1,471,208,086	(14,991,489)
kW from applicable classes	2,072,746	2,053,224	(19,521)

For the purposes of settlement, Parties agreed the manual CDM adjustment would be updated to include the persistence of 2014 programs into 2016 that were outlined in the final 2011 to 2014 OPA CDM Results.

A revised load forecast model in working Microsoft Excel format reflecting this Settlement Proposal is included together with this Settlement Proposal under file named “Waterloo\_2016\_Load Forecast Model\_Settlement\_20150921”.

**Evidence:**

*Application:* Exhibit 1 page 57; Exhibit 3 including pages 2-37, Tables 3-2 through 3-36

*IRRs:* 1-Staff-15; 3-Staff-94, 95, 96, 99, 100, 102, 104, 105, 107, 3-Energy Probe-21, 23, 24, 25, 3.0-VECC-17, 18, 19, 21, 23, 24

*TC Transcript:* August 19, 2015 TC Transcript at pages 88-92, 96-97

*Undertaking Responses:* JTC1.11, JTC1.12, JTC1.13, JTC1.14, JTC1.22

*Appendices to this Settlement Proposal:* N/A

**Supporting Parties:** All

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

**Complete Settlement:** For the purposes of the settlement of the issues in this proceeding, the Parties agree that the base numbers prepared in response to Undertaking JTC1.22 are appropriate.

Subject to the above, the Parties agree that the cost allocation methodology is appropriate and results in revenue-to-cost ratios that are within the Board’s permitted ranges. These revenue-to-cost ratios are reproduced below in Table 10.

**Table 10: Revenue-to-Cost Ratios**

Rate Class	2016 Settlement Cost Allocation Study	2016 Settlement Proposed Ratios
Residential	103.01%	102.98%
GS < 50 kW	102.48%	102.48%
GS >50 to 4999 kW	94.49%	94.49%
Large Use	77.04%	85.00%
Unmetered Scattered Load	190.32%	120.00%
Street Lighting	103.40%	102.98%
Embedded Distributor	67.52%	100.00%

A revised working Microsoft Excel format of the cost allocation model from this Settlement Proposal is provided as part of the supporting material in file named “Waterloo\_2016\_COS\_Cost\_Allocation\_Model\_Settlement\_Update CoC\_20151023”.

On a best effort basis, WNH agrees to provide notice to the University of Waterloo, and specifically to the attention of its Director, Maintenance & Utilities, Rick Zalagenas via email at rszalagenas@uwaterloo.ca and also to its consultant, E2 Energy, specifically to the attention of its CEO, Scott Walker via email at swalker@e2energyinc.com, if WNH believes that a new or existing customer may likely qualify as a (new) Large User customer in its service territory. This notification will be as soon as reasonably possible but no later than when it first begins to bill a customer as a Large User. Currently, WNH does not commence billing a customer as a Large User until such a time as the customer has proven 12 consecutive months of billing data, meeting or exceeding the Large User threshold parameter).

**Evidence:**

*Application:* Exhibit 1 pages 70-72; Exhibit 7 including pages 2-13, Tables 7-1 through 7-8, Attachment 7-1

*IRRs:* 7-Staff-135, 136, 137, 7-Energy Probe-50, 51, 1-E2-1, 1-E2-2, 1-E2-3, 7.0-VECC-44

*TC Transcript:* August 19, 2015 TC Transcript at pages 86-88, 93-95, 130-133

*Undertaking Responses:* JTC1.22, JTC1.23

*Appendices to this Settlement Proposal:* N/A

**Supporting Parties:** All

**3.3** Are the applicant's proposals, including the proposed fixed/variable splits, for rate design appropriate?

**Complete Settlement:** For the purposes of settlement of the issues in this proceeding, WNH has increased the Residential fixed charge to \$19.71. WNH used the fixed charge of \$16.20 based on the current fixed/variable revenue proportions as the starting point for the calculation in Appendix 2-PA since \$16.20 was below the ceiling fixed charge from the cost allocation model of \$19.53. WNH has adjusted the \$16.20 fixed charge to \$19.71 as calculated by the Board's Appendix 2-PA which reflects the first year of a four year transition to a 100% fixed charge. Appendix 2-PA is shown in Table 12 below.

For the purpose of settlement of the issues in this proceeding, the Parties agree to maintain the current 2015 monthly fixed charge for all non-residential rate classes, where the proposed fixed charge is above the Customer Unit Cost per month - Minimum System with PLCC (Peak Load Carrying Capability). This results in the following adjustments:

- General Service < 50 kW fixed charge is reduced to \$31.96, with a corresponding change to the variable charge;
- General Service > 50 kW fixed charge is reduced to \$119.38, with a corresponding change to the variable charge;
- Large Use fixed charge is reduced to \$6,975.72, with a corresponding change to the variable charge;
- Street Lighting fixed charge is reduced to \$0.33, with a corresponding change to the variable charge;

For the purposes of settlement of the issues in this proceeding, WNH has reduced the Unmetered Scattered Load fixed charge to \$10.61. The ceiling fixed charge from the cost allocation model is \$9.41 and the current 2015 fixed charge is \$15.98. WNH has adjusted to the fixed charge based on the current fixed/variable revenue proportions.

Subject to the above, the Parties agree that WNH's proposals, including the proposed fixed/variable splits, for rate design are appropriate. The distribution charges resulting from this Settlement Proposal are produced below as Table 11.



**Table 11: Distribution Charges**

Rate Class	Proposed Monthly Service Charge	Unit of Measure	Proposed Distribution Volumetric Charge
Residential	\$ 19.71	\$/kWh	\$ 0.0154
GS < 50 kW	\$ 31.96	\$/kWh	\$ 0.0159
GS >50 to 4999 kW	\$ 119.38	\$/kW	\$ 5.0649
Large Use	\$ 6,975.72	\$/kW	\$ 4.0196
Unmetered Scattered Load	\$ 10.61	\$/kWh	\$ 0.0132
Street Lighting	\$ 0.33	\$/kW	\$ 9.3754
Embedded Distributor	\$ -	\$/kW	\$ 0.0200

**Table 12 – OEB Appendix 2-PA Residential Service Charge Transition**

**Appendix 2-PA  
 New Rate Design Policy For Residential Customers**

Please complete the following tables.

**A) Data Inputs**

Test Year Billing Determinants for Residential Class	
Customers	49,453
kWh	408,916,548

Proposed Residential Class Specific Revenue Requirement <sup>1</sup>	\$ 17,976,876.42
--	------------------

Residential Base Rates on Current Tariff	
Monthly Fixed Charge (\$)	16.20
Distribution Volumetric Rate (\$/kWh)	0.0205

**B) Current Fixed/Variable Split**

	Base Rates	Billing Determinants	Revenue	% of Total Revenue
Fixed	16.2	49,453	\$ 9,613,663.20	53.42%
Variable	0.0205	408,916,548	\$ 8,382,789.23	46.58%
<b>TOTAL</b>	-	-	\$ 17,996,452.43	-

**C) Calculating Test Year Base Rates**

Number of Required Rate Design Policy Transition Years <sup>2</sup>	4
---	---

	Test Year Revenue @ Current F/V Split	Test Year Base Rates @ Current F/V Split	Reconciliation - Test Year Base Rates @ Current F/V Split
Fixed	\$ 9,603,205.74	16.18	\$ 9,601,794.48
Variable	\$ 8,373,670.68	0.0205	\$ 8,382,789.23
<b>TOTAL</b>	\$ 17,976,876.42	-	\$ 17,984,583.71

	New F/V Split	Revenue @ new F/V Split	Final Adjusted Base Rates	Reconciliation @ Adjusted Rates
Fixed	65.06%	\$ 11,696,623.41	19.71	\$ 11,696,623.56
Variable	34.94%	\$ 6,280,253.01	0.0154	\$ 6,297,314.83
<b>TOTAL</b>	-	\$ 17,976,876.42	-	\$ 17,993,938.39

Checks <sup>3</sup>	
Change in Fixed Rate	\$ 3.53
Difference Between Revenues @ Proposed Rates and Class Specific Revenue Requirement	\$ 17,061.97
	0.09%

The reconciliation of revenue reflecting the rate design from this Settlement Proposal is provided in Table 13 below.

**Table 13 – Revenue Reconciliation**

Rate Class	Customers/ Connections	Number of Customers/Connections			Test Year Consumption		Proposed Rates			Revenues at Proposed Rates	Class Specific Revenue Requirement	Transformer Allowance Credit	Total	Difference
		Start of Test Year	End of Test Year	Average	kWh	kW	Monthly Service Charge	Volumetric						
								kWh	kW					
Residential	Customers	49,005	49,901	49,453	408,868,804		\$ 19.71	\$ 0.0154		\$ 17,993,203	\$ 17,976,876		\$17,976,876	-\$ 16,327
GS < 50 kW	Customers	5,615	5,669	5,642	196,732,916		\$ 31.96	\$ 0.0159		\$ 5,291,873	\$ 5,225,595	\$ 74,612	\$ 5,300,207	\$ 8,333
GS > 50 kW	Customers	695	695	695		1,787,340	\$ 119.38		\$ 5.0649	\$ 10,048,330	\$ 9,406,347	\$ 641,990	\$10,048,337	\$ 7
Large User	Customers	1	1	1		173,364	\$ 6,975.72		\$ 4.0196	\$ 780,561	\$ 780,567		\$ 780,567	\$ 7
Unmetered Scattered Load	Connections	552	574	563	3,140,372		\$ 10.61	\$ 0.0132		\$ 113,134	\$ 113,196		\$ 113,196	\$ 62
Streetlighting	Connections	13,818	13,838	13,828			\$ 0.33		\$ 9.3754	\$ 252,717	\$ 252,717		\$ 252,717	\$ 0
Embedded Distributor Class	Customers	1	1	1		71,406	\$ -		\$ 0.0200	\$ 1,428	\$ 1,430		\$ 1,430	\$ 2
<b>Total</b>										<b>\$ 34,481,246</b>	<b>\$ 33,756,728</b>	<b>\$ 716,602</b>	<b>\$34,473,330</b>	<b>-\$ 7,916</b>

**Evidence:**

*Application:* Exhibit 1 pages 70, 72; Exhibit 8 including Tables 8-1 through 8-7 and Table 8-11 through 8-14, Attachments 8-2 through 8-4

*IRRs:* 1-Energy Probe-7; 8-Staff-138, 8-Energy Probe-52, 53, 8.0-VECC-46

*TC Transcript:* N/A

*Undertaking Responses:* JTC1.9, JTC1.22, JTC1.24, JTC1.25

*Appendices to this Settlement Proposal:* N/A

**Supporting Parties:** All

**3.4** Are the proposed Retail Transmission Service Rates and Low Voltage service rates appropriate?

**Complete Settlement:** For the purposes of the settlement of the issues in this proceeding, the Parties agree that the proposed forecast of other regulated rates and charges including the proposed Retail Transmission Service Rates and Low Voltage service rates are appropriate. Retail Transmission Service Rates and Low Voltage service rates have been reproduced below as Tables 14 and 15, respectively.

**Table 14: Retail Transmission Service Rates**

Rate Class	Unit of Measure	Proposed RTSR - Network	Proposed RTSR - Connection
Residential	\$/kWh	\$ 0.0074	\$ 0.0023
General Service < 50 kW	\$/kWh	\$ 0.0067	\$ 0.0021
General Service 50 To 4,999 KW (less than 1,000 kW)	\$/kW	\$ 2.7741	\$ 0.8036
General Service 50 To 4,999 KW (Interval Metered less than 1,000 kW)	\$/kW	\$ 2.9465	\$ 1.0037
General Service 50 To 4,999 KW (Interval Metered 1,000 to 4,999 kW)	\$/kW	\$ 2.9427	\$ 1.0026
Large Use	\$/kW	\$ 3.2624	\$ 1.0072
Unmetered Scattered Load	\$/kWh	\$ 0.0067	\$ 0.0021
Street Lighting	\$/kW	\$ 2.0924	\$ 0.6210

**Table 15: Low Voltage service rates**

Rate Class	Unit of Measure	Proposed Low Voltage Charges
Residential	\$/kWh	\$ 0.0002
GS < 50 kW	\$/kWh	\$ 0.0002
GS > 50 kW	\$/kW	\$ 0.0738
Large Use	\$/kW	\$ 0.0925
Unmetered Scattered Load	\$/kWh	\$ 0.0002
Street Lighting	\$/kW	\$ 0.0570

**Evidence:**

*Application:* Exhibit 8 including pages 10-11 and 12-14, Tables 8-8, 8-9, 8-10, Attachment 8-1

*IRRs:* N/A

*TC Transcript:*

*Undertaking Responses:* August 19, 2015 TC Transcript at pages 142 - 143

*Appendices to this Settlement Proposal:* N/A

**Supporting Parties:** All

#### 4. Accounting

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

**Complete Settlement:** For the purposes of the settlement of the issues in this proceeding, and subject to the adjustment in the depreciation calculations noted in the settlement of issue 2.1 above, the Parties agree that the impacts of any changes in accounting standards, policies, estimates and adjustments have been properly identified, and the treatment of each of these impacts is appropriate.

An updated EDDVAR Continuity Schedule is provided in working Microsoft Excel format reflecting this Settlement Proposal provided under file named "Waterloo\_2016\_COS\_2015\_EDDVAR\_Continuity Schedule\_Settlement\_Update CoC\_20151023". This file also includes the calculation of the various riders discussed below.

**Evidence:**

*Application:* Exhibit 1 pages 109 -112; Exhibit 2 pages 3-4, 23-24, 52-56, 79-86; Exhibit 4 pages 80-99; Exhibit 9 pages 9-24

*IRRs:* N/A

*TC Transcript:* N/A

*Undertaking Responses:* JTC1.22

*Appendices to this Settlement Proposal:* N/A

**Supporting Parties:** All

- 4.2 Are the applicant's proposals for deferral and variance accounts, including the balances in the existing accounts and their disposition, and the continuation of existing accounts, appropriate?

**Complete Settlement:** For the purposes of the settlement of the issues in this proceeding, the Parties agree to the following:

- i) The disposition of the balance and the discontinuance of the Other Regulatory Asset – Sub-Account – Other Capital Gain Variance – 2011 COS Settlement Agreement Item Account 1508 related to the Administration Building and Service Centre on Northfield Drive in Waterloo, as was created in EB-2010-0144, is appropriate as further described in Exhibit 9;
- ii) The disposition of the balance and the discontinuance of the Other Regulatory Asset – Sub-Account – Other OMERS Difference – 2011 COS Settlement Agreement Item Account 1508 related to the difference in actual OMERS costs to the amounts included in rates, as was created in EB-2010-0144, is appropriate as further described in Exhibit 9;
- iii) The disposition of the balance of Account 1576 as described in issue 4.1 above is appropriate, as further described in as further described in Exhibit 9 9.0-VECC-47. The Weighted Average Cost of Capital will be adjusted when the Board updated rates are published, as discussed in item 2.1 (c) above. This proposal has updated Account 1576 to reflect the updated Weighted Average Cost of Capital, based on the Cost of Capital Parameter Updates issued by the Board on October 15, 2015 for applications with rates effective in 2016. A revised OEB Appendix 2-EC, Account 1576, is reflected in Appendix E of this Settlement Proposal;
- iv) The disposition of the balance and the discontinuance of the Other Regulatory Asset – Sub-Account – 1508 - Deferred IFRS Transition Costs is appropriate as further described in Exhibit 9;
- v) The disposition of the balance and the discontinuance of the PILs and Tax Variances for 2006 and Subsequent Years, including the Sub-Account – 1592 , is appropriate as further described in Exhibit 9;
- vi) The disposition of the balance and the discontinuance of the Smart Meter Capital and Recovery Offset Variance –Sub Account – Stranded Meter Costs - 1555 , is appropriate as further described in Exhibit 9;
- vii) The disposition of the balance and the discontinuance of the Disposition and Recovery/Refund of Regulatory Balances (2010 – 2013) - 1595, is appropriate as further described in Exhibit 9;

- viii) The creation of a variance account 1508 Other Regulatory Assets - Sub-account Wireless and Wireline to record two items: 1) the net (less any related costs) incremental revenues received from any wireless attachments during the IRM period; and 2) any changes in revenue received due to any change in the currently regulated wireline attachment rate of \$22.35 per attachment per pole per year. For clarity, the latter is a symmetrical account that reflects changes to the rate rather than change in number of wireline attachments. Any balance in this variance account is to be cleared in WNH's next Cost of Service Application. A draft accounting order for this account is attached as Appendix F to this Settlement Proposal;
- ix) The creation of a variance account 1508 Other Regulatory Asset - Sub-account Gains/Losses on Disposition of Municipal Stations, to capture net gains and losses on disposition of various Municipal Station properties inclusive of remediation costs. Upon disposition, the balance of this account will be distributed with 75% to ratepayers and 25% to WNH. For clarity, this account is not symmetrical in that the Parties agree ratepayers will not owe a credit to WNH if this account is in a net loss scenario at the time of disposition. Any applicable balance is to be disposed of in WNH's next Cost of Service Application. A draft accounting order for this account is attached as Appendix G to this Settlement Proposal;
- x) WNH is to establish a new variance account 1508 Other Regulatory Asset Sub-account OPEB for the purpose of recording the difference in revenue requirement each year, starting in the test year, between both the capitalized and OM&A components of OPEBs accounted for using a cost basis (as to be reflected in rates if this settlement is accepted by the Board) and both capitalized and OM&A components of OPEBs accounted for using an accrual basis together with related PILs adjustments. This account will accrue interest until final disposition. If the Board determines that LDCs must only include in rates OPEBs accounted for using a cash basis, WNH will seek to discontinue this account without seeking disposition of the amounts recorded in this account. If the Board determines that LDCs may recover OPEBs in rates using an accrual accounting methodology, the Parties agree that WNH will be permitted to seek disposition of this account to recover the amounts so recorded in its rate application following the Board's Decision. WNH will propose a disposition period over which the account should be recovered depending on the quantum in the account and the potential rate impacts at the time. A draft accounting order for this account is attached as Appendix H to this Settlement Proposal.; and
- xi) The disposition of the balance of Account the remaining deferral and variance accounts are reflected in EDDVAR Model which is attached to this Settlement Proposal as "Waterloo\_2016\_COS\_2015\_EDDVAR\_ContinuitySchedule\_Settlement\_Update CoC\_20151023".

WNH notes that it has now received verified final results from the IESO for 2014 CDM. This report is attached as Appendix I in this Settlement Proposal.

For the purposes of settlement of the issues in this proceeding, the Parties agree that the LRAMVA calculations for 2011 to 2014 should be updated to reflect the latest IESO results. In addition, the Parties agree that WNH is now entitled to seek disposition of 2014 LRAMVA amounts and for the purposes of settlement of the issues in this proceeding, the Parties agree that it would be appropriate for WNH to do so now. An update of the LRAMVA numbers for 2011 to 2014 is shown in Tables 16 – 18 below.

**Table 16 - Summary of Requested LRAM Amounts**

LRAM Rate Rider	LRAMVA	CDM \$ in 2011 COS	Net LRAMVA	Interest	Total LRAMVA Claim	2016 Proposed Billing Determinant	UOM	LRAMVA Rider
Residential	229,389	163,011	66,378	2,003	68,381	408,916,548	kWh	\$ 0.0002
General Service Less Than 50 kW	225,354	55,489	169,865	5,126	174,991	196,359,585	kWh	\$ 0.0009
General Service 50 to 4,999 kW	548,117	108,485	439,632	13,266	452,898	1,788,910	kW	\$ 0.2532
Large User	44,212	10,161	34,051	1,027	35,078	172,792	kW	\$ 0.2030
<b>Total</b>	<b>1,047,072</b>	<b>337,146</b>	<b>709,926</b>	<b>21,422</b>	<b>731,348</b>			

**Table 17 - Allocation of OPA Results**

LRAMVA Calculation for 2011 to 2014 final results of OPA Program									
Net kWh saved from OPA program									
OPA Initiative Name	Program Year	Results Status	Rate Class	Market	2011 kWh Saved	2012 kWh Saved	2013 kWh Saved	2014 kWh Saved	Total kWh Saved
Appliance Retirement	2011	Final	Residential	Consumer	180,566	180,566	180,566	180,463	722,161
Appliance Exchange	2011	Final	Residential	Consumer	3,051	3,051	3,051	1,895	11,046
HVAC Incentives	2011	Final	Residential	Consumer	650,749	650,749	650,749	650,749	2,602,995
Conservation Instant Coupon Booklet	2011	Final	Residential	Consumer	189,312	189,312	189,312	189,312	757,248
Bi-Annual Retailer Event	2011	Final	Residential	Consumer	316,302	316,302	316,302	316,302	1,265,210
Equipment Replacement Incentive Initiative	2011	Final	<50 kW - 12%	Business	172,665	172,665	172,665	172,665	690,658
			>50 kW - 88%	Business	1,260,457	1,260,457	1,260,457	1,260,457	5,041,828
Direct Install Lighting	2011	Final	<50 kW	Business	635,841	635,841	635,841	419,046	2,326,569
Energy Audit	2011	Final	<50 kW	Business	79,195	79,195	79,195	79,195	316,780
Demand Response 3	2011	Final	>50 kW	Business	4,323	-	-	-	4,323
Equipment Replacement Incentive Initiative	2011	Final	>50 kW	Industrial	1,128,878	1,128,878	1,128,878	1,128,878	4,515,511
Demand Response 3	2011	Final	>50 kW	Industrial	23,003	-	-	-	23,003
Electricity Retrofit Incentive Program	2011	Final	<50 kW	Business	913,663	913,663	913,663	913,663	3,654,650
High Performance New Construction	2011	Final	>50 kW	Business	346,664	346,664	346,664	346,664	1,386,657
Appliance Retirement	2012	Final	Residential	Consumer	-	99,292	99,292	99,292	297,876
Appliance Exchange	2012	Final	Residential	Consumer	-	18,832	18,832	18,832	56,496
HVAC Incentives	2012	Final	Residential	Consumer	-	450,936	450,936	450,936	1,352,808
Conservation Instant Coupon Booklet	2012	Final	Residential	Consumer	-	14,008	14,008	14,008	42,025
Bi-Annual Retailer Event	2012	Final	Residential	Consumer	-	268,321	268,321	268,321	804,962
			<50 kW - 6.2%	Business	-	336,278	336,278	330,681	1,003,237
			>50 kW - 37.4%	Business	-	2,034,971	2,034,971	2,001,102	6,071,044
Retrofit	2012	Final	Large Use - 56.4%	Business	-	3,062,531	3,062,531	3,011,560	9,136,621
Direct Install Lighting	2012	Final	<50 kW	Business	-	307,810	307,810	307,692	923,312
New Construction	2012	Final	>50 kW	Business	-	5,261	5,261	5,261	15,782
Energy Audit	2012	Final	<50 kW	Business	-	208,243	208,243	208,243	624,728
Demand Response 3	2012	Final	>50 kW	Business	-	1,614	-	-	1,614
Demand Response 3	2012	Final	>50 kW	Industrial	-	30,360	-	-	30,360
Home Assistance Program	2012	Final	Residential	Consumer	-	29,893	29,893	29,862	89,649
High Performance New Construction	2012	Final	>50 kW	Business	-	105,383	105,383	105,383	316,150
Appliance Retirement	2013	Final	Residential	Consumer	-	63,885	63,885	63,885	127,770
Appliance Exchange	2013	Final	Residential	Consumer	-	23,275	23,275	23,275	46,549
HVAC Incentives	2013	Final	Residential	Consumer	-	427,746	427,746	427,746	855,492
Conservation Instant Coupon Booklet	2013	Final	Residential	Consumer	-	77,457	77,457	77,457	154,913
Bi-Annual Retailer Event	2013	Final	Residential	Consumer	-	-	172,122	172,122	344,243
Residential Demand Response	2013	Final	Residential	Consumer	-	-	652	-	652
			<50 kW - 17.4%	Business	-	-	645,460	643,144	1,288,604
			>50 kW - 78.9%	Business	-	-	2,920,048	2,909,570	5,829,618
			Large Use - 3.7%	Business	-	-	137,217	136,725	273,942
Direct Install Lighting	2013	Final	<50 kW	Business	-	-	408,878	408,878	817,756
New Construction	2013	Final	>50 kW	Business	-	-	8,839	8,839	17,679
Energy Audit	2013	Final	<50 kW	Business	-	-	1,696,902	1,696,902	3,393,803
Small Commercial Demand Response	2013	Final	<50 kW	Business	-	-	10	-	10
Demand Response 3	2013	Final	>50 kW	Business	-	-	1,504	-	1,504
Energy Manager	2013	Final	>50 kW	Business	-	-	69,300	69,300	138,600
Demand Response 3	2013	Final	>50 kW	Industrial	-	-	30,917	-	30,917
Home Assistance Program	2013	Final	Residential	Consumer	-	-	188,705	187,478	376,183
Appliance Retirement	2014	Final	Residential	Consumer	-	-	-	80,001	80,001
Appliance Exchange	2014	Final	Residential	Consumer	-	-	-	52,460	52,460
HVAC Incentives	2014	Final	Residential	Consumer	-	-	-	544,462	544,462
Conservation Instant Coupon Booklet	2014	Final	Residential	Consumer	-	-	-	515,369	515,369
Bi-Annual Retailer Event	2014	Final	Residential	Consumer	-	-	-	1,231,340	1,231,340
			<50 kW - 11.8%	Business	-	-	-	575,911	575,911
			>50 kW - 87.9%	Business	-	-	-	4,289,821	4,289,821
			Large Use - .3%	Business	-	-	-	15,620	15,620
Direct Install Lighting	2014	Final	<50 kW	Business	-	-	-	349,433	349,433
New Construction	2014	Final	>50 kW	Business	-	-	-	147,947	147,947
Energy Audit	2014	Final	<50 kW	Business	-	-	-	391,641	391,641
Energy Manager	2014	Final	>50 kW	Business	-	-	-	91,627	91,627
Home Assistance Program	2014	Final	Residential	Consumer	-	-	-	48,046	48,046
Program Enabled Savings	2014	Final	>50 kW	Business	-	-	-	125,622	125,622
					-	-	-	-	-
					-	-	-	-	-
					-	-	-	-	-
<b>Total</b>					<b>5,904,668</b>	<b>12,851,074</b>	<b>19,692,018</b>	<b>27,795,080</b>	<b>66,242,840</b>
<b>Rate Class Allocation (kWh)</b>					<b>2011 kWh Saved</b>	<b>2012 kWh Saved</b>	<b>2013 kWh Saved</b>	<b>2014 kWh Saved</b>	<b>Total kWh Saved</b>
<b>Residential</b>					<b>1,339,980</b>	<b>2,221,262</b>	<b>3,175,104</b>	<b>5,643,612</b>	<b>12,379,958</b>
<b>General Service &lt; 50 kW</b>					<b>1,801,363</b>	<b>2,653,693</b>	<b>5,404,943</b>	<b>6,497,092</b>	<b>16,357,092</b>
<b>General Service 50 to 4.999 kW</b>					<b>2,763,326</b>	<b>4,913,588</b>	<b>7,912,223</b>	<b>12,490,471</b>	<b>28,079,607</b>
<b>Large Use</b>					<b>-</b>	<b>3,062,531</b>	<b>3,199,748</b>	<b>3,163,905</b>	<b>9,426,183</b>
<b>Total</b>					<b>5,904,668</b>	<b>12,851,074</b>	<b>19,692,018</b>	<b>27,795,080</b>	<b>66,242,840</b>



Waterloo North Hydro Inc.  
EB-2015-0108  
Settlement Proposal

Net KW saved from OPA program										
OPA Initiative Name	Program Year	Results Status	Rate Class	Market	2011 kW Saved	2012 kW Saved	2013 kW Saved	2014 kW Saved	Total kW Saved	
Appliance Retirement	2011	Final	Residential	Consumer	24.31	24.3	24.3	24.20	97.1	
Appliance Exchange	2011	Final	Residential	Consumer	2.36	2.4	2.4	1.06	8.1	
HVAC Incentives	2011	Final	Residential	Consumer	349.92	349.9	349.9	349.92	1,399.7	
Conservation Instant Coupon Booklet	2011	Final	Residential	Consumer	11.66	11.7	11.7	11.66	46.6	
Bi-Annual Retailer Event	2011	Final	Residential	Consumer	17.93	17.9	17.9	17.93	71.7	
Residential Demand Response	2011	Final	Residential	Consumer	72.24	-	-	-	72.2	
Equipment Replacement Incentive Initiative	2011	Final	<50 kW - 16% >50 kW - 84%	Business	41.17	41.2	41.2	41.17	164.7	
Direct Install Lighting	2011	Final	<50 kW	Business	221.42	221.4	221.4	221.42	885.7	
Energy Audit	2011	Final	<50 kW	Business	256.29	256.3	249.11	184.53	946.2	
Commercial Demand Response	2011	Final	<50 kW	Business	16.27	16.27	16.27	16.27	65.1	
Demand Response 3	2011	Final	>50 kW	Business	5.12	-	-	-	5.1	
Equipment Replacement Incentive Initiative	2011	Final	>50 kW	Business	110.39	-	-	-	110.4	
Demand Response 3	2011	Final	>50 kW	Industrial	179.85	179.9	179.9	179.85	719.4	
Electricity Retrofit Incentive Program	2011	Final	>50 kW	Industrial	391.88	-	-	-	391.9	
High Performance New Construction	2011	Final	<50 kW	Consumer, Business	180.79	180.8	180.8	180.79	723.2	
Appliance Retirement	2011	Final	>50 kW	Business	187.08	187.1	187.1	187.08	748.3	
Appliance Exchange	2012	Final	Residential	Consumer		14.45	14.45	14.45	43.4	
Appliance Exchange	2012	Final	Residential	Consumer		10.78	10.78	10.78	32.4	
HVAC Incentives	2012	Final	Residential	Consumer		261.32	261.32	261.32	784.0	
Conservation Instant Coupon Booklet	2012	Final	Residential	Consumer		2.31	2.31	2.31	6.9	
Bi-Annual Retailer Event	2012	Final	Residential	Consumer		14.83	14.83	14.83	44.5	
Retrofit	2012	Final	<50 kW - 9.8% >50 kW - 50.2% Large Use - 40.0%	Business		87.98	86.95	86.28	261.2	
Direct Install Lighting	2012	Final	>50 kW	Business		451.75	446.43	443.00	1,341.2	
New Construction	2012	Final	<50 kW	Business		360.74	356.49	353.75	1,071.0	
Energy Audit	2012	Final	>50 kW	Business		82.23	82.23	82.21	246.7	
Demand Response 3	2012	Final	>50 kW	Business		4.66	4.66	4.66	14.0	
Demand Response 3	2012	Final	<50 kW	Business		42.80	42.80	42.80	128.4	
Demand Response 3	2012	Final	>50 kW	Business		111.06	-	-	111.1	
Demand Response 3	2012	Final	>50 kW	Industrial		1,259.75	-	-	1,259.8	
Home Assistance Program	2012	Final	Residential	Consumer		2.81	2.81	2.81	8.4	
High Performance New Construction	2012	Final	>50 kW	Business		21.44	21.44	21.44	64.3	
Appliance Retirement	2013	Final	Residential	Consumer			9.67	9.67	19.3	
Appliance Exchange	2013	Final	Residential	Consumer			13.05	13.05	26.1	
HVAC Incentives	2013	Final	Residential	Consumer			251.03	251.03	502.1	
Conservation Instant Coupon Booklet	2013	Final	Residential	Consumer			5.18	5.18	10.4	
Bi-Annual Retailer Event	2013	Final	Residential	Consumer			11.86	11.86	23.7	
Residential Demand Response	2013	Final	Residential	Consumer			195.75		195.7	
Retrofit	2013	Final	<50 kW - 22.4% >50 kW - 73.5% Large Use - 4.1%	Business			167.10	166.25	333.4	
Direct Install Lighting	2013	Final	>50 kW	Business			546.97	544.19	1,091.2	
New Construction	2013	Final	>50 kW	Business			30.79	30.64	61.4	
Energy Audit	2013	Final	<50 kW	Business			114.01	114.01	228.0	
Small Commercial Demand Response	2013	Final	<50 kW	Business			20.65	20.65	41.3	
Demand Response 3	2013	Final	<50 kW	Business			308.65	308.65	617.3	
Demand Response 3	2013	Final	>50 kW	Business			6.40		6.4	
Energy Manager	2013	Final	>50 kW	Business			112.64		112.6	
Demand Response 3	2013	Final	>50 kW	Business			33.09	33.09	66.2	
Demand Response 3	2013	Final	>50 kW	Industrial			1,150.81		1,150.8	
Home Assistance Program	2013	Final	Residential	Consumer			13.89	13.83	27.7	
Appliance Retirement	2014	Final	Residential	Consumer				12.2	12.2	
Appliance Exchange	2014	Final	Residential	Consumer				29.4	29.4	
HVAC Incentives	2014	Final	Residential	Consumer				296.2	296.2	
Conservation Instant Coupon Booklet	2014	Final	Residential	Consumer				42.3	42.3	
Bi-Annual Retailer Event	2014	Final	Residential	Consumer				80.6	80.6	
Residential Demand Response	2014	Final	Residential	Consumer				365.2	365.2	
Retrofit	2014	Final	<50 kW - 13.5% >50 kW - 86.3% Large Use - 2%	Business				108.5	108.5	
Direct Install Lighting	2014	Final	>50 kW	Business				695.4	695.4	
New Construction	2014	Final	<50 kW	Business				1.5	1.5	
Energy Audit	2014	Final	<50 kW	Business				94.3	94.3	
Small Commercial Demand Response	2014	Final	>50 kW	Business				30.3	30.3	
Demand Response 3	2014	Final	<50 kW	Business				80.2	80.2	
Energy Manager	2014	Final	<50 kW	Business				8.4	8.4	
Demand Response 3	2014	Final	>50 kW	Business				104.2	104.2	
Energy Manager	2014	Final	>50 kW	Business				23.5	23.5	
Demand Response 3	2014	Final	>50 kW	Industrial				1,081.1	1,081.1	
Home Assistance Program	2014	Final	Residential	Consumer				4.2	4.2	
Program Enabled Savings	2014	Final	>50 kW	Business				88.6	88.6	
Time-of-Use Savings	2014	Final	Residential	Consumer				650.5	650.5	
									-	
									-	
<b>Total</b>					<b>2,068.69</b>	<b>4,217.98</b>	<b>5,820.89</b>	<b>8,075.27</b>	<b>20,182.83</b>	
<b>General Service 50 to 4,999 kW (kW)</b>					<b>1,090.6</b>	<b>2,437.0</b>	<b>2,925.0</b>	<b>3,678.4</b>	<b>10,131.1</b>	
<b>Large Use kW (kW)</b>						<b>360.7</b>	<b>387.3</b>	<b>385.9</b>	<b>1,133.9</b>	

**Table 18 - Calculation of LRAMVA**

Summary Units Lost	2011 kWh Saved	2012 kWh Saved	2013 kWh Saved	2014 kWh Saved	Total kWh Saved
Residential (/kWh)	1,339,980	2,221,262	3,175,104	5,643,612	12,379,958
General Service Less Than 50 kW (/kWh)	1,801,363	2,653,693	5,404,943	6,497,092	16,357,092
General Service 50 to 4,999 kW (/kW)	13,088	29,244	35,100	44,141	121,574
Large Use (/kW)	-	4,329	4,647	4,631	13,607

Rate Class Distribution Volumetric Rates	Eff: Apr 1, 2010	Eff: May 1, 2011	Eff: May 1, 2012	Eff: May 1, 2013	Eff: May 1, 2014
Residential (/kWh)	0.0131	0.0184	0.0186	0.0187	0.0190
General Service Less Than 50 kW (/kWh)	0.0104	0.0137	0.0138	0.0139	0.0141
General Service 50 to 4,999 kW (/kW)	3.5420	4.3073	4.4733	4.6141	4.6787
Large User (/kW)	2.6959	3.1991	3.2337	3.2492	3.2947

Rate Class Distribution Volumetric Rates (Annualized)	2011	2012	2013	2014
Residential (/kWh)	0.0166	0.0185	0.0187	0.0189
General Service Less Than 50 kW (/kWh)	0.0126	0.0138	0.0139	0.0140
General Service 50 to 4,999 kW (/kW)	4.0522	4.4180	4.5672	4.6572
Large User	3.0314	3.2222	3.2440	3.2795

LRAM \$	2011	2012	2013	2014	Total
Residential (/kWh)	22,288	41,167	59,269	106,664	229,389
General Service Less Than 50 kW (/kWh)	22,697	36,533	74,949	91,176	225,354
General Service 50 to 4,999 kW (/kW)	53,034	129,200	160,309	205,574	548,117
Large User (/kW)	-	13,948	15,076	15,187	44,212
<b>Total</b>	<b>98,019</b>	<b>220,849</b>	<b>309,602</b>	<b>418,601</b>	<b>1,047,072</b>

CDM in 2011 Forecast	Unit	2011	2012	2013	2014
Residential (/kWh)	kWh	2,241,213	2,241,213	2,241,213	2,241,213
General Service Less Than 50 kW (/kWh)	kWh	1,022,523	1,022,523	1,022,523	1,022,523
General Service 50 to 4,999 kW (/kW)	kW	6,131	6,131	6,131	6,131
Large User (/kW)	kW	795	795	795	795

CDM in 2011 Forecast \$	Unit	2011	2012	2013	2014	Total
Residential (/kWh)	kWh	\$ 37,279	\$ 41,537	\$ 41,836	\$ 42,359	\$ 163,011
General Service Less Than 50 kW (/kWh)	kWh	\$ 12,884	\$ 14,077	\$ 14,179	\$ 14,349	\$ 55,489
General Service 50 to 4,999 kW (/kW)	kW	\$ 24,844	\$ 27,087	\$ 28,001	\$ 28,553	\$ 108,485
Large User (kW)	kW	\$ 2,411	\$ 2,562	\$ 2,580	\$ 2,608	\$ 10,161
<b>Total</b>		<b>\$ 77,417</b>	<b>\$ 85,263</b>	<b>\$ 86,596</b>	<b>\$ 87,869</b>	<b>\$ 337,146</b>

LRAMVA - LRAM \$ vs CDM in 2011 Forecast \$	Unit	2011	2012	2013	2014	Total
Residential (/kWh)	kWh	\$ (14,991)	\$ (370)	\$ 17,433	\$ 64,305	\$ 66,378
General Service Less Than 50 kW (/kWh)	kWh	\$ 9,813	\$ 22,456	\$ 60,770	\$ 76,826	\$ 169,865
General Service 50 to 4,999 kW (/kW)	kW	\$ 28,190	\$ 102,114	\$ 132,308	\$ 177,021	\$ 439,632
Large User (kW)	kW	\$ (2,411)	\$ 11,386	\$ 12,496	\$ 12,579	\$ 34,051
<b>Total</b>		<b>\$ 20,602</b>	<b>\$ 135,586</b>	<b>\$ 223,006</b>	<b>\$ 330,732</b>	<b>\$ 709,926</b>

For the purposes of the settlement of the issues in this proceeding, and subject to the above, the Parties agree that the Applicant's proposals for deferral and variance accounts, including the balances in the existing accounts and their disposition and the continuation of existing accounts, are appropriate.

*Eligible Investments for Connection of Qualifying Generation Facilities to be funded by the IESO*

WNH had one qualifying Expansion Generation Facility connected in 2013, allocated in Table 19 below.

**Table 19 - Calculation of the Direct Benefit / Provincial Portion of Qualifying Expansion Generation Facility**

<b>Expansion Connection Project</b>	<b>\$ 117,320</b>
Direct Benefit - 17%	\$ 19,944
Provincial - 83%	\$ 97,376
<b>Total</b>	<b>\$ 117,320</b>

WNH recorded the total cost of the project in its Rate Base and recorded the IESO revenue to be received, in the amount of \$9,766, as a Revenue Offset.

*IESO Funding for Connection of Qualifying Generation Facilities for Board Approval*

The amount of Eligible Investments for Connection of Qualifying Generation Facilities to be funded by the IESO for which WNH is seeking Board Approval is shown in Table 20 below.

**Table 20 - Schedule of IESO Payments Requesting Approval**

<b>IESO Payments Requesting Board Approval</b>		
<b>Year</b>	<b>Annual</b>	<b>Monthly</b>
2016	\$ 9,766	\$ 814
2017	\$ 9,499	\$ 792
2018	\$ 9,232	\$ 769
2019	\$ 8,965	\$ 747
2020	\$ 8,698	\$ 725

Appendix 2-FA and 2-FC were filed in response to 9-Staff-149 which provides the calculation of this funding request.

The Parties anticipate that the Board will facilitate the compensation payments from the IESO to WNH as per O.Reg. 330/09.

**Evidence:**

*Application:* Exhibit 1 page 73; Exhibit 2 pages 3-4, 23-24, 52-56, 79-86; Exhibit 4 pages 80-99; Exhibit 9

*IRRs:* 2-Staff-25; 4-Staff-131, 4.0-VECC-39, 40, 41; 9-Staff-143, 145, 146, 147, 148, 149, 150, 9-Energy Probe-54, 2-E2-1, 9.0-VECC-47

*TC Transcript:* August 19, 2015 TC Transcript at pages 143-145

*Undertaking Responses:* JTC1.2, JTC1.22

*Appendices to this Settlement Proposal:* Appendix E, Appendix F, Appendix G, Appendix H

**Supporting Parties:** All

**Appendix A – WNH 2016 Tariff Sheet**

Please see below the Proposed 2016 Tariff Sheet, as revised to reflect this Settlement Proposal.

**Waterloo North Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2016**

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

**EB-2015-0108**

**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. All customers are single-phase. 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 Board, and amendments thereto as approved by the 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 Board, and amendments thereto as approved by the 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 Board approval, such as the Debt Retirement Charge, the Global Adjustment and the HST.

**MONTHLY RATES AND CHARGES - Delivery Component**

Service Charge	\$	19.71
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Rate Rider for Disposition of Stranded Meter Costs - effective until December 31, 2018	\$	0.58
Distribution Volumetric Rate	\$/kWh	0.0154
Low Voltage Service Rate	\$/kWh	0.0002
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0074
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0023
Rate Rider for Tax Change (2015) - effective until April 30, 2016	\$/kWh	(0.0001)
Rate Rider for Disposition of Deferral/Variance Accounts (2015) - effective until April 30, 2016	\$/kWh	(0.0014)
Rate Rider for Disposition of Global Adjustment Account (2015) - effective until April 30, 2016 Applicable only for Non RPP Customers	\$/kWh	0.0006
Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until December 31, 2016	\$/kWh	0.0016
Rate Rider for Disposition of Global Adjustment Account (2016) - effective until December 31, 2016 Applicable only for Non RPP Customers	\$/kWh	0.0031
Rate rider for Disposition of Accounting Changes Under CGAAP Account 1576 - effective until December 31, 2016	\$/kWh	(0.0016)
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2016) - effective until December 31, 2016	\$/kWh	0.0002

**MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate	\$/kWh	0.0044
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

**Waterloo North Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2016**

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

**EB-2015-0108**

**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. 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 Board, and amendments thereto as approved by the 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 Board, and amendments thereto as approved by the 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 Board approval, such as the Debt Retirement Charge, the Global Adjustment and the HST.

**MONTHLY RATES AND CHARGES - Delivery Component**

Service Charge	\$	31.96
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Rate Rider for Disposition of Stranded Meter Costs - effective until December 31, 2018	\$	1.38
Distribution Volumetric Rate	\$/kWh	0.0159
Low Voltage Service Rate	\$/kWh	0.0002
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0067
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0021
Rate Rider for Tax Change (2015) - effective until April 30, 2016	\$/kWh	(0.00005)
Rate Rider for Disposition of Deferral/Variance Accounts (2015) - effective until April 30, 2016	\$/kWh	(0.0014)
Rate Rider for Disposition of Global Adjustment Account (2015) - effective until April 30, 2016 Applicable only for Non RPP Customers	\$/kWh	0.0006
Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until December 31, 2016	\$/kWh	0.0017
Rate Rider for Disposition of Global Adjustment Account (2016) - effective until December 31, 2016 Applicable only for Non RPP Customers	\$/kWh	0.0031
Rate rider for Disposition of Accounting Changes Under CGAAP Account 1576 - effective until December 31, 2016	\$/kWh	(0.0016)
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2016) - effective until December 31, 2016	\$/kWh	0.0009

**MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate	\$/kWh	0.0044
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

**Waterloo North Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**

**Effective and Implementation Date January 1, 2016**

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

**EB-2015-0108**

**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. Further servicing details are available in the distributor's Conditions of Service. Note that for the application of the Retail Transmission Rate – Network Service Rate and the Retail Transmission Rate – Line and Transformation Connection Service Rate the following sub-classifications apply: General Service 50 to 999 kW non-interval metered General Service 50 to 999 kW interval metered General Service 1,000 to 4,999 kW interval metered.

**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 Board, and amendments thereto as approved by the 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 Board, and amendments thereto as approved by the 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 Board approval, such as the Debt Retirement Charge, the Global Adjustment and the HST.

**MONTHLY RATES AND CHARGES - Delivery Component**

Service Charge	\$	119.38
Distribution Volumetric Rate	\$/kW	5.0649
Low Voltage Service Rate	\$/kW	0.0738
Retail Transmission Rate - Network Service Rate - (less than 1,000 kW)	\$/kW	2.7741
Retail Transmission Rate - Network Service Rate - Interval Metered (less than 1,000 kW)	\$/kW	2.9465
Retail Transmission Rate - Network Service Rate - Interval Metered (1,000 to 4,999 kW)	\$/kW	2.9427
Retail Transmission Rate - Line and Transformation Connection Service Rate - (less than 1,000 kW)	\$/kW	0.8036
Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered (less than 1,000 kW)	\$/kW	1.0037
Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered (1,000 to 4,999 kW)	\$/kW	1.0026
Rate Rider for Tax Change (2015) - effective until April 30, 2016	\$/kW	(0.0099)
Rate Rider for Disposition of Deferral/Variance Accounts (2015) - effective until April 30, 2016 Applicable only for Non Wholesale Market Participants	\$/kW	(0.6502)
Rate Rider for Disposition of Deferral/Variance Accounts (2015) - effective until April 30, 2016 Applicable only for Wholesale Market Participants	\$/kW	(0.1945)
Rate Rider for Disposition of Global Adjustment Account (2015) - effective until April 30, 2016 Applicable only for Non RPP Customers	\$/kW	0.2675
Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until December 31, 2016 Applicable Only for Non Wholesale Market Participants	\$/kW	0.7720
Rate Rider for Disposition of Global Adjustment Account (2016) - effective until December 31, 2016 Applicable only for Non RPP Customers	\$/kW	1.2659
Rate rider for Disposition of Accounting Changes Under CGAAP Account 1576 - effective until December 31, 2016 Applicable only for Non Wholesale Market Participants	\$/kW	(0.6390)
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2016) - effective until December 31, 2016	\$/kW	0.2552
Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until December 31, 2016 Applicable Only for Wholesale Market Participants	\$/kW	0.1181
Rate rider for Disposition of Accounting Changes Under CGAAP Account 1576 - effective until December 31, 2016 Applicable only for Wholesale Market Participants	\$/kW	(0.8496)



**GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION**

**MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate	\$/kWh	0.0044
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

**Waterloo North Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**

**Effective and Implementation Date January 1, 2016**

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

**EB-2015-0108**

**LARGE USE SERVICE CLASSIFICATION**

This classification applies to an 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, 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 Board, and amendments thereto as approved by the 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 Board, and amendments thereto as approved by the 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 Board approval, such as the Debt Retirement Charge, the Global Adjustment and the HST.

**MONTHLY RATES AND CHARGES - Delivery Component**

Service Charge	\$	6,975.72
Distribution Volumetric Rate	\$/kW	4.0196
Low Voltage Service Rate	\$/kW	0.0925
Retail Transmission Rate - Network Service Rate	\$/kW	3.2624
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.0072
Rate Rider for Tax Change (2015) - effective until April 30, 2016	\$/kW	(0.0072)
Rate Rider for Disposition of Deferral/Variance Accounts (2015) - effective until April 30, 2016	\$/kW	(0.7541)
Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until December 31, 2016	\$/kW	1.0507
Rate rider for Disposition of Accounting Changes Under CGAAP Account 1576 - effective until December 31, 2016	\$/kW	(0.8606)
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2016) - effective until December 31, 2016	\$/kW	0.2023

**MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate	\$/kWh	0.0044
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

**Waterloo North Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2016**

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

**EB-2015-0108**

**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 Board, and amendments thereto as approved by the 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 Board, and amendments thereto as approved by the 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 Board approval, such as the Debt Retirement Charge, the Global Adjustment and the HST.

**MONTHLY RATES AND CHARGES - Delivery Component**

Service Charge	\$	10.61
Distribution Volumetric Rate	\$/kWh	0.0132
Low Voltage Service Rate	\$/kWh	0.0002
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0067
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0021
Rate Rider for Tax Change (2015) - effective until April 30, 2016	\$/kWh	(0.0002)
Rate Rider for Disposition of Deferral/Variance Accounts (2015) - effective until April 30, 2016	\$/kWh	(0.0015)
Rate Rider for Disposition of Global Adjustment Account (2015) - effective until April 30, 2016 Applicable only for Non RPP Customers	\$/kWh	0.0006
Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until December 31, 2016	\$/kWh	0.0016
Rate Rider for Disposition of Global Adjustment Account (2016) - effective until December 31, 2016 Applicable only for Non RPP Customers	\$/kWh	0.0031
Rate rider for Disposition of Accounting Changes Under CGAAP Account 1576 - effective until December 31, 2016	\$/kWh	(0.0016)

**MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate	\$/kWh	0.0044
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

**Waterloo North Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**

**Effective and Implementation Date January 1, 2016**

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

**EB-2015-0108**

**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 OEB street lighting load shape template. 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 Board, and amendments thereto as approved by the 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 Board, and amendments thereto as approved by the 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 Board approval, such as the Debt Retirement Charge, the Global Adjustment and the HST.

**MONTHLY RATES AND CHARGES - Delivery Component**

Service Charge	\$	0.33
Distribution Volumetric Rate	\$/kW	9.3754
Low Voltage Service Rate	\$/kW	0.0570
Retail Transmission Rate - Network Service Rate	\$/kW	2.0924
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	0.6210
Rate Rider for Tax Change (2015) - effective until April 30, 2016	\$/kW	(0.0208)
Rate Rider for Disposition of Deferral/Variance Accounts (2015) - effective until April 30, 2016	\$/kW	(0.5199)
Rate Rider for Disposition of Global Adjustment Account (2015) - effective until April 30, 2016 Applicable only for Non RPP Customers	\$/kW	0.2139
Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until December 31, 2016	\$/kW	0.7019
Rate Rider for Disposition of Global Adjustment Account (2016) - effective until December 31, 2016 Applicable only for Non RPP Customers	\$/kW	1.1196
Rate rider for Disposition of Accounting Changes Under CGAAP Account 1576 - effective until December 31, 2016	\$/kW	(0.5652)

**MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate	\$/kWh	0.0044
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

**Waterloo North Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2016**

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

**EB-2015-0108**

**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 Board, and amendments thereto as approved by the 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 Board, and amendments thereto as approved by the 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 Board approval, such as the Debt Retirement Charge, the Global Adjustment and the HST.

**MONTHLY RATES AND CHARGES - Delivery Component**

Service Charge	\$	5.40
----------------	----	------

**Waterloo North Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2016**

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

**EB-2015-0108**

**EMBEDDED DISTRIBUTOR SERVICE CLASSIFICATION**

This classification applies to an electricity distributor licensed by the Board that is provided electricity by means of this distributor's facilities. 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 Board, and amendments thereto as approved by the 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 Board, and amendments thereto as approved by the 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 Board approval, such as the Debt Retirement Charge, the Global Adjustment and the HST.

**MONTHLY RATES AND CHARGES - Delivery Component**

Distribution Volumetric Rate	\$/kW	0.0200
Rate Rider for Disposition of Deferral/Variance Accounts (2015) - effective until April 30, 2016	\$/kW	(0.5823)
Rate Rider for Disposition of Global Adjustment Account (2015) - effective until April 30, 2016 Applicable only for Non RPP Customers	\$/kW	0.2396
Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until December 31, 2016	\$/kW	0.5306
Rate Rider for Disposition of Global Adjustment Account (2016) - effective until December 31, 2016 Applicable only for Non RPP Customers	\$/kW	1.3679

**MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate	\$/kWh	0.0044
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

**Waterloo North Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**

**Effective and Implementation Date January 1, 2016**

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

**EB-2015-0108**

**ALLOWANCES**

Transformer Allowance for Ownership - per kW of billing	\$/kW	(0.60)
Primary Metering Allowance for transformer losses – applied to measured demand and energy	\$	(1.00)

**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 Board, and amendments thereto as approved by the 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 Board, and amendments thereto as approved by the Board, or as specified herein.

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

**Customer Administration**

Easement letter	\$	15.00
Notification charge	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Returned cheque charge (plus bank charges)	\$	15.00
Duplicate invoices for previous billing	\$	15.00
Income tax letter	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00

**Non-Payment of Account**

Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Disconnect/Reconnect at meter - during regular hours	\$	65.00
Disconnect/Reconnect at meter - after regular hours	\$	185.00
Specific Charge for Access to the Power Poles \$/pole/year	\$	22.35

**Waterloo North Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**

**Effective and Implementation Date January 1, 2016**

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

**EB-2015-0108**

**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 Board, and amendments thereto as approved by the 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 Board, and amendments thereto as approved by the 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 Board approval, such as the Debt Retirement Charge, 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	\$	100.00
Monthly Fixed Charge, per retailer	\$	20.00
Monthly Variable Charge, per customer, per retailer	\$/cust.	0.5000
Distributor-consolidated billing monthly charge, per customer, per retailer	\$/cust.	0.3000
Retailer-consolidated billing monthly credit, per customer, per retailer	\$/cust.	(0.3000)
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	\$	0.25
Processing fee, per request, applied to the requesting party	\$	0.50
Request for customer information as outlined in Section 10.6.3 and Chapter 11 of the 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)	\$	2.00

**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	1.0362
Total Loss Factor – Secondary Metered Customer > 5,000 kW	1.0147
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0259
Total Loss Factor – Primary Metered Customer > 5,000 kW	1.0047



**Appendix B – OEB Appendix 2-AB**

Please see below for an updated Appendix 2-AB revised to reflect this Settlement Proposal.

OEB Investment Category	Historical Period										Bridge Year	Forecast Period					Average
	2011		2012		2013		2014		2015		2016	2017	2018	2019	2020	2016 - 2020	
	Plan	Actual	Plan	Actual	Plan	Actual	Plan	Actual	Plan	Budgeted (2)							
System Access	(1)	\$ 5,616,458	(1)	\$ 7,835,847	(1)	\$ 8,667,885	(1)	\$ 5,625,933	(1)	\$ 11,905,668	\$ 11,171,628	\$ 7,520,910	\$ 6,020,046	\$ 5,946,859	\$ 6,085,796	\$ 7,349,048	
System Renewal	(1)	\$ 9,731,967	(1)	\$ 9,253,544	(1)	\$ 7,569,002	(1)	\$ 9,711,737	(1)	\$ 7,101,086	\$ 7,360,065	\$ 10,001,084	\$ 9,438,200	\$ 8,800,764	\$ 8,975,779	\$ 8,915,178	
System Service	(1)	\$ 1,832,799	(1)	\$ 1,649,794	(1)	\$ 1,573,868	(1)	\$ 2,311,676	(1)	\$ 1,571,473	\$ 2,405,950	\$ 1,680,000	\$ 1,725,200	\$ 1,175,404	\$ 1,175,612	\$ 1,632,433	
General Plant	(1)	\$ 29,572,430	(1)	\$ 3,380,268	(1)	\$ 2,140,562	(1)	\$ 2,044,660	(1)	\$ 2,260,750	\$ 1,869,078	\$ 2,813,765	\$ 1,661,176	\$ 1,670,309	\$ 1,649,525	\$ 1,932,771	
Totals		\$ 46,753,654		\$ 22,119,452		\$ 19,951,316		\$ 19,694,006		\$ 22,838,977	\$ 22,806,721	\$ 22,015,759	\$ 18,844,622	\$ 17,593,336	\$ 17,886,713	\$ 19,829,430	
System Operations		\$ 3,567,713		\$ 4,464,684		\$ 6,122,581		\$ 6,246,577		\$ 6,018,379	\$ 5,689,381						
System Maintenance		\$ 1,287,857		\$ 1,266,289		\$ 1,283,983		\$ 1,845,659		\$ 1,607,062	\$ 1,613,140						
Total O&M		\$ 4,855,570		\$ 5,730,973		\$ 7,406,564		\$ 8,092,236		\$ 7,625,441	\$ 7,302,521						

(1) This is Waterloo North Hydro's first Distribution System Plan and as such planned expenditures are not provided.

(2) due to the timing of the Application there are no actual expenditures available for 2015

## Appendix C – 2016 Fixed Asset Continuity Schedule

Please see below for an updated 2016 Fixed Asset Continuity Schedule to reflect this Settlement Proposal.

Appendix 2-BA  
Fixed Asset Continuity Schedule  
Accounting Standard: MIFRS  
Year: 2016

			Cost				Accumulated Depreciation				
CCA Class	OEB	Description	Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	Net Book Value
N/A	1805	Land	2,321,684		15,095	2,306,589	0			0	2,306,589
1b	1612	Land Rights	697,180	43,259		740,439	0			0	740,439
1b	1808	Buildings and Fixtures	30,493,333	128,050	35,688	30,585,695	3,962,605	839,579	23,473	4,778,711	25,806,984
13	1810	Leasehold Improvements	0			0	0			0	0
47	1815	Transformer Station Equipment - Normally Primary above	32,702,772	516,518		33,219,290	13,396,067	1,137,573		14,533,640	18,685,650
47	1820	Distribution Station Equipment - Normally Primary below	5,597,083	94,587		5,691,670	3,710,322	137,510		3,847,832	1,843,838
47	1825	Storage Battery Equipment	0			0	0			0	0
47	1830	Poles, Towers and Fixtures	68,420,424	3,611,587		72,032,011	26,053,752	1,176,513		27,230,264	44,801,746
47	1835	Overhead Conductors and Devices	37,985,703	3,319,842		41,305,544	11,439,265	832,160		12,271,425	29,034,120
47	1840	Underground Conduit	19,166,859	1,964,870		21,131,729	8,425,233	280,113		8,705,346	12,426,383
47	1845	Underground Conductors and Devices	44,392,197	5,336,630		49,728,827	20,205,930	1,023,385		21,229,315	28,499,512
47	1850	Line Transformers	57,507,844	4,106,004		61,613,848	24,113,855	1,146,132		25,259,987	36,353,861
47	1855	Services	26,409,533	1,044,553		27,454,086	12,779,915	364,147		13,144,063	14,310,024
8	1860	Meters	13,677,132	644,367		14,321,499	5,172,592	861,031		6,033,622	8,287,877
N/A	1865	Other Installations on Customer's Premises	0			0	0			0	0
N/A	1905	Land	0			0	0			0	0
CEC	1906	Land Rights	0			0	0			0	0
47	1908	Buildings and Fixtures	0			0	0			0	0
13	1910	Leasehold Improvements	0			0	0			0	0
8	1915	Office Furniture and Equipment	1,577,130	7,000		1,584,130	1,016,580	106,957		1,123,536	460,593
45/50	1920	Computer Equipment - Hardware	4,234,789	108,650		4,343,439	3,917,361	132,136		4,049,497	293,943
12/50	1611	Computer Software	6,823,715	871,760		7,695,475	5,793,849	476,948		6,270,797	1,424,678
10	1930	Transportation Equipment	9,126,170	619,409	316,071	9,429,508	5,472,270	589,154	305,084	5,756,340	3,673,169
8	1935	Stores Equipment	542,506			542,506	334,631	46,942		381,573	160,933
8	1940	Tools, Shop and Garage Equipment	1,447,361	77,000		1,524,361	1,131,371	117,919		1,249,290	275,072
8	1945	Measurement and Testing Equipment	941,204	15,000		956,204	822,680	44,963		867,642	88,562
8	1950	Power Operated Equipment	0			0	0			0	0
8	1955	Communication Equipment	944,263			944,263	607,835	92,368		700,203	244,060
8	1960	Miscellaneous Equipment	2,621,400	32,000		2,653,400	1,713,374	242,943		1,956,317	697,083
47	1970	Load Management Controls - Customer Premises	0			0	0			0	0
47	1975	Load Management Controls - Utility Premises	0			0	0			0	0
8	1980	System Supervisory Equipment	4,964,601	265,636		5,230,237	2,923,239	210,279		3,133,518	2,096,718
47	1985	Sentinel Lighting Rentals	0			0	0			0	0
47	1990	Other Tangible Property	0			0	0			0	0
47	1995	Contributions and Grants	(33,424,664)			(33,424,664)	(10,527,550)	(778,853)		(11,306,403)	(22,118,261)
2005		Property under Capital Lease	0			0	0			0	0
47	2440	Deferred Revenue - Contributed Capital	(6,288,938)	(6,372,309)		(12,661,248)	(164,469)	(248,033)		(412,501)	(12,248,746)
		<b>Total before Work in Process</b>	<b>332,881,281</b>	<b>16,434,411</b>	<b>366,854</b>	<b>348,948,838</b>	<b>142,300,708</b>	<b>8,831,862</b>	<b>328,557</b>	<b>150,804,014</b>	<b>198,144,825</b>
WIP	2070	Other utility plant	0			0				0	0
WIP	2055	Work in Process	1,704,604	1,703,555	1,704,604	1,703,555	0			0	1,703,555
WIP	2040	Electric Plant Held for Future Use	834,656			834,656					834,656
		<b>Total after Work in Process</b>	<b>335,420,541</b>	<b>18,137,966</b>	<b>2,071,458</b>	<b>351,487,049</b>	<b>142,300,708</b>	<b>8,831,862</b>	<b>328,557</b>	<b>150,804,014</b>	<b>200,683,036</b>

Less: Fully Allocated Depreciation	
Transportation	589,154
Truck Tools	117,919
Stores	46,942
<b>Net Depreciation</b>	<b>8,077,849</b>

### Appendix D – Bill Impacts

Please see below for updated Bill Impacts to reflect this Settlement Proposal.

Rate Class	kWh	kW	# of Connections	2015 Bill \$	2016 Bill \$	\$ Difference	Total Bill Impact %	Distribution Bill Impact % *	Distribution Bill Impact % **
Residential Time-of-Use	100			32.89	35.49	2.60	7.91%	12.77%	12.76%
	250			54.23	56.19	1.96	3.62%	7.59%	8.51%
	500			89.78	90.69	0.90	1.01%	1.40%	3.55%
	800			132.46	132.09	(0.37)	-0.28%	-3.64%	-0.41%
	1,000			160.91	159.69	(1.21)	-0.75%	-6.11%	-2.32%
	1,500			232.03	228.69	(3.34)	-1.44%	-10.50%	-5.68%
	2,000			303.16	297.69	(5.47)	-1.80%	-13.38%	-7.86%
GS < 50 kW Time-of-Use	1,000			175.53	173.39	(2.14)	-1.22%	-6.24%	-3.32%
	2,000			311.89	311.82	(0.07)	-0.02%	-3.53%	0.66%
	5,000			720.97	727.11	6.14	0.85%	0.34%	6.04%
	10,000			1,402.78	1,419.25	16.47	1.17%	2.71%	9.16%
	15,000			2,084.58	2,111.38	26.80	1.29%	3.73%	10.48%
GS 50-4,999 kW	20,000	60		3,368.95	3,488.74	119.78	3.56%	-0.87%	23.90%
	40,000	100		6,420.55	6,616.79	196.24	3.06%	-0.99%	25.23%
	100,000	250		15,848.61	16,339.20	490.59	3.10%	-1.12%	28.00%
	200,000	500		31,562.05	32,543.23	981.18	3.11%	-1.18%	29.06%
	400,000	1,000		60,412.51	62,374.87	1,962.36	3.25%	-1.20%	29.62%
Large Use	8,000,000	14,500		1,163,016.08	1,179,364.98	16,348.90	1.41%	0.62%	32.26%
USL	150		1	43.19	35.89	(7.30)	-16.91%	-34.92%	-33.20%
Street Lighting	150	1	1	33.43	35.51	2.08	6.23%	1.41%	20.42%
	50	0.14	1	9.14	9.42	0.28	3.03%	1.15%	14.89%
Embedded Distributor	2,615,000	6,000		337,870.45	350,697.10	12,826.65	3.80%	58.73%	1750.28%

\* Excludes Pass Through Items

\*\* Includes Pass Through Items

## Appendix E – OEB Appendix 2-EC, Account 1576

Please see below for an updated OEB Appendix 2-EC, Account 1576, to reflect this Settlement Proposal.

### Appendix 2-EC Account 1576 - Accounting Changes under CGAAP 2013 Changes in Accounting Policies under CGAAP

For applicants that made capitalization and depreciation expense accounting policy changes under CGAAP effective January 1, 2013

Reporting Basis	Rebasing Year	2011	2012	2013	2014	2015	2016 Rebasing Year
	CGAAP	IRM	IRM	IRM	IRM	MIFRS	MIFRS
	Forecast	Actual	Actual	Actual	Actual	Forecast	Forecast
				\$	\$	\$	\$
<b>PP&amp;E Values under former CGAAP</b>							
Opening net PP&E - Note 1				164,787,950	173,961,321	181,552,703	
Net Additions - Note 4				20,339,324	13,206,059	18,222,841	
Net Depreciation (amounts should be negative) - Note 3				(11,165,953)	(5,614,676)	(11,366,992)	
<b>Closing net PP&amp;E (1)</b>				173,961,321	181,552,703	188,408,552	
<b>PP&amp;E Values under revised CGAAP (Starts from 2013)</b>							
Opening net PP&E - Note 1				164,787,950	174,590,342	183,020,607	
Net Additions - Note 4				17,881,164	11,001,407	15,907,904	
Net Depreciation (amounts should be negative) - Note 3				(8,078,771)	(2,571,143)	(8,345,826)	
<b>Closing net PP&amp;E (2)</b>				174,590,342	183,020,607	190,582,685	
<b>Difference in Closing net PP&amp;E, former CGAAP vs. revised CGAAP</b>				(629,021)	(1,467,904)	(2,174,132)	
<b>Effect on Deferral and Variance Account Rate Riders</b>							
Closing balance in Account 1576						(2,174,132)	
Return on Rate Base Associated with Account 1576 balance at WACC - Note 2						(88,416)	
<b>Amount included in Deferral and Variance Account Rate Rider Calculation</b>						(2,262,548)	

<b>WACC</b>	6.02%
<b># of years of rate rider disposition period</b>	1

## **Appendix F – Draft Accounting Order – Wireless and Wireline**

Please see below for a Draft Accounting Order - Wireless, to reflect this Settlement Proposal.

### **Accounting Order Requested – 1508 Other Regulatory Asset – Sub-account Wireless and Wireline**

WNH requests a new variance account 1508 Other Regulatory Asset – Sub-account Wireless and Wireline Attachments, in relation to the creation of a variance account to record two items: 1) the net (less any related costs) incremental revenues received from any wireless attachments during the IRM period; and 2) any changes in revenue received due to any change in the currently regulated wireline attachment rate of \$22.35 per attachment per pole per year. For clarity, this is a symmetrical account that reflects changes to the rate rather than change in number of wireline attachments.

The Boards *Filing Requirements* indicate that in the event an applicant seeks an accounting order to establish a new deferral/variance account, the eligibility criteria must be met, including causation, materiality and prudence. The eligibility criteria has been met.

In the absence of a general variance account for this purpose, WNH requests that the Board approve an Accounting Order for WNH as part of this settlement, and that such an Accounting Order include the following:

- 1) The net (less any related costs) incremental revenues received from any wireless attachments during the IRM period. These incremental revenues will be recorded as follows:

*Accounting Entry:*

*Debit - Account 4210, Rent from Electric Property*

*Credit - Account 1508, Other Regulatory Asset – Sub-account Wireless and Wireline*

- 2) Any changes in revenue received due to any change in the currently regulated wireline attachment rate of \$22.35 per attachment per pole per year;

*Accounting Entry:*

*Debit/Credit - Account 4210, Rent from Electric Property*

*Credit/Debit - Account 1508, Other Regulatory Asset – Sub-account Wireless and Wireline*

- 3) The account is symmetrical that reflects changes to the rate rather than change in number of wireline attachments;
- 4) The balance in the variance account is to be disposed of at WNH's next Cost of Service Filing; and

- 5) Carrying charges, at the Board's Prescribed Interest Rate for Deferral and Variance Accounts, would be applied until final disposition.

## **Appendix G – Draft Accounting Order – MS Disposition**

Please see below for a Draft Accounting Order – MS Disposition, to reflect this Settlement Proposal.

### **Accounting Order Requested – 1508 Other Regulatory Asset – Sub-account MS Disposition**

WNH requests a new deferral/variance account 1508 Other Regulatory Asset – Sub-account MS Disposition ,in relation creation of a variance account to capture net gains and losses on disposition of various Municipal Station properties inclusive of remediation costs and taxes. Upon disposition, the balance of this account will be distributed with 75% to ratepayers and 25% to WNH. For clarity, this account is not symmetrical in that the Parties agree ratepayers will not owe a credit to WNH if this account is in a net loss scenario at the time of disposition. The balance in the variance account is to be disposed of at WNH’s next Cost of Service Filing

The Boards *Filing Requirements* indicate that in the event an applicant seeks an accounting order to establish a new deferral/variance account, the eligibility criteria must be met, including causation, materiality and prudence. The eligibility criteria has been met.

In the absence of a general variance account for this purpose, WNH requests that the Board approve an Accounting Order for WNH as part of this settlement, and that such an Accounting Order include the following:

- 1) The net gains and losses on disposition of various Municipal Station properties inclusive of remediation costs;

*Accounting Entry:*

*Debit/Credit - Account 4355/4360, Gain/Loss on Disposition of Utility and Other Property*

*Debit/Credit - Account 1508, Other Regulatory Asset – MS Disposition*

- 2) Upon disposition, the balance of this account will be distributed with 75% to ratepayers and 25% to WNH;
- 3) The account is not symmetrical in that the Parties agree ratepayers will not owe a credit to WNH if this account is in a net loss scenario at the time of disposition;
- 4) The balance in the variance account is to be disposed of at WNH’s next Cost of Service Filing; and
- 5) Carrying charges, at the Board’s Prescribed Interest Rate for Deferral and Variance Accounts, would be applied until final disposition.

## **Appendix H – Draft Accounting Order – OPEB**

Please see below for a Draft Accounting Order – OPEB Disposition, to reflect this Settlement Proposal.

### **Accounting Order Requested – 1508 Other Regulatory Asset – Sub-account OPEB**

WNH requests a new deferral/variance account 1508 Other Regulatory Asset – Sub-account OPEB, for the purpose of recording the difference in revenue requirement each year, starting in the test year, between both the capitalized and OM&A components of OPEBs accounted for using a cost basis (as to be reflected in rates if this settlement is accepted by the Board) and both capitalized and OM&A components of OPEBs accounted for using an accrual basis together with related PILs adjustments. This account will accrue interest until final disposition. If the Board determines that LDCs must only include in rates OPEBs accounted for using a cash basis, WNH will seek to discontinue this account without seeking disposition of the amounts recorded in this account. If the Board determines that LDCs may recover OPEBs in rates using an accrual accounting methodology, the Parties agree that WNH will be permitted to seek disposition of this account to recover the amounts so recorded in its next Rate Application following the Board's Decision. WNH will propose a disposition period over which the account should be recovered depending on the quantum in the account and the potential rate impacts at the time.

The Boards *Filing Requirements* indicate that in the event an applicant seeks an accounting order to establish a new deferral/variance account, the eligibility criteria must be met, including causation, materiality and prudence. The eligibility criteria has been met.

In the absence of a general variance account for this purpose, WNH requests that the Board approve an Accounting Order for WNH as part of this settlement, and that such an Accounting Order include the following:

- 1) The recording the difference in revenue requirement each year, starting in the test year, between both the capitalized and OM&A components of OPEBs accounted for using a cost basis (as to be reflected in rates if this settlement is accepted by the Board) and both capitalized and OM&A components of OPEBs accounted for using an accrual basis together with related PILs adjustments;

*Accounting Entry:*

*Debit - Account 1508, Other Regulatory Asset – Sub-account  
Credit – Account 5645, Employee Pensions and Benefits*

- 2) If the Board determines that LDCs must only include in rates OPEBs accounted for using a cash basis, WNH will seek to discontinue this account without seeking disposition of the amounts recorded in this account;



- 3) If the Board determines that LDCs may recover OPEBs in rates using an accrual accounting methodology, the Parties agree that WNH will be permitted to seek disposition of this account to recover the amounts so recorded in its next Rate Application following the Board's Decision. WNH will propose a disposition period over which the account should be recovered depending on the quantum in the account and the potential rate impacts at the time; and
- 4) Carrying charges, at the Board's Prescribed Interest Rate for Deferral and Variance Accounts, would be applied until final disposition.

**Appendix I - OPA/IESO Final 2011-2014 CDM Results**

Please see attached.



**Message from the Vice President:**

The IESO is pleased to provide the enclosed 2011-2014 Final Results Report. This report is designed to help populate LDC Annual Reports that will be submitted to the Ontario Energy Board (OEB) in September 2015.

**2011-2014 Conservation Framework Highlights:**

- LDCs have made significant achievements against dual energy and peak demand savings targets. Collectively, the LDCs have achieved 109% of the energy target and 70% of the peak demand target.
- Momentum has built as we transition to the Conservation First Framework. 2014 demonstrated an achievement of over 1 TWh of net incremental energy savings, positioning us well for average net incremental energy savings of 1.2 TWh required in the new framework to meet our 2020 CDM targets.
- Throughout the past framework, program results have become more predictable year over year as noted in the increasingly smaller variance between quarterly preliminary results and verified final results.
- Customer engagement continued to increase in both the Consumer and Business Programs. Between 2011 - 2014 consumers have purchased over 10 million energy efficient products through the saveONenergy COUPONS program. Customers in RETROFIT continue to declare a positive experience participating in the program with 86% likely to recommend.
- saveONenergy has seen a steady and significant increase in unaided brand awareness by 33% from 2011-2014
- Conservation is becoming even more cost-effective as programs become more efficient and effective. 2014 proved early investments in long lead time projects will pay off with the high savings now being realized in programs like PROCESS & SYSTEMS and RETROFIT. Within 4 cents per kWh, Conservation programs continue to be a valuable and cost effective resource for customers across the province.

The 2011-2014 Final Results within this report vary from the Draft 2011-2014 Final Results Report for the following reasons:

- Savings from Time of Use pricing are included in the Final Results Report. Overall the province saved 55 MWs from Time-of-Use pricing in 2014, or 0.73% of residential summer peak demand.
- Between August 4th and August 28th, the IESO and LDCs have worked collaboratively to reconcile projects from 2011-2014 Final Results Report to ensure every eligible project was captured and accurately reported.
- Verified savings from Innovation Fund pilots are also included for participating LDCs.

All results will be considered final for the 2011-2014 Conservation Framework. Any additional program activity not captured in the 2011-2014 Final Results Report will not be included as part of a future adjustment process.

Please continue to monitor saveONenergy E-blasts for future updates and should you have any other questions or comments please contact LDC.Support@ieso.ca.

We appreciate your collaboration and cooperation throughout the reporting and evaluation process and we look forward to the success ahead in the Conservation First Framework.

Sincerely,

Terry Young

<b>Table of Contents</b>			
	<b>Summary</b>	Provides a summary of the LDC specific IESO-Contracted Province-Wide Program performance to date: achievement against target using scenario 1, sector breakdown and progress to target for the LDC community.	<a href="#">3</a>
<b>LDC-Specific Performance (LDC Level Results)</b>			
Table 1	LDC Initiative and Program Level Net Savings	Provides LDC-specific initiative-level results (activity, net peak demand and energy savings, and how each initiative contributes to targets).	<a href="#">4</a>
Table 2	LDC Adjustments to Net Verified Results	Provides LDC-specific initiative level adjustments from previous years' (activity, net peak demand and energy savings).	<a href="#">5</a>
Table 3	LDC Realization Rates & NTGs	Provides LDC-specific initiative-level realization rates and net-to-gross ratios.	<a href="#">6</a>
Table 4	LDC Net Peak Demand Savings (MW)	Provides a portfolio level view of LDC achievement of net peak demand savings against OEB target.	<a href="#">7</a>
Table 5	LDC Net Energy Savings (GWh)	Provides a portfolio level view of LDC achievement of net energy savings against OEB target.	<a href="#">7</a>
<b>Province-Wide Data - (LDC Performance in Aggregate)</b>			
Table 6	Provincial Initiative and Program Level Net Savings	Provides province-wide initiative-level results (activity, net peak demand and energy savings, and how each initiative contributes to targets).	<a href="#">8</a>
Table 7	Provincial Adjustments to Net Verified Results	Provides province-wide initiative level adjustments from previous years (activity, net peak demand and energy savings).	<a href="#">9</a>
Table 8	Provincial Realization Rates & NTGs	Provides province-wide initiative-level realization rates and net-to-gross ratios.	<a href="#">10</a>
Table 9	Provincial Net Peak Demand Savings (MW)	Provides a portfolio level view of provincial achievement of net peak demand savings against the OEB target.	<a href="#">11</a>
Table 10	Provincial Net Energy Savings (GWh)	Provides a portfolio level view of achievement of provincial net energy savings against the OEB target.	<a href="#">11</a>
<b>Appendix</b>			
-	Methodology	Detailed descriptions of methods used for results.	<a href="#">12 to 21</a>
-	Reference Tables	Consumer Program allocation methodology.	<a href="#">22 to 23</a>
-	Glossary	Definitions for terms used throughout the report.	<a href="#">24</a>
Table 11	LDC Initiative and Program Level Gross Savings	Provides LDC-specific initiative-level results (gross peak demand and energy savings).	<a href="#">25</a>
Table 12	LDC Adjustments to Gross Verified Results	Provides LDC-specific initiative level adjustments from previous years (gross peak demand and energy savings).	<a href="#">26</a>
Table 13	Provincial Initiative and Program Level Gross Savings	Provides province-wide initiative-level results (gross peak demand and energy savings).	<a href="#">27</a>
Table 14	Provincial Adjustments to Gross Verified Results	Provides province-wide initiative level adjustments from previous years (gross peak demand and energy savings).	<a href="#">28</a>

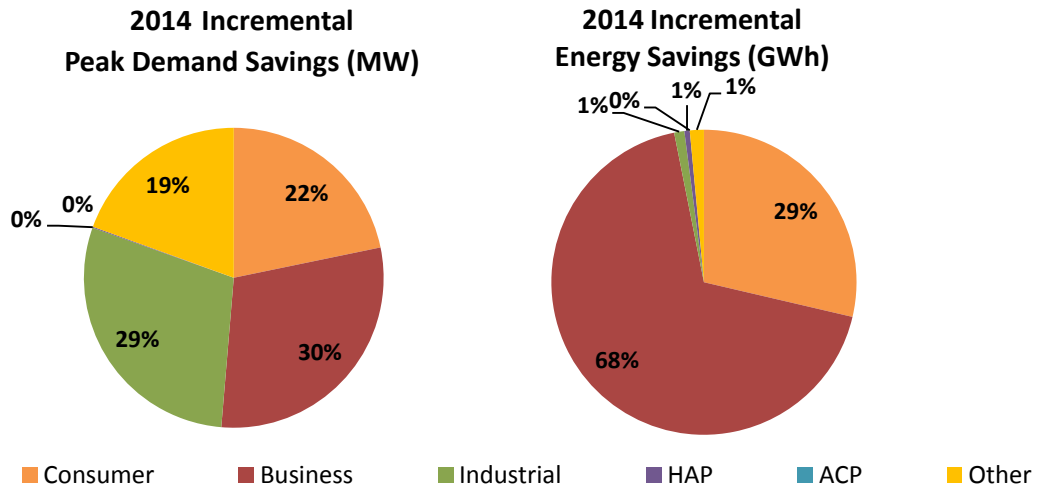
**IESO-Contracted Province-Wide CDM Programs: 2011-2014 Final Results Report**

**LDC:** Waterloo North Hydro Inc.

Final 2014 Achievement Against Targets	2014 Incremental	2011-2014	
		Achievement Against Target	% of Target Achieved
<b>Net Annual Peak Demand Savings (MW)</b>	4.2	8.1	<b>51.1%</b>
<b>Net Energy Savings (GWh)</b>	9.9	66.2	<b>99.6%</b>

*Unless otherwise noted, results are presented using scenario 1 which assumes that demand response resources have a persistence of 1 year*

**Achievement by Sector**



**Comparison: LDC Achievement vs. LDC Community Achievement (Progress to Target)**

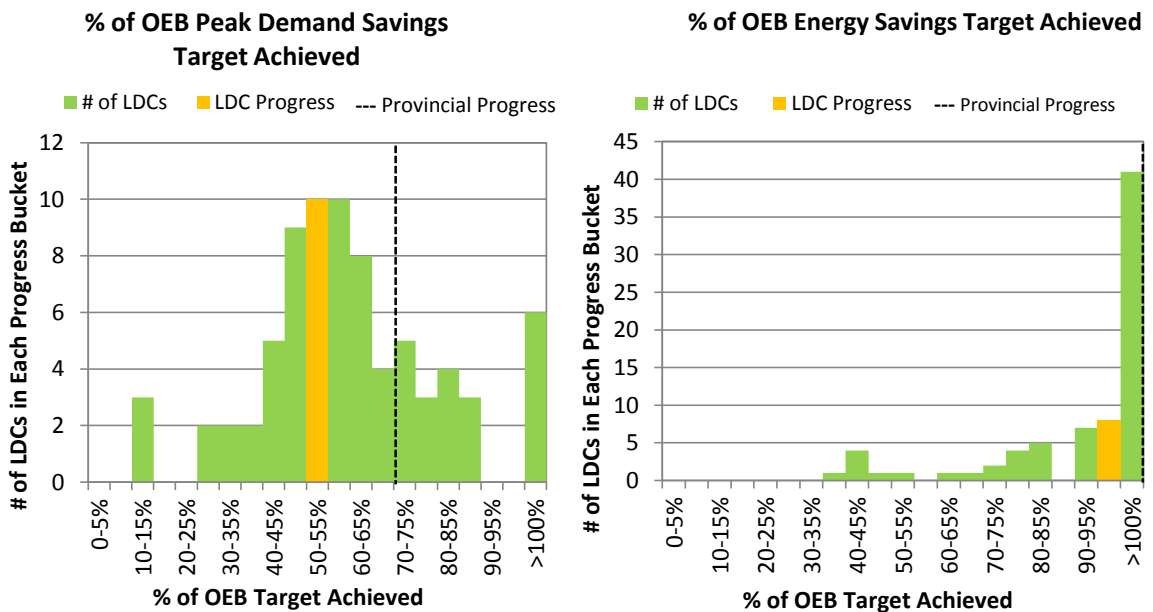


Table 1: Waterloo North Hydro Inc. Initiative and Program Level Net Savings by Year

Initiative	Unit	Incremental Activity (new program activity occurring within the specified reporting period)				Net Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Net Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)				Program-to-Date Verified Progress to Target (excludes DR)	
		2011*	2012*	2013*	2014	2011	2012	2013	2014	2011	2012	2013	2014	2014 Net Annual Peak Demand Savings (kW)	2011-2014 Net Cumulative Energy Savings (kWh)
														2014	2014
<b>Consumer Program</b>															
Appliance Retirement	Appliances	433	246	148	182	24	14	10	12	180,566	99,292	63,885	80,001	60	1,227,809
Appliance Exchange	Appliances	22	75	63	142	2	11	13	29	3,051	18,832	23,275	52,460	54	166,552
HVAC Incentives	Equipment	1,199	1,155	1,196	1,521	417	255	240	296	773,162	439,314	409,133	544,462	1,209	5,773,317
Conservation Instant Coupon Booklet	Items	5,070	309	3,486	18,825	12	2	5	42	186,550	14,008	77,221	515,369	61	1,458,036
Bi-Annual Retailer Event	Items	9,539	10,629	9,465	48,338	17	15	12	81	294,427	268,321	172,122	1,231,340	124	3,558,254
Retailer Co-op	Items	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Residential Demand Response	Devices	129	0	511	1,031	72	0	196	365	0	0	652	0	365	652
Residential Demand Response (IHD)	Devices	0	0	381	853	0	0	0	0	0	0	0	0	0	0
Residential New Construction	Homes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Consumer Program Total</b>						<b>544</b>	<b>298</b>	<b>476</b>	<b>826</b>	<b>1,437,756</b>	<b>839,767</b>	<b>746,287</b>	<b>2,423,632</b>	<b>1,874</b>	<b>12,184,620</b>
<b>Business Program</b>															
Retrofit	Projects	40	63	155	134	263	762	557	805	1,433,122	4,566,653	3,060,859	4,881,353	2,369	30,341,738
Direct Install Lighting	Projects	225	106	114	114	248	82	114	94	617,168	307,810	408,878	349,433	466	4,348,246
Building Commissioning	Buildings	0	0	0	0	0	0	0	0	0	0	0	0	0	0
New Construction	Buildings	0	2	3	4	0	4	1	30	0	3,763	1,047	147,947	35	161,329
Energy Audit	Audits	3	8	35	6	0	36	282	80	0	176,234	1,550,425	391,641	398	4,021,192
Small Commercial Demand Response	Devices	8	0	10	15	5	0	6	8	0	0	10	0	8	10
Small Commercial Demand Response (IHD)	Devices	0	0	2	3	0	0	0	0	0	0	0	0	0	0
Demand Response 3	Facilities	3	3	3	3	111	111	113	104	4,323	1,614	1,504	0	104	7,442
<b>Business Program Total</b>						<b>626</b>	<b>996</b>	<b>1,073</b>	<b>1,123</b>	<b>2,054,613</b>	<b>5,056,074</b>	<b>5,022,723</b>	<b>5,770,374</b>	<b>3,381</b>	<b>38,879,957</b>
<b>Industrial Program</b>															
Process & System Upgrades	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Monitoring & Targeting	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Energy Manager	Projects	0	0	1	17	0	0	0	24	0	0	0	91,627	24	91,627
Retrofit	Projects	11	0	0	0	180	0	0	0	1,128,878	0	0	0	180	4,515,511
Demand Response 3	Facilities	4	7	6	10	392	1,260	1,151	1,081	23,003	30,360	30,917	0	1,081	84,279
<b>Industrial Program Total</b>						<b>572</b>	<b>1,260</b>	<b>1,151</b>	<b>1,105</b>	<b>1,151,881</b>	<b>30,360</b>	<b>30,917</b>	<b>91,627</b>	<b>1,284</b>	<b>4,691,417</b>
<b>Home Assistance Program</b>															
Home Assistance Program	Homes	0	40	420	124	0	2	12	4	0	26,655	170,106	48,046	18	467,034
<b>Home Assistance Program Total</b>						<b>0</b>	<b>2</b>	<b>12</b>	<b>4</b>	<b>0</b>	<b>26,655</b>	<b>170,106</b>	<b>48,046</b>	<b>18</b>	<b>467,034</b>
<b>Aboriginal Program</b>															
Home Assistance Program	Homes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Direct Install Lighting	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Aboriginal Program Total</b>						<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Pre-2011 Programs completed in 2011</b>															
Electricity Retrofit Incentive Program	Projects	28	0	0	0	181	0	0	0	913,663	0	0	0	181	3,654,650
High Performance New Construction	Projects	6	1	0	0	182	21	0	0	932,887	105,383	0	0	203	4,047,698
Toronto Comprehensive	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Multifamily Energy Efficiency Rebates	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
LDC Custom Programs	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Pre-2011 Programs completed in 2011 Total</b>						<b>362</b>	<b>21</b>	<b>0</b>	<b>0</b>	<b>1,846,550</b>	<b>105,383</b>	<b>0</b>	<b>0</b>	<b>384</b>	<b>7,702,349</b>
<b>Other</b>															
Program Enabled Savings	Projects	0	0	0	3	0	0	0	89	0	0	0	125,622	89	125,622
Time-of-Use Savings	Homes	0	0	0	n/a	0	0	0	651	0	0	0	0	651	0
LDC Pilots	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Other Total</b>						<b>0</b>	<b>0</b>	<b>0</b>	<b>739</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>125,622</b>	<b>739</b>	<b>125,622</b>
<b>Adjustments to 2011 Verified Results</b>									<b>1</b>				<b>3,666</b>		
<b>Adjustments to 2012 Verified Results</b>													<b>387,881</b>		<b>527,582</b>
<b>Adjustments to 2013 Verified Results</b>															<b>892,901</b>
<b>Energy Efficiency Total</b>						<b>1,524</b>	<b>1,206</b>	<b>1,246</b>	<b>2,238</b>	<b>6,463,473</b>	<b>6,026,264</b>	<b>5,936,950</b>	<b>8,459,300</b>	<b>6,122</b>	<b>63,958,615</b>
<b>Demand Response Total (Scenario 1)</b>						<b>580</b>	<b>1,371</b>	<b>1,466</b>	<b>1,559</b>	<b>27,327</b>	<b>31,974</b>	<b>33,083</b>	<b>0</b>	<b>1,559</b>	<b>92,384</b>
<b>Adjustments to Previous Years' Verified Results Total</b>						<b>0</b>	<b>-36</b>	<b>66</b>	<b>365</b>	<b>0</b>	<b>-589,797</b>	<b>387,881</b>	<b>1,424,149</b>	<b>393</b>	<b>2,191,842</b>
<b>OPA-Contracted LDC Portfolio Total (inc. Adjustments)</b>						<b>2,104</b>	<b>2,541</b>	<b>2,777</b>	<b>4,161</b>	<b>6,490,800</b>	<b>5,468,441</b>	<b>6,357,914</b>	<b>9,883,449</b>	<b>8,074</b>	<b>66,242,840</b>
Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).												Full OEB Target:		<b>15,790</b>	<b>66,490,000</b>
*Includes adjustments after Final Reports were issued												% of Full OEB Target Achieved to Date (Scenario 1):		<b>51.1%</b>	<b>99.6%</b>
Results presented using scenario 1 which assumes that demand response resources have a persistence of 1 year															

Table 2: Adjustments to Waterloo North Hydro Inc. Net Verified Results due to Variances

Initiative	Unit	Incremental Activity (new program activity occurring within the specified reporting period)				Net Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Net Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)				Program-to-Date Verified Progress to Target (excludes DR)	
		2011*	2012*	2013*	2014	2011	2012	2013	2014	2011	2012	2013	2014	2014 Net Annual Peak Demand Savings (kW)	2011-2014 Net Cumulative Energy Savings (kWh)
														2014	2014
<b>Consumer Program</b>															
Appliance Retirement	Appliances	0	0	0		0	0	0		0	0	0		0	0
Appliance Exchange	Appliances	0	0	0		0	0	0		0	0	0		0	0
HVAC Incentives	Equipment	-239	29	49		-67	6	11		-122,413	11,623	18,614		-50	-417,558
Conservation Instant Coupon Booklet	Items	82	0	11		0	0	0		2,762	0	236		0	11,519
Bi-Annual Retailer Event	Items	820	0	0		1	0	0		21,875	0	0		1	87,500
Retailer Co-op	Items	0	0	0		0	0	0		0	0	0		0	0
Residential Demand Response	Devices	0	0	0		0	0	0		0	0	0		0	0
Residential Demand Response (IHD)	Devices	0	0	0		0	0	0		0	0	0		0	0
Residential New Construction	Homes	0	0	0		0	0	0		0	0	0		0	0
<b>Consumer Program Total</b>						<b>-66</b>	<b>6</b>	<b>11</b>		<b>-97,777</b>	<b>11,623</b>	<b>18,850</b>		<b>-49</b>	<b>-318,540</b>
<b>Business Program</b>															
Retrofit	Projects	0	10	22		0	138	188		0	867,127	641,866		323	3,875,167
Direct Install Lighting	Projects	11	0	0		9	0	0		18,673	0	0		7	68,824
Building Commissioning	Buildings	0	0	0		0	0	0		0	0	0		0	0
New Construction	Buildings	0	1	2		0	1	20		0	1,498	7,792		21	20,079
Energy Audit	Audits	3	1	3		16	7	27		79,195	32,009	146,477		49	705,760
Small Commercial Demand Response	Devices	0	0	0		0	0	0		0	0	0		0	0
Small Commercial Demand Response (IHD)	Devices	0	0	0		0	0	0		0	0	0		0	0
Demand Response 3	Facilities	0	0	0		0	0	0		0	0	0		0	0
<b>Business Program Total</b>						<b>25</b>	<b>146</b>	<b>235</b>		<b>97,868</b>	<b>900,633</b>	<b>796,135</b>		<b>401</b>	<b>4,669,830</b>
<b>Industrial Program</b>															
Process & System Upgrades	Projects	0	0	0		0	0	0		0	0	0		0	0
Monitoring & Targeting	Projects	0	0	0		0	0	0		0	0	0		0	0
Energy Manager	Projects	0	0	1		0	0	33		0	0	69,300		33	138,600
Retrofit	Projects	0	0	0		0	0	0		0	0	0		0	0
Demand Response 3	Facilities	0	0	0		0	0	0		0	0	0		0	0
<b>Industrial Program Total</b>						<b>0</b>	<b>0</b>	<b>33</b>		<b>0</b>	<b>0</b>	<b>69,300</b>		<b>33</b>	<b>138,600</b>
<b>Home Assistance Program</b>															
Home Assistance Program	Homes	0	3	21		0	1	2		0	3,238	18,599		2	46,843
<b>Home Assistance Program Total</b>						<b>0</b>	<b>1</b>	<b>2</b>		<b>0</b>	<b>3,238</b>	<b>18,599</b>		<b>2</b>	<b>46,843</b>
<b>Aboriginal Program</b>															
Home Assistance Program	Homes	0	0	0		0	0	0		0	0	0		0	0
Direct Install Lighting	Projects	0	0	0		0	0	0		0	0	0		0	0
<b>Aboriginal Program Total</b>						<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>
<b>Pre-2011 Programs completed in 2011</b>															
Electricity Retrofit Incentive Program	Projects	0	0	0		0	0	0		0	0	0		0	0
High Performance New Construction	Projects	1	0	0		5	0	0		-586,223	0	0		5	-2,344,891
Toronto Comprehensive	Projects	0	0	0		0	0	0		0	0	0		0	0
Multifamily Energy Efficiency Rebates	Projects	0	0	0		0	0	0		0	0	0		0	0
LDC Custom Programs	Projects	0	0	0		0	0	0		0	0	0		0	0
<b>Pre-2011 Programs completed in 2011 Total</b>						<b>5</b>	<b>0</b>	<b>0</b>		<b>-586,223</b>	<b>0</b>	<b>0</b>		<b>5</b>	<b>-2,344,891</b>
<b>Other</b>															
Program Enabled Savings	Projects	0	0	0		0	0	0		0	0	0		0	0
Time-of-Use Savings	Homes	0	0	0		0	0	0		0	0	0		0	0
LDC Pilots	Projects	0	0	0		0	0	0		0	0	0		0	0
<b>Other Total</b>						<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>
<b>Adjustments to 2011 Verified Results</b>						<b>-35</b>				<b>-586,131</b>				<b>-37</b>	<b>-2,350,395</b>
<b>Adjustments to 2012 Verified Results</b>							<b>152</b>				<b>915,494</b>			<b>152</b>	<b>2,746,451</b>
<b>Adjustments to 2013 Verified Results</b>								<b>280</b>				<b>902,884</b>		<b>277</b>	<b>1,795,785</b>
<b>Total Adjustments to Previous Years' Verified Results</b>						<b>-35</b>	<b>152</b>	<b>280</b>		<b>-586,131</b>	<b>915,494</b>	<b>902,884</b>		<b>393</b>	<b>2,191,842</b>

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

Adjustments to previous years' results shown in this table will not align to adjustments shown in Table 1 as the information presented above is presented in the implementation year. Adjustments in Table 1 reflect persisted savings in the year in which that adjustment is verified.

**Table 3: Waterloo North Hydro Inc. Realization Rate & NTG**

Initiative	Peak Demand Savings								Energy Savings							
	Realization Rate				Net-to-Gross Ratio				Realization Rate				Net-to-Gross Ratio			
	2011	2012	2013	2014	2011	2012	2013	2014	2011	2012	2013	2014	2011	2012	2013	2014
<b>Consumer Program</b>																
Appliance Retirement	1.00	1.00	n/a	n/a	0.51	0.46	0.42	0.42	1.00	1.00	n/a	n/a	0.52	0.47	0.44	0.44
Appliance Exchange	1.00	1.00	1.00	1.00	0.52	0.52	0.53	0.53	1.00	1.00	1.00	1.00	0.52	0.52	0.53	0.53
HVAC Incentives	1.00	1.00	n/a	1.00	0.60	0.50	0.48	0.51	1.00	1.00	n/a	1.00	0.60	0.49	0.48	0.51
Conservation Instant Coupon Booklet	1.00	1.00	1.00	1.00	1.14	1.00	1.11	1.34	1.00	1.00	1.00	1.00	1.11	1.05	1.13	1.39
Bi-Annual Retailer Event	1.00	1.00	1.00	1.00	1.13	0.91	1.04	1.74	1.00	1.00	1.00	1.00	1.10	0.92	1.04	1.75
Retailer Co-op	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Residential Demand Response	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Residential Demand Response (IHD)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Residential New Construction	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Business Program</b>																
Retrofit	0.97	0.94	0.91	0.85	0.71	0.71	0.70	0.70	1.16	1.00	0.96	0.93	0.74	0.70	0.71	0.70
Direct Install Lighting	1.08	0.68	0.81	0.78	0.93	0.94	0.94	0.94	0.90	0.85	0.84	0.83	0.93	0.94	0.94	0.94
Building Commissioning	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
New Construction	n/a	0.96	0.47	0.78	n/a	0.49	0.54	0.54	n/a	1.11	0.81	0.92	n/a	0.49	0.54	0.54
Energy Audit	n/a	n/a	1.02	0.96	n/a	n/a	0.66	0.68	n/a	n/a	0.97	1.00	n/a	n/a	0.66	0.67
Small Commercial Demand Response	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Small Commercial Demand Response (IHD)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Demand Response 3	0.76	n/a	n/a	n/a	n/a	n/a	n/a	n/a	1.00	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Industrial Program</b>																
Process & System Upgrades	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Monitoring & Targeting	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Energy Manager	n/a	n/a	n/a	0.91	n/a	n/a	n/a	0.90	n/a	n/a	n/a	0.96	n/a	n/a	n/a	0.90
Retrofit																
Demand Response 3	0.84	n/a	n/a	n/a	n/a	n/a	n/a	n/a	1.00	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Home Assistance Program</b>																
Home Assistance Program	n/a	1.15	0.93	0.95	n/a	1.00	1.00	1.00	n/a	1.03	0.86	0.74	n/a	1.00	1.00	1.00
<b>Aboriginal Program</b>																
Home Assistance Program	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Direct Install Lighting	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Pre-2011 Programs completed in 2011</b>																
Electricity Retrofit Incentive Program	0.78	n/a	n/a	n/a	0.52	n/a	n/a	n/a	0.78	n/a	n/a	n/a	0.53	n/a	n/a	n/a
High Performance New Construction	1.00	1.00	1.00	1.00	0.50	0.50	0.50	0.50	1.00	1.00	1.00	1.00	0.50	0.50	0.50	0.50
Toronto Comprehensive	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Multifamily Energy Efficiency Rebates	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
LDC Custom Programs	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Other</b>																
Program Enabled Savings	n/a	n/a	n/a	0.90	n/a	n/a	n/a	1.00	n/a	n/a	n/a	0.94	n/a	n/a	n/a	1.00
Time-of-Use Savings	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
LDC Pilots	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a



## Summary Achievement Against CDM Targets

Results are recognized using current IESO reporting policies. Energy efficiency resources persist for the duration of the effective useful life. Any upcoming code changes are taken into account. Demand response resources persist for 1 year (Scenario 1). Please see methodology tab for more detailed information.

### Table 4: Net Peak Demand Savings at the End User Level (MW) (Scenario 1)

Implementation Period	Annual			
	2011	2012	2013	2014
<b>2011 - Verified</b>	2.1	1.5	1.5	1.5
<b>2012 - Verified†</b>	0.0	2.5	1.2	1.2
<b>2013 - Verified†</b>	0.0	0.1	2.8	1.3
<b>2014 - Verified†</b>	0.0	0.1	0.4	4.2
<b>Verified Net Annual Peak Demand Savings Persisting in 2014:</b>				<b>8.1</b>
<b>Waterloo North Hydro Inc. 2014 Annual CDM Capacity Target:</b>				<b>15.8</b>
<b>Verified Portion of Peak Demand Savings Target Achieved in 2014 (%):</b>				<b>51.1%</b>

### Table 5: Net Energy Savings at the End User Level (GWh)

Implementation Period	Annual				Cumulative
	2011	2012	2013	2014	2011-2014
<b>2011 - Verified</b>	6.5	6.5	6.4	6.3	25.7
<b>2012 - Verified†</b>	-0.6	5.5	5.4	5.4	15.7
<b>2013 - Verified†</b>	0.0	0.4	6.4	6.3	13.1
<b>2014 - Verified†</b>	0.0	0.5	1.43	9.9	11.9
<b>Verified Net Cumulative Energy Savings 2011-2014:</b>					<b>66.2</b>
<b>Waterloo North Hydro Inc. 2011-2014 Annual CDM Energy Target:</b>					<b>66.5</b>
<b>Verified Portion of Cumulative Energy Target Achieved in 2014 (%):</b>					<b>99.6%</b>

*†Includes adjustments to previous years' verified results*

*Results presented using scenario 1 which assumes that demand response resources have a persistence of 1 year*

Table 6: Province-Wide Initiatives and Program Level Net Savings by Year (Scenario 1)

Initiative	Unit	Incremental Activity (new program activity occurring within the specified reporting period)				Net Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Net Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)				Program-to-Date Verified Progress to Target (excludes DR)	
		2011*	2012*	2013*	2014	2011	2012	2013	2014	2011	2012	2013	2014	2014 Net Annual Peak Demand Savings (kW)	2011-2014 Net Cumulative Energy Savings (kWh)
															2014
<b>Consumer Program</b>															
Appliance Retirement	Appliances	56,110	34,146	20,952	22,563	3,299	2,011	1,433	1,617	23,005,812	13,424,518	8,713,107	9,497,343	8,221	159,100,415
Appliance Exchange	Appliances	3,688	3,836	5,337	5,685	371	556	1,106	1,178	450,187	974,621	1,971,701	2,100,266	2,273	10,556,192
HVAC Incentives	Equipment	92,748	87,540	96,286	113,002	32,037	19,060	19,552	23,106	59,437,670	32,841,283	33,923,592	42,888,217	93,755	447,009,930
Conservation Instant Coupon Booklet	Items	567,678	30,891	347,946	1,208,108	1,344	230	517	2,440	21,211,537	1,398,202	7,707,573	32,802,537	4,531	137,258,436
Bi-Annual Retailer Event	Items	952,149	1,060,901	944,772	4,824,751	1,681	1,480	1,184	8,043	29,387,468	26,781,674	17,179,841	122,902,769	12,389	355,157,348
Retailer Co-op	Items	152	0	0	0	0	0	0	0	2,652	0	0	0	0	10,607
Residential Demand Response	Devices	19,550	98,388	171,733	241,381	10,947	49,038	93,076	117,513	24,870	359,408	390,303	8,379	117,513	782,960
Residential Demand Response (IHD)	Devices	0	49,689	133,657	188,577	0	0	0	0	0	0	0	0	0	0
Residential New Construction	Homes	27	21	279	2,367	0	2	18	369	743	17,152	163,690	2,330,865	390	2,712,676
<b>Consumer Program Total</b>						<b>49,681</b>	<b>72,377</b>	<b>116,886</b>	<b>154,267</b>	<b>133,520,941</b>	<b>75,796,859</b>	<b>70,049,807</b>	<b>212,530,376</b>	<b>239,772</b>	<b>1,112,588,565</b>
<b>Business Program</b>															
Retrofit	Projects	2,828	6,481	9,746	10,925	24,467	61,147	59,678	70,662	136,002,258	314,922,468	345,346,008	462,903,521	213,493	2,631,401,223
Direct Install Lighting	Projects	20,741	18,691	17,833	23,784	23,724	15,284	18,708	23,419	61,076,701	57,345,798	64,315,558	84,503,302	73,304	604,196,658
Building Commissioning	Buildings	0	0	0	5	0	0	0	988	0	0	0	1,513,377	988	1,513,377
New Construction	Buildings	25	98	158	226	123	764	1,584	6,432	411,717	1,814,721	4,959,266	20,381,204	8,904	37,390,767
Energy Audit	Audits	222	357	589	473	0	1,450	2,811	6,323	0	7,049,351	15,455,795	30,874,399	10,583	82,934,042
Small Commercial Demand Response	Devices	132	294	1,211	3,652	84	187	773	2,116	157	1,068	373	319	2,116	1,916
Small Commercial Demand Response (IHD)	Devices	0	0	378	820	0	0	0	0	0	0	0	0	0	0
Demand Response 3	Facilities	145	151	175	180	16,218	19,389	23,706	23,380	633,421	281,823	346,659	0	23,380	1,261,903
<b>Business Program Total</b>						<b>64,617</b>	<b>98,221</b>	<b>107,261</b>	<b>133,319</b>	<b>198,124,253</b>	<b>381,415,230</b>	<b>430,423,659</b>	<b>600,176,121</b>	<b>332,769</b>	<b>3,358,699,887</b>
<b>Industrial Program</b>															
Process & System Upgrades	Projects	0	0	5	10	0	0	294	9,692	0	0	2,603,764	72,053,255	9,986	77,260,782
Monitoring & Targeting	Projects	0	1	3	5	0	0	0	102	0	0	0	502,517	102	502,517
Energy Manager	Projects	1	132	306	379	0	1,086	3,558	5,191	0	7,372,108	21,994,263	40,436,427	8,384	95,324,998
Retrofit	Projects	433	0	0	0	4,615	0	0	0	28,866,840	0	0	0	4,613	115,462,282
Demand Response 3	Facilities	124	185	281	336	52,484	74,056	162,543	166,082	3,080,737	1,784,712	4,309,160	0	166,082	9,174,609
<b>Industrial Program Total</b>						<b>57,098</b>	<b>75,141</b>	<b>166,395</b>	<b>181,066</b>	<b>31,947,577</b>	<b>9,156,820</b>	<b>28,907,187</b>	<b>112,992,199</b>	<b>189,168</b>	<b>297,725,188</b>
<b>Home Assistance Program</b>															
Home Assistance Program	Homes	46	5,920	29,654	25,424	2	566	2,361	2,466	39,283	5,442,232	20,987,275	19,582,658	5,370	77,532,571
<b>Home Assistance Program Total</b>						<b>2</b>	<b>566</b>	<b>2,361</b>	<b>2,466</b>	<b>39,283</b>	<b>5,442,232</b>	<b>20,987,275</b>	<b>19,582,658</b>	<b>5,370</b>	<b>77,532,571</b>
<b>Aboriginal Program</b>															
Home Assistance Program	Homes	0	0	717	1,125	0	0	267	549	0	0	1,609,393	3,101,207	816	6,319,993
Direct Install Lighting	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Aboriginal Program Total</b>						<b>0</b>	<b>0</b>	<b>267</b>	<b>549</b>	<b>0</b>	<b>0</b>	<b>1,609,393</b>	<b>3,101,207</b>	<b>816</b>	<b>6,319,993</b>
<b>Pre-2011 Programs completed in 2011</b>															
Electricity Retrofit Incentive Program	Projects	2,028	0	0	0	21,662	0	0	0	121,138,219	0	0	0	21,662	484,552,876
High Performance New Construction	Projects	182	73	19	3	5,098	3,251	772	134	26,185,591	11,901,944	3,522,240	688,738	9,255	148,181,415
Toronto Comprehensive	Projects	577	15	4	5	15,805	0	0	281	86,964,886	0	0	2,479,840	16,086	350,339,385
Multifamily Energy Efficiency Rebates	Projects	110	0	0	0	1,981	0	0	0	7,595,683	0	0	0	1,981	30,382,733
LDC Custom Programs	Projects	8	0	0	0	399	0	0	0	1,367,170	0	0	0	399	5,468,679
<b>Pre-2011 Programs completed in 2011 Total</b>						<b>44,945</b>	<b>3,251</b>	<b>772</b>	<b>415</b>	<b>243,251,550</b>	<b>11,901,944</b>	<b>3,522,240</b>	<b>3,168,578</b>	<b>49,382</b>	<b>1,018,925,088</b>
<b>Other</b>															
Program Enabled Savings	Projects	33	71	46	43	0	2,304	3,692	5,500	0	1,188,362	4,075,382	19,035,337	11,496	30,751,187
Time-of-Use Savings	Homes	0	0	0	n/a	0	0	0	54,795	0	0	0	0	54,795	0
LDC Pilots	Projects	0	0	0	1,174	0	0	0	1,170	0	0	0	5,061,522	1,170	5,061,522
<b>Other Total</b>						<b>0</b>	<b>2,304</b>	<b>3,692</b>	<b>61,466</b>	<b>0</b>	<b>1,188,362</b>	<b>4,075,382</b>	<b>24,096,859</b>	<b>67,462</b>	<b>35,812,709</b>
<b>Adjustments to 2011 Verified Results</b>							<b>1,406</b>	<b>641</b>	<b>1,418</b>		<b>18,689,081</b>	<b>1,736,381</b>	<b>7,319,857</b>	<b>3,215</b>	<b>110,143,550</b>
<b>Adjustments to 2012 Verified Results</b>								<b>6,260</b>	<b>9,221</b>			<b>41,947,840</b>	<b>37,080,215</b>	<b>15,401</b>	<b>238,780,637</b>
<b>Adjustments to 2013 Verified Results</b>									<b>24,391</b>				<b>150,785,808</b>	<b>24,391</b>	<b>296,465,211</b>
<b>Energy Efficiency Total</b>						<b>136,610</b>	<b>109,191</b>	<b>117,536</b>	<b>224,457</b>	<b>603,144,419</b>	<b>482,474,435</b>	<b>554,528,447</b>	<b>975,639,300</b>	<b>575,647</b>	<b>5,896,382,612</b>
<b>Demand Response Total (Scenario 1)</b>						<b>79,733</b>	<b>142,670</b>	<b>280,099</b>	<b>309,091</b>	<b>3,739,185</b>	<b>2,427,011</b>	<b>5,046,495</b>	<b>8,698</b>	<b>309,091</b>	<b>11,221,389</b>
<b>Adjustments to Previous Years' Verified Results Total</b>						<b>0</b>	<b>1,406</b>	<b>6,901</b>	<b>35,030</b>	<b>0</b>	<b>18,689,081</b>	<b>43,684,221</b>	<b>195,185,880</b>	<b>43,006</b>	<b>645,389,397</b>
<b>OPA-Contracted LDC Portfolio Total (inc. Adjustments)</b>						<b>216,343</b>	<b>253,267</b>	<b>404,536</b>	<b>568,578</b>	<b>606,883,604</b>	<b>503,590,526</b>	<b>603,259,163</b>	<b>1,170,833,878</b>	<b>927,745</b>	<b>6,552,993,397</b>
Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).												*Includes adjustments after Final Reports were issued			
Results presented using scenario 1 which assumes that demand response resources have a persistence of 1 year												Full OEB Target:			
												<b>1,330,000</b>	<b>6,000,000,000</b>		
												<b>% of Full OEB Target Achieved to Date (Scenario 1):</b>			
												<b>70%</b>	<b>109%</b>		

Table 7: Adjustments to Province-Wide Net Verified Results due to Variances

Initiative	Unit	Incremental Activity (new program activity occurring within the specified reporting period)				Net Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Net Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)				Program-to-Date Verified Progress to Target (excludes DR)	
		2011*	2012*	2013*	2014	2011	2012	2013	2014	2011	2012	2013	2014	2014 Net Annual Peak Demand Savings (kW)	2011-2014 Net Cumulative Energy Savings (kWh)
<b>Consumer Program</b>															
Appliance Retirement	Appliances	0	0	0		0	0	0		0	0	0		0	0
Appliance Exchange	Appliances	0	0	0		0	0	0		0	0	0		0	0
HVAC Incentives	Equipment	-18,839	2,319	4,705		-5,270	479	1,037		-9,707,002	955,512	1,838,408		-3,754	-32,284,656
Conservation Instant Coupon Booklet	Items	8,216	0	1,050		16	0	2		275,655	0	23,571		18	1,149,763
Bi-Annual Retailer Event	Items	81,817	0	0		108	0	0		2,183,391	0	0		108	8,733,563
Retailer Co-op	Items	0	0	0		0	0	0		0	0	0		0	0
Residential Demand Response	Devices	0	0	0		0	0	0		0	0	0		0	0
Residential Demand Response (IHD)	Devices	0	0	0		0	0	0		0	0	0		0	0
Residential New Construction	Homes	20	2	193		1	1	72		14,667	985	441,938		74	945,497
<b>Consumer Program Total</b>						<b>-5,145</b>	<b>480</b>	<b>1,111</b>		<b>-7,233,290</b>	<b>956,497</b>	<b>2,303,917</b>		<b>-3,555</b>	<b>-21,664,975</b>
<b>Business Program</b>															
Retrofit	Projects	312	876	961		3,208	7,233	11,961		16,266,129	42,498,052	78,146,280		22,056	347,545,386
Direct Install Lighting	Projects	444	197	51		501	204	46		1,250,388	736,541	164,667		620	7,158,143
Building Commissioning	Buildings	0	0	0		0	0	0		0	0	0		0	0
New Construction	Buildings	15	29	72		850	1,304	2,241		3,604,553	4,825,774	8,636,179		4,401	46,187,216
Energy Audit	Audits	119	77	270		604	439	2,383		2,945,189	2,145,367	13,100,635		3,426	44,418,129
Small Commercial Demand Response	Devices	0	0	0		0	0	0		0	0	0		0	0
Small Commercial Demand Response (IHD)	Devices	0	0	0		0	0	0		0	0	0		0	0
Demand Response 3	Facilities	0	0	0		0	0	0		0	0	0		0	0
<b>Business Program Total</b>						<b>5,162</b>	<b>9,181</b>	<b>16,631</b>		<b>24,066,259</b>	<b>50,205,734</b>	<b>100,047,761</b>		<b>30,503</b>	<b>385,148,444</b>
<b>Industrial Program</b>															
Process & System Upgrades	Projects	0	0	2		0	0	324		0	0	968,659		324	1,937,318
Monitoring & Targeting	Projects	0	1	3		0	0	54		0	528,000	639,348		54	2,862,696
Energy Manager	Projects	1	93	101		27	1,067	2,395		241,515	8,266,841	25,814,853		4,345	81,853,489
Retrofit	Projects	0	0	0		0	0	0		0	0	0		0	0
Demand Response 3	Facilities	0	0	0		0	0	0		0	0	0		0	0
<b>Industrial Program Total</b>						<b>27</b>	<b>1,067</b>	<b>2,774</b>		<b>241,515</b>	<b>8,794,841</b>	<b>27,422,860</b>		<b>4,723</b>	<b>61,215,516</b>
<b>Home Assistance Program</b>															
Home Assistance Program	Homes	0	887	2,898		0	222	791		0	1,316,749	4,321,794		1,009	12,515,300
<b>Home Assistance Program Total</b>						<b>0</b>	<b>222</b>	<b>791</b>		<b>0</b>	<b>1,316,749</b>	<b>4,321,794</b>		<b>1,009</b>	<b>8,581,177</b>
<b>Aboriginal Program</b>															
Home Assistance Program	Homes	0	0	133		0	0	134		0	0	563,715		134	1,127,430
Direct Install Lighting	Projects	0	0	0		0	0	0		0	0	0		0	0
<b>Aboriginal Program Total</b>						<b>0</b>	<b>0</b>	<b>134</b>		<b>0</b>	<b>0</b>	<b>563,715</b>		<b>134</b>	<b>1,127,430</b>
<b>Pre-2011 Programs completed in 2011</b>															
Electricity Retrofit Incentive Program	Projects	12	0	0		138	0	0		545,536	0	0		138	2,182,145
High Performance New Construction	Projects	37	4	15		1,507	363	-184		2,398,941	2,832,533	-993,596		1,686	16,106,171
Toronto Comprehensive	Projects	0	15	4		0	672	185		0	4,523,517	1,324,388		857	16,219,327
Multifamily Energy Efficiency Rebates	Projects	0	0	0		0	0	0		0	0	0		0	0
LDC Custom Programs	Projects	0	0	0		0	0	0		0	0	0		0	0
<b>Pre-2011 Programs completed in 2011 Total</b>						<b>1,645</b>	<b>1,035</b>	<b>2</b>		<b>2,944,477</b>	<b>7,356,050</b>	<b>330,792</b>		<b>2,682</b>	<b>11,104,528</b>
<b>Other</b>															
Program Enabled Savings	Projects	33	55	33		1,776	3,712	2,020		7,727,573	11,481,687	10,688,564		7,509	86,732,481
Time-of-Use Savings	Homes	0	0	0		0	0	0		0	0	0		0	0
LDC Pilots	Projects	0	0	0		0	0	0		0	0	0		0	0
<b>Other Total</b>						<b>1,776</b>	<b>3,712</b>	<b>2,020</b>		<b>7,727,573</b>	<b>11,481,687</b>	<b>10,688,564</b>		<b>7,509</b>	<b>86,732,481</b>
<b>Adjustments to 2011 Verified Results</b>						<b>3,465</b>				<b>27,746,535</b>				<b>3,215</b>	<b>110,143,550</b>
<b>Adjustments to 2012 Verified Results</b>							<b>15,697</b>				<b>80,111,558</b>			<b>15,401</b>	<b>238,780,637</b>
<b>Adjustments to 2013 Verified Results</b>								<b>23,463</b>				<b>145,679,403</b>		<b>24,391</b>	<b>296,465,211</b>
<b>Adjustments to Previous Years' Verified Results Total</b>						<b>3,465</b>	<b>15,697</b>	<b>23,463</b>		<b>27,746,535</b>	<b>80,111,558</b>	<b>145,679,403</b>		<b>43,006</b>	<b>645,389,397</b>

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

Adjustments to previous years' results shown in this table will not align to adjustments shown in Table 1 as the information presented above is presented in the implementation year. Adjustments in Table 1 reflect persisted savings in the year in which that adjustment is verified.

**Table 8: Province-Wide Realization Rate & NTG**

Initiative	Peak Demand Savings								Energy Savings							
	Realization Rate				Net-to-Gross Ratio				Realization Rate				Net-to-Gross Ratio			
	2011	2012	2013	2014	2011	2012	2013	2014	2011	2012	2013	2014	2011	2012	2013	2014
<b>Consumer Program</b>																
Appliance Retirement	1.00	1.00	1.00	1.00	0.51	0.46	0.42	0.45	1.00	1.00	1.00	1.00	0.46	0.47	0.44	0.47
Appliance Exchange	1.00	1.00	1.00	1.00	0.51	0.52	0.53	0.53	1.00	1.00	1.00	1.00	0.52	0.52	0.53	0.53
HVAC Incentives	1.00	1.00	1.00	1.00	0.60	0.50	0.48	0.48	1.00	1.00	1.00	1.00	0.50	0.49	0.48	0.48
Conservation Instant Coupon Booklet	1.00	1.00	1.00	1.00	1.14	1.00	1.11	1.69	1.00	1.00	1.00	1.00	1.00	1.05	1.13	1.73
Bi-Annual Retailer Event	1.00	1.00	1.00	1.00	1.12	0.91	1.04	1.74	1.00	1.00	1.00	1.00	0.91	0.92	1.04	1.75
Retailer Co-op	1.00	n/a	n/a	n/a	0.68	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Residential Demand Response	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Residential Demand Response (IHD)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Residential New Construction	1.00	3.65	0.78	1.03	0.41	0.49	0.63	0.63	3.65	7.17	3.09	0.62	0.49	0.49	0.63	0.63
<b>Business Program</b>																
Retrofit	1.06	0.93	0.92	0.84	0.72	0.75	0.73	0.71	0.93	1.05	1.01	0.98	0.75	0.76	0.73	0.72
Direct Install Lighting	1.08	0.69	0.82	0.78	1.08	0.94	0.94	0.94	0.69	0.85	0.84	0.83	0.94	0.94	0.94	0.94
Building Commissioning	n/a	n/a	n/a	1.97	n/a	n/a	n/a	1.00	n/a	n/a	n/a	1.16	n/a	n/a	n/a	1.00
New Construction	0.50	0.98	0.68	0.71	0.50	0.49	0.54	0.54	0.98	0.99	0.76	0.79	0.49	0.49	0.54	0.54
Energy Audit	n/a	n/a	1.02	0.96	n/a	n/a	0.66	0.68	n/a	n/a	0.97	1.00	n/a	n/a	0.66	0.67
Small Commercial Demand Response	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Small Commercial Demand Response (IHD)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Demand Response 3	0.76	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Industrial Program</b>																
Process & System Upgrades	n/a	n/a	0.85	0.96	n/a	n/a	0.94	0.79	n/a	n/a	0.87	0.96	n/a	n/a	0.93	0.80
Monitoring & Targeting	n/a	n/a	n/a	0.59	n/a	n/a	n/a	1.00	n/a	n/a	n/a	0.36	n/a	n/a	n/a	1.00
Energy Manager	n/a	1.16	0.90	0.91	n/a	0.90	0.90	0.90	1.16	1.16	0.90	0.96	0.90	0.90	0.90	0.85
Retrofit	1.11	n/a	n/a	n/a	0.72	n/a	n/a	n/a	0.91	n/a	n/a	n/a	0.75	n/a	n/a	n/a
Demand Response 3	0.84	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Home Assistance Program</b>																
Home Assistance Program	1.00	0.32	0.26	0.49	0.70	1.00	1.00	1.00	0.32	0.99	0.88	0.78	1.00	1.00	1.00	1.00
<b>Aboriginal Program</b>																
Home Assistance Program	n/a	n/a	0.05	0.15	n/a	n/a	1.00	1.00	n/a	n/a	0.95	0.97	n/a	n/a	1.00	1.00
Direct Install Lighting	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Pre-2011 Programs completed in 2011</b>																
Electricity Retrofit Incentive Program	0.80	n/a	n/a	n/a	0.54	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
High Performance New Construction	1.00	1.00	1.00	n/a	0.49	0.50	0.50	0.50	1.00	1.00	1.00	n/a	0.50	0.50	0.50	0.50
Toronto Comprehensive	1.13	n/a	n/a	n/a	0.50	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Multifamily Energy Efficiency Rebates	0.93	n/a	n/a	n/a	0.78	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
LDC Custom Programs	1.00	n/a	n/a	n/a	1.00	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Other</b>																
Program Enabled Savings	n/a	1.06	1.00	0.86	n/a	1.00	1.00	1.00	n/a	2.26	1.00	0.98	n/a	1.00	1.00	1.00
Time-of-Use Savings	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
LDC Pilots	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

## Summary Provincial Progress Towards CDM Targets

### Table 9: Province-Wide Net Peak Demand Savings at the End User Level (MW)

Implementation Period	Annual			
	2011	2012	2013	2014
2011	216.3	136.6	135.8	129.0
2012†	1.4	253.3	109.8	108.2
2013†	0.6	7.0	404.5	122.0
2014†	1.4	10.8	34.2	568.6
<b>Verified Net Annual Peak Demand Savings in 2014:</b>				<b>927.7</b>
<b>2014 Annual CDM Capacity Target:</b>				<b>1,330</b>
<b>Verified Portion of Peak Demand Savings Target Achieved in 2014 (%):</b>				<b>69.8%</b>

### Table 10: Province-Wide Net Energy Savings at the End-User Level (GWh)

Implementation Period	Annual				Cumulative
	2011	2012	2013	2014	2011-2014
2011	606.9	603.0	601.0	582.3	2,393.1
2012†	18.7	503.6	498.4	492.6	1,513.3
2013†	1.7	44.4	603.3	583.4	1,232.8
2014†	7.3	44.8	191.0	1,170.8	1,413.9
<b>Verified Net Cumulative Energy Savings 2011-2014:</b>					<b>6,553.0</b>
<b>2011-2014 Cumulative CDM Energy Target:</b>					<b>6,000</b>
<b>Verified Portion of Cumulative Energy Target Achieved in 2014 (%):</b>					<b>109.2%</b>

†Includes adjustments to previous years' verified results

Results presented using scenario 1 which assumes that demand response resources have a persistence of 1 year

## METHODOLOGY

All results are at the end-user level (not including transmission and distribution losses)

EQUATIONS	
Prescriptive Measures and Projects	<p><b>Gross Savings = Activity * Per Unit Assumption</b>  <b>Net Savings = Gross Savings * Net-to-Gross Ratio</b>  <b>All savings are annualized (i.e. the savings are the same regardless of time of year a project was completed or measure installed)</b></p>
Engineered and Custom Projects	<p><b>Gross Savings = Reported Savings * Realization Rate</b>  <b>Net Savings = Gross Savings * Net-to-Gross Ratio</b>  <b>All savings are annualized (i.e. the savings are the same regardless of time of year a project was completed or measure installed)</b></p>
Demand Response	<p><b>Peak Demand: Gross Savings = Net Savings = contracted MW at contributor level * Provincial contracted to ex ante ratio</b>  <b>Energy: Gross Savings = Net Savings = provincial ex post energy savings * LDC proportion of total provincial contracted MW</b>  <b>All savings are annualized (i.e. the savings are the same regardless of the time of year a participant began offering DR)</b></p>
Adjustments to Previous Years' Verified Results	<p>All variances from the Final Annual Results Reports from prior years will be adjusted within this report. Any variances with regards to projects counts, data lag, and calculations etc., will be made within this report. Considers the cumulative effect of energy savings.</p>

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
<b>Consumer Program</b>			
Appliance Retirement	Includes both retail and home pickup stream. Retail stream allocated based on average of 2008 & 2009 residential throughput; Home pickup stream directly attributed by postal code or customer selection.	Savings are considered to begin in the year the appliance is picked up.	Peak demand and energy savings are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
Appliance Exchange	When postal code information is provided by customer, results are directly attributed to the LDC. When postal code is not available, results allocated based on average of 2008 & 2009 residential throughput.	Savings are considered to begin in the year that the exchange event occurred.	
HVAC Incentives	Results directly attributed to LDC based on customer postal code.	Savings are considered to begin in the year that the installation occurred.	

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Conservation Instant Coupon Booklet	LDC-coded coupons directly attributed to LDC. Otherwise results are allocated based on average of 2008 & 2009 residential throughput.	Savings are considered to begin in the year in which the coupon was redeemed.	Peak demand and energy savings are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
Bi-Annual Retailer Event	Results are allocated based on average of 2008 & 2009 residential throughput.	Savings are considered to begin in the year in which the event occurs.	
Retailer Co-op	When postal code information is provided by the customer, results are directly attributed. If postal code information is not available, results are allocated based on average of 2008 & 2009 residential throughput.	Savings are considered to begin in the year of the home visit and installation date.	Peak demand and energy savings are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
Residential Demand Response	Results are directly attributed to LDC based on data provided to IESO through project completion reports and continuing participant lists.	Savings are considered to begin in the year the device was installed and/or when a customer signed a peaksaver PLUS™ participant agreement.	Peak demand savings are based on an ex ante estimate assuming a 1 in 10 weather year and represents the "insurance value" of the initiative. Energy savings are based on an ex post estimate which reflects the savings that occurred as a result of activations in the year and accounts for any "snapback" in energy consumption experienced after the event. Savings are assumed to persist for only 1 year, reflecting that savings will only occur if the resource is activated.

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Residential New Construction	Results are directly attributed to LDC based on LDC identified in application in the iCon system. Initiative was not evaluated in 2011, reported results are presented with forecast assumptions as per the business case.	Savings are considered to begin in the year of the project completion date.	Peak demand and energy savings are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
<b>Business Program</b>			
Efficiency: Equipment Replacement	Results are directly attributed to LDC based on LDC identified at the facility level in the iCon system. Projects in the Application Status: "Post-Stage Submission" are included (excluding "Payment denied by LDC"); Please see page for Building type to Sector mapping.	Savings are considered to begin in the year of the actual project completion date in the iCON system.	Peak demand and energy savings are determined by the total savings for a given project as reported in the iCON system (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). Both realization rate and net-to-gross ratios can differ for energy and demand savings and depend on the mix of projects within an LDC territory (i.e. lighting or non-lighting project, engineered/custom/prescriptive track).
	Additional Note: project counts were derived by filtering out invalid statuses (e.g. Post-Project Submission - Payment denied by LDC) and only including projects with an "Actual Project Completion Date" in 2014)		



Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Direct Installed Lighting	Results are directly attributed to LDC based on the LDC specified on the work order.	Savings are considered to begin in the year of the actual project completion date.	Peak demand and energy savings are determined using the verified measure level per unit assumptions multiplied by the uptake of each measure accounting for the realization rate for both peak demand and energy to reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings take into account net-to-gross factors such as free-ridership and spillover for both peak demand and energy savings at the program level (net).
Existing Building Commissioning Incentive	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year of the actual project completion date.	Peak demand and energy savings are determined by the total savings for a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).
New Construction and Major Renovation Incentive	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year of the actual project completion date.	
Energy Audit	Projects are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year of the audit date.	Peak demand and energy savings are determined by the total savings resulting from an audit as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Commercial Demand Response (part of the Residential program schedule)	Results are directly attributed to LDC based on data provided to IESO through project completion reports and continuing participant lists	Savings are considered to begin in the year the device was installed and/or when a customer signed a peaksaver PLUS™ participant agreement.	Peak demand savings are based on an ex ante estimate assuming a 1 in 10 weather year and represents the "insurance value" of the initiative. Energy savings are based on an ex post estimate which reflects the savings that occurred as a result of activations in the year. Savings are assumed to persist for only 1 year, reflecting that savings will only occur if the resource is activated.
Demand Response 3 (part of the Industrial program schedule)	Results are attributed to LDCs based on the total contracted megawatts at the contributor level as of December 31st, applying the provincial ex ante to contracted ratio (ex ante estimate/contracted megawatts); Ex post energy savings are attributed to the LDC based on their proportion of the total contracted megawatts at the contributor level.	Savings are considered to begin in the year in which the contributor signed up to participate in demand response.	Peak demand savings are ex ante estimates based on the load reduction capability that can be expected for the purposes of planning. The ex ante estimates factor in both scheduled non-performances (i.e. maintenance) and historical performance. Energy savings are based on an ex post estimate which reflects the savings that actually occurred as a results of activations in the year. Savings are assumed to persist for 1 year, reflecting that savings will not occur if the resource is not activated and additional costs are incurred to activate the resource.
<b>Industrial Program</b>			
Process & System Upgrades	Results are directly attributed to LDC based on LDC identified in application.	Savings are considered to begin in the year in which the incentive project was completed.	Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Monitoring & Targeting	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year in which the incentive project was completed.	Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).
Energy Manager	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year in which the project was completed by the energy manager. If no date is specified the savings will begin the year of the Quarterly Report submitted by the energy manager.	Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Efficiency: Equipment Replacement Incentive (part of the C&I program schedule)	Results are directly attributed to LDC based on LDC identified at the facility level in the saveONenergy CRM; Projects in the Application Status: "Post-Stage Submission" are included (excluding "Payment denied by LDC"); Please see "Reference Tables" tab for Building type to Sector mapping.	Savings are considered to begin in the year of the actual project completion date on the iCON CRM system.	Peak demand and energy savings are determined by the total savings for a given project as reported in the iCON CRM system (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). Both realization rate and net-to-gross ratios can differ for energy and demand savings and depend on the mix of projects within an LDC territory (i.e. lighting or non-lighting project, engineered/custom/prescriptive track).
Demand Response 3	Results are attributed to LDCs based on the total contracted megawatts at the contributor level as of December 31st, applying the provincial ex ante to contracted ratio (ex ante estimate/contracted megawatts); Ex post energy savings are attributed to the LDC based on their proportion of the total contracted megawatts at the contributor level.	Savings are considered to begin in the year in which the contributor signed up to participate in demand response.	Peak demand savings are ex ante estimates based on the load reduction capability that can be expected for the purposes of planning. The ex ante estimates factor in both scheduled non-performances (i.e. maintenance) and historical performance. Energy savings are based on an ex post estimate which reflects the savings that actually occurred as a results of activations in the year. Savings are assumed to persist for 1 year, reflecting that savings will not occur if the resource is not activated and additional costs are incurred to activate the resource.

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
<b>Home Assistance Program</b>			
Home Assistance Program	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year in which the measures were installed.	Peak demand and energy savings are determined using the measure level per unit assumption multiplied by the uptake of each measure (gross), taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
<b>Aboriginal Program</b>			
Aboriginal Program	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year in which the measures were installed.	Peak demand and energy savings are determined using the measure level per unit assumption multiplied by the uptake of each measure (gross), taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
<b>Pre-2011 Programs completed in 2011</b>			
Electricity Retrofit Incentive Program	Results are directly attributed to LDC based on LDC identified in the application; Initiative was not evaluated in 2011, 2012, 2013 or 2014 assumptions as per 2010 evaluation.	Savings are considered to begin in the year in which a project was completed.	Peak demand and energy savings are determined by the total savings from a given project as reported. A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). If energy savings are not available, an estimate is made based on the kWh to kW ratio in the provincial results from the 2010 evaluated results ( <a href="http://www.powerauthority.on.ca/evaluation-measurement-and-verification/evaluation-reports">http://www.powerauthority.on.ca/evaluation-measurement-and-verification/evaluation-reports</a> ).
High Performance New Construction	Results are directly attributed to LDC based on customer data provided to the OPA from Enbridge; Initiative was not evaluated in 2011, 2012, 2013 or 2014, assumptions as per 2010 evaluation.	Savings are considered to begin in the year in which a project was completed.	
Toronto Comprehensive	Program run exclusively in Toronto Hydro-Electric System Limited service territory; Initiative was not evaluated in 2011, 2012, 2013 or 2014, assumptions as per 2010 evaluation.		

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Multifamily Energy Efficiency Rebates	Results are directly attributed to LDC based on LDC identified in the application; Initiative was not evaluated in 2011, 2012, 2013 or 2014, assumptions as per 2010 evaluation.	Savings are considered to begin in the year in which a project was completed.	Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). If energy savings are not available, an estimate is made based on the kWh to kW ratio in the provincial results from the 2010 evaluated results ( <a href="http://www.powerauthority.on.ca/evaluation-measurement-and-verification/evaluation-reports">http://www.powerauthority.on.ca/evaluation-measurement-and-verification/evaluation-reports</a> ).
Data Centre Incentive Program	Program run exclusively in PowerStream Inc. service territory; Initiative was not evaluated in 2011, assumptions as per 2009 evaluation.		
EnWin Green Suites	Program run exclusively in ENWIN Utilities Ltd. service territory; Initiative was not evaluated in 2011 or 2012, assumptions as per 2010 evaluation.		

### Consumer Program Allocation Methodology

Results can be allocated based on average of 2008 & 2009 residential throughput for each LDC (below) when additional information is not available. Source: OEB Yearbook Data 2008 & 2009

Local Distribution Company	Allocation
Algoma Power Inc.	0.2%
Atikokan Hydro Inc.	0.0%
Attawapiskat Power Corporation	0.0%
Bluewater Power Distribution Corporation	0.6%
Brant County Power Inc.	0.2%
Brantford Power Inc.	0.7%
Burlington Hydro Inc.	1.4%
Cambridge and North Dumfries Hydro Inc.	1.0%
Canadian Niagara Power Inc.	0.5%
Centre Wellington Hydro Ltd.	0.1%
Chapleau Public Utilities Corporation	0.0%
COLLUS Power Corporation	0.3%
Cooperative Hydro Embrun Inc.	0.0%
E.L.K. Energy Inc.	0.2%
Enersource Hydro Mississauga Inc.	3.9%
ENTEGRUS	0.6%
ENWIN Utilities Ltd.	1.6%
Erie Thames Powerlines Corporation	0.4%
Espanola Regional Hydro Distribution Corporation	0.1%
Essex Powerlines Corporation	0.7%
Festival Hydro Inc.	0.3%
Fort Albany Power Corporation	0.0%
Fort Frances Power Corporation	0.1%
Greater Sudbury Hydro Inc.	1.0%
Grimsby Power Inc.	0.2%
Guelph Hydro Electric Systems Inc.	0.9%
Haldimand County Hydro Inc.	0.4%
Halton Hills Hydro Inc.	0.5%
Hearst Power Distribution Company Limited	0.1%
Horizon Utilities Corporation	4.0%
Hydro 2000 Inc.	0.0%
Hydro Hawkesbury Inc.	0.1%
Hydro One Brampton Networks Inc.	2.8%
Hydro One Networks Inc.	30.0%
Hydro Ottawa Limited	5.6%
Innisfil Hydro Distribution Systems Limited	0.4%
Kashechewan Power Corporation	0.0%
Kenora Hydro Electric Corporation Ltd.	0.1%
Kingston Hydro Corporation	0.5%
Kitchener-Wilmot Hydro Inc.	1.6%
Lakefront Utilities Inc.	0.2%



Lakeland Power Distribution Ltd.	0.2%
London Hydro Inc.	2.7%
Middlesex Power Distribution Corporation	0.1%
Midland Power Utility Corporation	0.1%
Milton Hydro Distribution Inc.	0.6%
Newmarket - Tay Power Distribution Ltd.	0.7%
Niagara Peninsula Energy Inc.	1.0%
Niagara-on-the-Lake Hydro Inc.	0.2%
Norfolk Power Distribution Inc.	0.3%
North Bay Hydro Distribution Limited	0.5%
Northern Ontario Wires Inc.	0.1%
Oakville Hydro Electricity Distribution Inc.	1.5%
Orangeville Hydro Limited	0.2%
Orillia Power Distribution Corporation	0.3%
Oshawa PUC Networks Inc.	1.2%
Ottawa River Power Corporation	0.2%
Parry Sound Power Corporation	0.1%
Peterborough Distribution Incorporated	0.7%
PowerStream Inc.	6.6%
PUC Distribution Inc.	0.9%
Renfrew Hydro Inc.	0.1%
Rideau St. Lawrence Distribution Inc.	0.1%
Sioux Lookout Hydro Inc.	0.1%
St. Thomas Energy Inc.	0.3%
Thunder Bay Hydro Electricity Distribution Inc.	0.9%
Tillsonburg Hydro Inc.	0.1%
Toronto Hydro-Electric System Limited	12.8%
Veridian Connections Inc.	2.4%
Wasaga Distribution Inc.	0.2%
Waterloo North Hydro Inc.	1.0%
Welland Hydro-Electric System Corp.	0.4%
Wellington North Power Inc.	0.1%
West Coast Huron Energy Inc.	0.1%
Westario Power Inc.	0.5%
Whitby Hydro Electric Corporation	0.9%
Woodstock Hydro Services Inc.	0.3%

## Reporting Glossary

**Annual:** the peak demand or energy savings that occur in a given year (includes resource savings from new program activity and resource savings persisting from previous years).

**Cumulative Energy Savings:** represents the sum of the annual energy savings that accrue over a defined period (in the context of this report the defined period is 2011 - 2014). This concept does not apply to peak demand savings.

**End-User Level:** resource savings in this report are measured at the customer level as opposed to the generator level (the difference being line losses).

**Free-ridership:** the percentage of participants who would have implemented the program measure or practice in the absence of the program.

**Incremental:** the new resource savings attributable to activity procured in a particular reporting period based on when the savings are considered to 'start'.

**Initiative:** a Conservation & Demand Management offering focusing on a particular opportunity or customer end-use (i.e. Retrofit, Fridge & Freezer Pickup).

**Net-to-Gross Ratio:** The ratio of net savings to gross savings, which takes into account factors such as free-ridership and spillover

**Net Energy Savings (MWh):** energy savings attributable to conservation and demand management activities net of free-riders, etc.

**Net Peak Demand Savings (MW):** peak demand savings attributable to conservation and demand management activities net of free-riders, etc.

**Program:** a group of initiatives that target a particular market sector (e.g. Consumer, Industrial).

**Realization Rate:** A comparison of observed or measured (evaluated) information to original reported savings which is used to adjust the gross savings estimates.

**Settlement Account:** the grouping of demand response facilities (contributors) into one contractual agreement

**Spillover:** Reductions in energy consumption and/or demand caused by the presence of the energy efficiency program, beyond the program-related gross savings of the participants. There can be participant and/or non-participant spillover.

**Unit:** for a specific initiative the relevant type of activity acquired in the market place (i.e. appliances picked up, projects completed, coupons redeemed).

Table 11: Waterloo North Hydro Inc. Initiative and Program Level Gross Savings by Year

Initiative	Unit	Gross Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Gross Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)			
		2011	2012	2013	2014	2011	2012	2013	2014
<b>Consumer Program</b>									
Appliance Retirement**	Appliances	49	14	21	26	359,259	99,292	135,218	169,628
Appliance Exchange**	Appliances	5	11	25	56	5,919	18,832	44,220	99,672
HVAC Incentives	Equipment	691	512	494	621	1,292,287	893,954	855,951	1,145,708
Conservation Instant Coupon Booklet	Items	10	2	5	25	169,297	13,284	68,551	300,894
Bi-Annual Retailer Event	Items	15	16	11	46	269,499	292,770	164,723	703,866
Retailer Co-op	Items	0	0	0	0	0	0	0	0
Residential Demand Response	Devices	72	0	196	365	0	0	652	0
Residential Demand Response (IHD)	Devices	0	0	0	0	0	0	0	0
Residential New Construction	Homes	0	0	0	0	0	0	0	0
<b>Consumer Program Total</b>		<b>842</b>	<b>556</b>	<b>751</b>	<b>1,140</b>	<b>2,096,261</b>	<b>1,318,132</b>	<b>1,269,315</b>	<b>2,419,768</b>
<b>Business Program</b>									
Retrofit	Projects	372	1,099	797	1,190	1,949,090	6,430,988	4,340,396	7,061,007
Direct Install Lighting	Projects	231	110	121	100	664,665	369,939	433,193	370,213
Building Commissioning	Buildings	0	0	0	0	0	0	0	0
New Construction	Buildings	0	8	1	56	0	24,046	1,939	273,975
Energy Audit	Audits	0	36	430	119	0	176,234	2,345,942	583,668
Small Commercial Demand Response	Devices	5	0	6	8	0	0	10	0
Small Commercial Demand Response (IHD)	Devices	0	0	0	0	0	0	0	0
Demand Response 3	Facilities	111	111	113	104	4,323	1,614	1,504	0
<b>Business Program Total</b>		<b>719</b>	<b>1,364</b>	<b>1,468</b>	<b>1,578</b>	<b>2,618,079</b>	<b>7,002,822</b>	<b>7,122,984</b>	<b>8,288,864</b>
<b>Industrial Program</b>									
Process & System Upgrades	Projects	0	0	0	0	0	0	0	0
Monitoring & Targeting	Projects	0	0	0	0	0	0	0	0
Energy Manager	Projects	0	0	0	26	0	0	0	101,808
Retrofit	Projects	249	0	0	0	1,453,318	0	0	0
Demand Response 3	Facilities	392	1,260	1,151	1,081	23,003	30,360	30,917	0
<b>Industrial Program Total</b>		<b>641</b>	<b>1,260</b>	<b>1,151</b>	<b>1,107</b>	<b>1,476,321</b>	<b>30,360</b>	<b>30,917</b>	<b>101,808</b>
<b>Home Assistance Program</b>									
Home Assistance Program	Homes	0	2	12	4	0	25,825	170,106	48,046
<b>Home Assistance Program Total</b>		<b>0</b>	<b>2</b>	<b>12</b>	<b>4</b>	<b>0</b>	<b>25,825</b>	<b>170,106</b>	<b>48,046</b>
<b>Aboriginal Program</b>									
Home Assistance Program	Homes	0	0	0	0	0	0	0	0
Direct Install Lighting	Projects	0	0	0	0	0	0	0	0
<b>Aboriginal Program Total</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Pre-2011 Programs completed in 2011</b>									
Electricity Retrofit Incentive Program	Projects	346	0	0	0	1,742,736	0	0	0
High Performance New Construction	Projects	363	43	0	0	1,865,774	210,767	0	0
Toronto Comprehensive	Projects	0	0	0	0	0	0	0	0
Multifamily Energy Efficiency Rebates	Projects	0	0	0	0	0	0	0	0
LDC Custom Programs	Projects	0	0	0	0	0	0	0	0
<b>Pre-2011 Programs completed in 2011 Total</b>		<b>709</b>	<b>43</b>	<b>0</b>	<b>0</b>	<b>3,608,510</b>	<b>210,767</b>	<b>0</b>	<b>0</b>
<b>Other</b>									
Program Enabled Savings	Projects	0	0	0	89	0	0	0	125,622
Time-of-Use Savings	Homes	0	0	0	651	0	0	0	0
LDC Pilots	Projects	0	0	0	0	0	0	0	0
<b>Other Total</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>739</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>125,622</b>
<b>Adjustments to 2011 Verified Results</b>			<b>290</b>	<b>0</b>	<b>1</b>		<b>156,341</b>	<b>0</b>	<b>5,402</b>
<b>Adjustments to 2012 Verified Results</b>				<b>81</b>	<b>122</b>			<b>439,367</b>	<b>714,506</b>
<b>Adjustments to 2013 Verified Results</b>					<b>415</b>				<b>1,288,369</b>
<b>Energy Efficiency Total</b>		<b>2,330</b>	<b>1,854</b>	<b>1,916</b>	<b>3,009</b>	<b>9,771,844</b>	<b>8,555,931</b>	<b>8,560,238</b>	<b>10,984,107</b>
<b>Demand Response Total</b>		<b>580</b>	<b>1,371</b>	<b>1,466</b>	<b>1,559</b>	<b>27,327</b>	<b>31,974</b>	<b>33,083</b>	<b>0</b>
<b>Adjustments to Previous Years' Verified Results Total</b>		<b>0</b>	<b>290</b>	<b>81</b>	<b>538</b>	<b>0</b>	<b>156,341</b>	<b>439,367</b>	<b>2,008,277</b>
<b>OPA-Contracted LDC Portfolio Total (inc. Adjustments)</b>		<b>2,910</b>	<b>3,515</b>	<b>3,463</b>	<b>5,106</b>	<b>9,799,171</b>	<b>8,744,246</b>	<b>9,032,688</b>	<b>12,992,383</b>

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

\*Includes adjustments after Final Reports were issued  
Results presented using scenario 1 which assumes that demand response resources have a persistence of 1 year

Gross results are presented for informational purposes only and are not considered official 2014 Final Verified Results  
\*\*Net results substituted for gross results due to unavailability of data

Table 12: Adjustments to Waterloo North Hydro Inc. Gross Verified Results due to Variances

Initiative	Unit	Gross Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Gross Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)			
		2011	2012	2013	2014	2011	2012	2013	2014
<b>Consumer Program</b>									
Appliance Retirement	Appliances	0	0	0		0	0	0	
Appliance Exchange	Appliances	0	0	0		0	0	0	
HVAC Incentives	Equipment	-111	13	22		-204,642	23,715	39,112	
Conservation Instant Coupon Booklet	Items	0	0	0		2,565	0	207	
Bi-Annual Retailer Event	Items	1	0	0		23,781	0	0	
Retailer Co-op	Items	0	0	0		0	0	0	
Residential Demand Response	Devices	0	0	0		0	0	0	
Residential Demand Response (IHD)	Devices	0	0	0		0	0	0	
Residential New Construction	Homes	0	0	0		0	0	0	
<b>Consumer Program Total</b>		<b>-109</b>	<b>13</b>	<b>22</b>		<b>-178,296</b>	<b>23,715</b>	<b>39,319</b>	
<b>Business Program</b>									
Retrofit	Projects	0	63	283		0	1,088,649	931,863	
Direct Install Lighting	Projects	9	0	0		20,111	0	0	
Building Commissioning	Buildings	0	0	0		0	0	0	
New Construction	Buildings	0	0	37		0	3,057	14,430	
Energy Audit	Audits	16	5	41		75,529	35,244	221,634	
Small Commercial Demand Response	Devices	0	0	0		0	0	0	
Small Commercial Demand Response (IHD)	Devices	0	0	0		0	0	0	
Demand Response 3	Facilities	0	0	0		0	0	0	
<b>Business Program Total</b>		<b>25</b>	<b>69</b>	<b>360</b>		<b>95,639</b>	<b>1,126,950</b>	<b>1,167,927</b>	
<b>Industrial Program</b>									
Process & System Upgrades	Projects	0	0	0		0	0	0	
Monitoring & Targeting	Projects	0	0	0		0	0	0	
Energy Manager	Projects	0	0	37		0	0	77,000	
Retrofit	Projects	0	0	0		0	0	0	
Demand Response 3	Facilities	0	0	0		0	0	0	
<b>Industrial Program Total</b>		<b>0</b>	<b>0</b>	<b>37</b>		<b>0</b>	<b>0</b>	<b>77,000</b>	
<b>Home Assistance Program</b>									
Home Assistance Program	Homes	0	0	2		0	3,238	18,599	
<b>Home Assistance Program Total</b>		<b>0</b>	<b>0</b>	<b>2</b>		<b>0</b>	<b>3,238</b>	<b>18,599</b>	
<b>Aboriginal Program</b>									
Home Assistance Program	Homes	0	0	0		0	0	0	
Direct Install Lighting	Projects	0	0	0		0	0	0	
<b>Aboriginal Program Total</b>		<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	
<b>Pre-2011 Programs completed in 2011</b>									
Electricity Retrofit Incentive Program	Projects	0	0	0		0	0	0	
High Performance New Construction	Projects	374	0	0		238,998	0	0	
Toronto Comprehensive	Projects	0	0	0		0	0	0	
Multifamily Energy Efficiency Rebates	Projects	0	0	0		0	0	0	
LDC Custom Programs	Projects	0	0	0		0	0	0	
<b>Pre-2011 Programs completed in 2011 Total</b>		<b>374</b>	<b>0</b>	<b>0</b>		<b>238,998</b>	<b>0</b>	<b>0</b>	
<b>Other</b>									
Program Enabled Savings	Projects	0	0	0		0	0	0	
Time-of-Use Savings	Homes	0	0	0		0	0	0	
LDC Pilots	Projects	0	0	0		0	0	0	
<b>Other Total</b>		<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	
<b>Adjustments to 2011 Verified Results</b>		<b>290</b>				<b>156,341</b>			
<b>Adjustments to 2012 Verified Results</b>			<b>81</b>				<b>1,153,903</b>		
<b>Adjustments to 2013 Verified Results</b>				<b>421</b>				<b>1,302,845</b>	
<b>Total Adjustments to Previous Years' Verified Results</b>		<b>290</b>	<b>81</b>	<b>421</b>		<b>156,341</b>	<b>1,153,903</b>	<b>1,302,845</b>	

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

Gross results are presented for informational purposes only and are not considered official 2014 Final Verified Results

Table 13: Province-Wide Initiatives and Program Level Gross Savings by Year

Initiative	Unit	Gross Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Gross Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)			
		2011	2012	2013	2014	2011	2012	2013	2014
<b>Consumer Program</b>									
Appliance Retirement**	Appliances	6,750	2,011	3,151	3,579	45,971,627	13,424,518	18,616,239	20,315,770
Appliance Exchange**	Appliances	719	556	2,101	2,238	873,531	974,621	3,746,106	3,990,372
HVAC Incentives	Equipment	53,209	38,346	40,418	48,467	99,413,430	66,929,213	71,225,037	90,274,814
Conservation Instant Coupon Booklet	Items	1,184	231	464	1,442	19,192,453	1,325,898	6,842,244	19,000,254
Bi-Annual Retailer Event	Items	1,504	1,622	1,142	4,626	26,899,265	29,222,072	16,441,329	70,254,471
Retailer Co-op	Items	0	0	0	0	3,917	0	0	0
Residential Demand Response	Devices	10,390	49,038	93,076	117,513	23,597	359,408	390,303	8,379
Residential Demand Response (IHD)	Devices	0	0	0	0	0	0	0	0
Residential New Construction	Homes	0	1	29	587	1,813	4,884	259,826	3,699,786
<b>Consumer Program Total</b>		<b>73,757</b>	<b>91,805</b>	<b>140,380</b>	<b>178,452</b>	<b>192,379,633</b>	<b>112,240,615</b>	<b>117,521,084</b>	<b>207,543,846</b>
<b>Business Program</b>									
Retrofit	Projects	34,201	78,965	82,896	98,849	184,070,265	387,817,248	478,410,896	642,515,421
Direct Install Lighting	Projects	22,155	20,469	19,807	24,794	65,777,197	68,896,046	68,140,249	89,528,509
Building Commissioning	Buildings	0	0	0	988	0	0	0	1,513,377
New Construction	Buildings	247	1,596	2,934	11,911	823,434	3,755,869	9,183,826	37,742,970
Energy Audit	Audits	0	1,450	4,283	9,367	0	7,049,351	23,386,108	46,012,517
Small Commercial Demand Response	Devices	55	187	773	2,116	131	1,068	373	319
Small Commercial Demand Response (IHD)	Devices	0	0	0	0	0	0	0	0
Demand Response 3	Facilities	21,390	19,389	23,706	23,380	633,421	281,823	346,659	0
<b>Business Program Total</b>		<b>78,048</b>	<b>122,056</b>	<b>134,399</b>	<b>171,405</b>	<b>251,304,448</b>	<b>467,801,406</b>	<b>579,468,111</b>	<b>817,313,113</b>
<b>Industrial Program</b>									
Process & System Upgrades	Projects	0	0	313	12,287	0	0	2,799,746	90,463,617
Monitoring & Targeting	Projects	0	0	0	102	0	0	0	502,517
Energy Manager	Projects	0	1,034	3,953	5,767	0	7,067,535	24,438,070	44,929,364
Retrofit	Projects	6,372	0	0	0	38,412,408	0	0	0
Demand Response 3	Facilities	176,180	74,056	162,543	166,082	4,243,958	1,784,712	4,309,160	0
<b>Industrial Program Total</b>		<b>182,552</b>	<b>75,090</b>	<b>166,809</b>	<b>184,238</b>	<b>42,656,366</b>	<b>8,852,247</b>	<b>31,546,976</b>	<b>135,895,498</b>
<b>Home Assistance Program</b>									
Home Assistance Program	Homes	4	1,777	2,361	2,466	56,119	5,524,230	20,987,275	19,582,658
<b>Home Assistance Program Total</b>		<b>4</b>	<b>1,777</b>	<b>2,361</b>	<b>2,466</b>	<b>56,119</b>	<b>5,524,230</b>	<b>20,987,275</b>	<b>19,582,658</b>
<b>Aboriginal Program</b>									
Home Assistance Program	Homes	0	0	267	549	0	0	1,609,393	3,101,207
Direct Install Lighting	Projects	0	0	0	0	0	0	0	0
<b>Aboriginal Program Total</b>		<b>0</b>	<b>0</b>	<b>267</b>	<b>549</b>	<b>0</b>	<b>0</b>	<b>1,609,393</b>	<b>3,101,207</b>
<b>Pre-2011 Programs completed in 2011</b>									
Electricity Retrofit Incentive Program	Projects	40,418	0	0	0	223,956,390	0	0	0
High Performance New Construction	Projects	10,197	6,501	772	268	52,371,183	23,803,888	3,522,240	1,377,475
Toronto Comprehensive	Projects	33,467	0	0	802	174,070,574	0	0	7,085,257
Multifamily Energy Efficiency Rebates	Projects	2,553	0	0	0	9,774,792	0	0	0
LDC Custom Programs	Projects	534	0	0	0	649,140	0	0	0
<b>Pre-2011 Programs completed in 2011 Total</b>		<b>87,169</b>	<b>6,501</b>	<b>772</b>	<b>1,070</b>	<b>460,822,079</b>	<b>23,803,888</b>	<b>3,522,240</b>	<b>8,462,733</b>
<b>Other</b>									
Program Enabled Savings	Projects	0	2,177	3,692	5,500	0	525,011	4,075,382	19,035,337
Time-of-Use Savings	Homes	0	0	0	54,795	0	0	0	0
LDC Pilots	Projects	0	0	0	1,170	0	0	0	5,061,522
<b>Other Total</b>		<b>0</b>	<b>2,177</b>	<b>3,692</b>	<b>60,296</b>	<b>0</b>	<b>525,011</b>	<b>4,075,382</b>	<b>19,035,337</b>
<b>Adjustments to 2011 Verified Results</b>									
			13,266	645	1,601				
<b>Adjustments to 2012 Verified Results</b>									
				8,632	13,449				
<b>Adjustments to 2013 Verified Results</b>									
					34,727				
<b>Energy Efficiency Total</b>									
		213,515	156,735	168,583	289,384	942,317,539	616,320,385	753,683,966	1,210,925,694
<b>Demand Response Total</b>									
		208,015	142,670	280,099	309,091	4,901,107	2,427,011	5,046,495	8,698
<b>Adjustments to Previous Years' Verified Results Total</b>									
		0	13,266	9,277	49,777	0	48,705,294	54,322,474	265,518,125
<b>OPA-Contracted LDC Portfolio Total (inc. Adjustments)</b>									
		421,530	312,671	457,958	648,252	947,218,646	667,452,690	813,052,934	1,476,452,516

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

Gross results are presented for informational purposes only and are not considered official 2014 Final Verified Results  
 \*\*Net results substituted for gross results due to unavailability of data

Table 14: Adjustments to Province-Wide Gross Verified Results due to Variances

Initiative	Unit	Gross Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Gross Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)			
		2011	2012	2013	2014	2011	2012	2013	2014
<b>Consumer Program</b>									
Appliance Retirement	Appliances	0	0	0		0	0	0	
Appliance Exchange	Appliances	0	0	0		0	0	0	
HVAC Incentives	Equipment	-8,759	1,091	2,157		-16,241,086	1,952,473	3,873,449	
Conservation Instant Coupon Booklet	Items	15	0	1		255,975	0	20,668	
Bi-Annual Retailer Event	Items	117	0	0		2,373,616	0	0	
Retailer Co-op	Items	0	0	0		0	0	0	
Residential Demand Response	Devices	0	0	0		0	0	0	
Residential Demand Response (IHD)	Devices	0	0	0		0	0	0	
Residential New Construction	Homes	1	1	115		330,093	2,009	701,488	
<b>Consumer Program Total</b>		<b>-8,628</b>	<b>1,092</b>	<b>2,273</b>		<b>-13,281,402</b>	<b>1,954,483</b>	<b>4,595,605</b>	
<b>Business Program</b>									
Retrofit	Projects	4,511	10,114	16,584		22,046,931	58,528,789	108,677,566	
Direct Install Lighting	Projects	541	217	49		1,346,618	781,858	174,460	
Building Commissioning	Buildings	0	0	0		0	0	0	
New Construction	Buildings	3,287	2,673	4,151		11,323,593	9,884,305	15,992,924	
Energy Audit	Audits	656	488	3,631		2,391,744	2,386,374	19,822,524	
Small Commercial Demand Response	Devices	0	0	0		0	0	0	
Small Commercial Demand Response (IHD)	Devices	0	0	0		0	0	0	
Demand Response 3	Facilities	0	0	0		0	0	0	
<b>Business Program Total</b>		<b>8,996</b>	<b>13,491</b>	<b>24,414</b>		<b>37,108,886</b>	<b>71,581,326</b>	<b>144,667,473</b>	
<b>Industrial Program</b>									
Process & System Upgrades	Projects	0	0	426		0	0	1,232,785	
Monitoring & Targeting	Projects	0	0	54		0	528,000	639,348	
Energy Manager	Projects	29	1,071	2,687		0	8,968,007	28,893,596	
Retrofit	Projects	0	0	0		0	0	0	
Demand Response 3	Facilities	0	0	0		0	0	0	
<b>Industrial Program Total</b>		<b>29</b>	<b>1,071</b>	<b>3,168</b>		<b>0</b>	<b>9,496,007</b>	<b>30,765,729</b>	
<b>Home Assistance Program</b>									
Home Assistance Program	Homes	0	222	791		0	1,316,749	4,321,794	
<b>Home Assistance Program Total</b>		<b>0</b>	<b>222</b>	<b>791</b>		<b>0</b>	<b>1,316,749</b>	<b>4,321,794</b>	
<b>Aboriginal Program</b>									
Home Assistance Program	Homes	0	0	134		0	0	563,715	
Direct Install Lighting	Projects	0	0	0		0	0	0	
<b>Aboriginal Program Total</b>		<b>0</b>	<b>0</b>	<b>134</b>		<b>0</b>	<b>0</b>	<b>563,715</b>	
<b>Pre-2011 Programs completed in 2011</b>									
Electricity Retrofit Incentive Program	Projects	266	0	0		1,049,108	0	0	
High Performance New Construction	Projects	13,072	727	405		23,905,663	5,665,066	1,535,048	
Toronto Comprehensive	Projects	0	1,920	529		0	12,924,335	3,783,965	
Multifamily Energy Efficiency Rebates	Projects	0	0	0		0	0	0	
LDC Custom Programs	Projects	0	0	0		0	0	0	
<b>Pre-2011 Programs completed in 2011 Total</b>		<b>13,337</b>	<b>2,647</b>	<b>934</b>		<b>24,954,771</b>	<b>18,589,400</b>	<b>5,319,013</b>	
<b>Other</b>									
Program Enabled Savings	Projects	1,776	3,712	2,020		1,673,712	11,481,687	10,688,564	
Time-of-Use Savings	Homes	0	0	0		0	0	0	
LDC Pilots	Projects	0	0	0		0	0	0	
<b>Other Total</b>		<b>1,776</b>	<b>3,712</b>	<b>2,020</b>		<b>1,673,712</b>	<b>11,481,687</b>	<b>10,688,564</b>	
<b>Adjustments to 2011 Verified Results</b>		<b>15,511</b>				<b>50,455,967</b>			
<b>Adjustments to 2012 Verified Results</b>			<b>22,235</b>				<b>114,419,652</b>		
<b>Adjustments to 2013 Verified Results</b>				<b>33,734</b>				<b>200,921,892</b>	
<b>Adjustments to Previous Years' Verified Results Total</b>		<b>15,511</b>	<b>22,235</b>	<b>33,734</b>		<b>50,455,967</b>	<b>114,419,652</b>	<b>200,921,892</b>	

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

\*Includes adjustments after Final Reports were issued  
Results presented using scenario 1 which assumes that demand response resources have a persistence of 1 year

Gross results are presented for informational purposes only and are not considered official 2014 Final Verified Results

# **Attachment E**

## **Revenue Requirement Work Form 2016 Cost of Service**



Ontario Energy Board

# Revenue Requirement Workform (RRWF) for 2016 Filers



Version 6.00

Utility Name	Waterloo North Hydro Inc.
Service Territory	
Assigned EB Number	EB-2015-0108
Name and Title	Albert P. Singh, VP Finance & CFO
Phone Number	519-888-5542
Email Address	asingh@wnhydro.com

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

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





Ontario Energy Board

# Revenue Requirement Workform (RRWF) for 2016 Filers

[1. Info](#)

[2. Table of Contents](#)

[3. Data Input Sheet](#)

[4. Rate Base](#)

[5. Utility Income](#)

[6. Taxes PILs](#)

[7. Cost of Capital](#)

[8. Rev Def Suff](#)

[9. Rev Req](#)

[10. Tracking Sheet](#)

## Notes:

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



# Revenue Requirement Workform (RRWF) for 2016 Filers

Data Input <sup>(1)</sup>

	Initial Application	(2) Adjustments	Settlement Agreement	(6) Adjustments	Per Board Decision
<b>1 Rate Base</b>					
Gross Fixed Assets (average)	\$340,984,238	(\$69,178)	\$ 340,915,060		\$340,915,060
Accumulated Depreciation (average)	(\$146,617,357)	\$64,996	(\$146,552,361)		(\$146,552,361)
<b>Allowance for Working Capital:</b>					
Controllable Expenses	\$13,457,054	\$18,587	\$ 13,475,640		\$13,475,640
Cost of Power	\$164,326,495	\$12,804,774	\$ 177,131,269		\$177,131,269
Working Capital Rate (%)	13.00%	(9)	7.50%	(9)	7.50% (9)
<b>2 Utility Income</b>					
<b>Operating Revenues:</b>					
Distribution Revenue at Current Rates	\$31,257,951	\$411,550	\$31,669,501	\$0	\$31,669,501
Distribution Revenue at Proposed Rates	\$35,412,468	(\$1,655,740)	\$33,756,728	\$0	\$33,756,728
<b>Other Revenue:</b>					
Specific Service Charges	\$242,900	\$0	\$242,900	\$0	\$242,900
Late Payment Charges	\$315,500	\$0	\$315,500	\$0	\$315,500
Other Distribution Revenue	\$445,683	\$40,000	\$485,683	\$0	\$485,683
Other Income and Deductions	\$177,523	\$1,990	\$179,513	\$0	\$179,513
Total Revenue Offsets	\$1,181,606	(7) \$41,990	\$1,223,596	\$0	\$1,223,596
<b>Operating Expenses:</b>					
OM+A Expenses	\$13,721,334	(\$562,000)	\$ 13,159,334		\$13,159,334
Depreciation/Amortization	\$8,151,672	(\$73,824)	\$ 8,077,849		\$8,077,849
Property taxes	\$489,734		\$ 489,734		\$489,734
Other expenses					
<b>3 Taxes/PILs</b>					
<b>Taxable Income:</b>					
Adjustments required to arrive at taxable income	(\$5,334,266)	(3)	(\$5,242,884)		(\$5,242,884)
<b>Utility Income Taxes and Rates:</b>					
Income taxes (not grossed up)	\$590,804		\$503,738		\$503,738
Income taxes (grossed up)	\$803,815		\$685,358		\$685,358
Federal tax (%)	15.00%		15.00%		15.00%
Provincial tax (%)	11.50%		11.50%		11.50%
Income Tax Credits	(\$139,521)		(\$139,521)		(\$139,521)
<b>4 Capitalization/Cost of Capital</b>					
<b>Capital Structure:</b>					
Long-term debt Capitalization Ratio (%)	56.0%		56.0%		56.0%
Short-term debt Capitalization Ratio (%)	4.0%	(8)	4.0%	(8)	4.0% (8)
Common Equity Capitalization Ratio (%)	40.0%		40.0%		40.0%
Preferred Shares Capitalization Ratio (%)					
	100.0%		100.0%		100.0%
<b>Cost of Capital</b>					
Long-term debt Cost Rate (%)	4.23%		4.07%		4.07%
Short-term debt Cost Rate (%)	2.16%		1.65%		1.65%
Common Equity Cost Rate (%)	9.30%		9.19%		9.19%
Preferred Shares Cost Rate (%)					

Notes:

- General** Data inputs are required on Sheets 3. Data from Sheet 3 will automatically complete calculations on sheets 4 through 9 (Rate Base through Revenue Requirement). Sheets 4 through 9 do not require any inputs except for notes that the Applicant may wish to enter to support the results. Pale green cells are available on sheets 4 through 9 to enter both footnotes beside key cells and the related text for the notes at the bottom of each sheet.
- (1) All inputs are in dollars (\$) except where inputs are individually identified as percentages (%)
  - (2) Data in column E is for Application as originally filed. For updated revenue requirement as a result of interrogatory responses, technical or settlement conferences, etc., use column M and Adjustments in column I
  - (3) Net of addbacks and deductions to arrive at taxable income.
  - (4) Average of Gross Fixed Assets at beginning and end of the Test Year
  - (5) Average of Accumulated Depreciation at the beginning and end of the Test Year. Enter as a negative amount.
  - (6) Select option from drop-down list by clicking on cell M10. This column allows for the application update reflecting the end of discovery or Argument-in-Chief. Also, the outcome of any Settlement Process can be reflected.
  - (7) Input total revenue offsets for deriving the base revenue requirement from the service revenue requirement
  - (8) 4.0% unless an Applicant has proposed or been approved for another amount.
  - (9) The default Working Capital Allowance factor is 7.5% (of Cost of Power plus controllable expenses), per the letter issued by the Board on June 3, 2015. Alternatively, WCA factor based on lead-lag study or approved WCA factor for another distributor, with supporting rationale.



# Revenue Requirement Workform (RRWF) for 2016 Filers

## Rate Base and Working Capital

Line No.	Particulars		Initial Application	Adjustments	Settlement Agreement	Adjustments	Per Board Decision
1	Gross Fixed Assets (average)	(3)	\$340,984,238	(\$69,178)	\$340,915,060	\$ -	\$340,915,060
2	Accumulated Depreciation (average)	(3)	(\$146,617,357)	\$64,996	(\$146,552,361)	\$ -	(\$146,552,361)
3	Net Fixed Assets (average)	(3)	\$194,366,880	(\$4,182)	\$194,362,699	\$ -	\$194,362,699
4	Allowance for Working Capital	(1)	\$23,111,861	(\$8,816,343)	\$14,295,518	\$ -	\$14,295,518
5	<b>Total Rate Base</b>		<b>\$217,478,742</b>	<b>(\$8,820,525)</b>	<b>\$208,658,217</b>	<b>\$ -</b>	<b>\$208,658,217</b>

### (1) Allowance for Working Capital - Derivation

6	Controllable Expenses		\$13,457,054	\$18,587	\$13,475,640	\$ -	\$13,475,640
7	Cost of Power		\$164,326,495	\$12,804,774	\$177,131,269	\$ -	\$177,131,269
8	Working Capital Base		\$177,783,549	\$12,823,360	\$190,606,909	\$ -	\$190,606,909
9	Working Capital Rate %	(2)	13.00%	-5.50%	7.50%	0.00%	7.50%
10	Working Capital Allowance		\$23,111,861	(\$8,816,343)	\$14,295,518	\$ -	\$14,295,518

### Notes

- (2) Some Applicants may have a unique rate as a result of a lead-lag study. The default rate for 2016 cost of service applications is 7.5%, per the letter issued by the Board on June 3, 2015. Alternatively, a utility could conduct and file its own lead-lag study.
- (3) Average of opening and closing balances for the year.



# Revenue Requirement Workform (RRWF) for 2016 Filers

## Utility Income

Line No.	Particulars	Initial Application	Adjustments	Settlement Agreement	Adjustments	Per Board Decision
<b>Operating Revenues:</b>						
1	Distribution Revenue (at Proposed Rates)	\$35,412,468	(\$1,655,740)	\$33,756,728	\$ -	\$33,756,728
2	Other Revenue (1)	\$1,181,606	\$41,990	\$1,223,596	\$ -	\$1,223,596
3	<b>Total Operating Revenues</b>	<b>\$36,594,074</b>	<b>(\$1,613,750)</b>	<b>\$34,980,324</b>	<b>\$ -</b>	<b>\$34,980,324</b>
<b>Operating Expenses:</b>						
4	OM+A Expenses	\$13,721,334	(\$562,000)	\$13,159,334	\$ -	\$13,159,334
5	Depreciation/Amortization	\$8,151,672	(\$73,824)	\$8,077,849	\$ -	\$8,077,849
6	Property taxes	\$489,734	\$ -	\$489,734	\$ -	\$489,734
7	Capital taxes	\$ -	\$ -	\$ -	\$ -	\$ -
8	Other expense	\$ -	\$ -	\$ -	\$ -	\$ -
9	<b>Subtotal (lines 4 to 8)</b>	<b>\$22,362,740</b>	<b>(\$635,824)</b>	<b>\$21,726,916</b>	<b>\$ -</b>	<b>\$21,726,916</b>
10	Deemed Interest Expense	\$5,337,309	(\$439,536)	\$4,897,773	\$ -	\$4,897,773
11	<b>Total Expenses (lines 9 to 10)</b>	<b>\$27,700,049</b>	<b>(\$1,075,360)</b>	<b>\$26,624,689</b>	<b>\$ -</b>	<b>\$26,624,689</b>
12	<b>Utility income before income taxes</b>	<b>\$8,894,025</b>	<b>(\$538,390)</b>	<b>\$8,355,635</b>	<b>\$ -</b>	<b>\$8,355,635</b>
13	Income taxes (grossed-up)	\$803,815	(\$118,457)	\$685,358	\$ -	\$685,358
14	<b>Utility net income</b>	<b>\$8,090,210</b>	<b>(\$419,933)</b>	<b>\$7,670,276</b>	<b>\$ -</b>	<b>\$7,670,276</b>

### Notes

#### Other Revenues / Revenue Offsets

(1)	Specific Service Charges	\$242,900	\$ -	\$242,900	\$ -	\$242,900
	Late Payment Charges	\$315,500	\$ -	\$315,500	\$ -	\$315,500
	Other Distribution Revenue	\$445,683	\$40,000	\$485,683	\$ -	\$485,683
	Other Income and Deductions	\$177,523	\$1,990	\$179,513	\$ -	\$179,513
	<b>Total Revenue Offsets</b>	<b>\$1,181,606</b>	<b>\$41,990</b>	<b>\$1,223,596</b>	<b>\$ -</b>	<b>\$1,223,596</b>



# Revenue Requirement Workform (RRWF) for 2016 Filers

**Taxes/PILs**

Line No.	Particulars	Application	Settlement Agreement	Per Board Decision
<b>Determination of Taxable Income</b>				
1	Utility net income before taxes	\$8,090,209	\$7,670,276	\$7,670,276
2	Adjustments required to arrive at taxable utility income	(\$5,334,266)	(\$5,242,884)	(\$5,242,884)
3	Taxable income	<u>\$2,755,943</u>	<u>\$2,427,393</u>	<u>\$2,427,393</u>
<b>Calculation of Utility income Taxes</b>				
4	Income taxes	\$590,804	\$503,738	\$503,738
6	Total taxes	<u>\$590,804</u>	<u>\$503,738</u>	<u>\$503,738</u>
7	Gross-up of Income Taxes	\$213,011	\$181,620	\$181,620
8	Grossed-up Income Taxes	<u>\$803,815</u>	<u>\$685,358</u>	<u>\$685,358</u>
9	PILs / tax Allowance (Grossed-up Income taxes + Capital taxes)	<u>\$803,815</u>	<u>\$685,358</u>	<u>\$685,358</u>
10	Other tax Credits	(\$139,521)	(\$139,521)	(\$139,521)
<b>Tax Rates</b>				
11	Federal tax (%)	15.00%	15.00%	15.00%
12	Provincial tax (%)	11.50%	11.50%	11.50%
13	Total tax rate (%)	<u>26.50%</u>	<u>26.50%</u>	<u>26.50%</u>

**Notes**



# Revenue Requirement Workform (RRWF) for 2016 Filers

## Capitalization/Cost of Capital

Line No.	Particulars	Capitalization Ratio		Cost Rate	Return
<b>Initial Application</b>					
		(%)	(\$)	(%)	(\$)
	<b>Debt</b>				
1	Long-term Debt	56.00%	\$121,788,095	4.23%	\$5,149,408
2	Short-term Debt	4.00%	\$8,699,150	2.16%	\$187,902
3	<b>Total Debt</b>	<b>60.00%</b>	<b>\$130,487,245</b>	<b>4.09%</b>	<b>\$5,337,309</b>
	<b>Equity</b>				
4	Common Equity	40.00%	\$86,991,497	9.30%	\$8,090,209
5	Preferred Shares	0.00%	\$ -	0.00%	\$ -
6	<b>Total Equity</b>	<b>40.00%</b>	<b>\$86,991,497</b>	<b>9.30%</b>	<b>\$8,090,209</b>
7	<b>Total</b>	<b>100.00%</b>	<b>\$217,478,742</b>	<b>6.17%</b>	<b>\$13,427,518</b>
<b>Settlement Agreement</b>					
		(%)	(\$)	(%)	(\$)
	<b>Debt</b>				
1	Long-term Debt	56.00%	\$116,848,602	4.07%	\$4,760,058
2	Short-term Debt	4.00%	\$8,346,329	1.65%	\$137,714
3	<b>Total Debt</b>	<b>60.00%</b>	<b>\$125,194,930</b>	<b>3.91%</b>	<b>\$4,897,773</b>
	<b>Equity</b>				
4	Common Equity	40.00%	\$83,463,287	9.19%	\$7,670,276
5	Preferred Shares	0.00%	\$ -	0.00%	\$ -
6	<b>Total Equity</b>	<b>40.00%</b>	<b>\$83,463,287</b>	<b>9.19%</b>	<b>\$7,670,276</b>
7	<b>Total</b>	<b>100.00%</b>	<b>\$208,658,217</b>	<b>6.02%</b>	<b>\$12,568,049</b>
<b>Per Board Decision</b>					
		(%)	(\$)	(%)	(\$)
	<b>Debt</b>				
8	Long-term Debt	56.00%	\$116,848,602	4.07%	\$4,760,058
9	Short-term Debt	4.00%	\$8,346,329	1.65%	\$137,714
10	<b>Total Debt</b>	<b>60.00%</b>	<b>\$125,194,930</b>	<b>3.91%</b>	<b>\$4,897,773</b>
	<b>Equity</b>				
11	Common Equity	40.00%	\$83,463,287	9.19%	\$7,670,276
12	Preferred Shares	0.00%	\$ -	0.00%	\$ -
13	<b>Total Equity</b>	<b>40.00%</b>	<b>\$83,463,287</b>	<b>9.19%</b>	<b>\$7,670,276</b>
14	<b>Total</b>	<b>100.00%</b>	<b>\$208,658,217</b>	<b>6.02%</b>	<b>\$12,568,049</b>

### Notes

(1)

Data in column E is for Application as originally filed. For updated revenue requirement as a result of interrogatory responses, technical or settlement conferences, etc., use column M and Adjustments in column I



# Revenue Requirement Workform (RRWF) for 2016 Filers

## Revenue Deficiency/Sufficiency

Line No.	Particulars	Initial Application		Settlement Agreement		Per Board Decision	
		At Current Approved Rates	At Proposed Rates	At Current Approved Rates	At Proposed Rates	At Current Approved Rates	At Proposed Rates
1	Revenue Deficiency from Below		\$4,154,517		\$2,087,227		\$2,087,227
2	Distribution Revenue	\$31,257,951	\$31,257,951	\$31,669,501	\$31,669,501	\$31,669,501	\$31,669,501
3	Other Operating Revenue Offsets - net	\$1,181,606	\$1,181,606	\$1,223,596	\$1,223,596	\$1,223,596	\$1,223,596
4	<b>Total Revenue</b>	<b>\$32,439,557</b>	<b>\$36,594,074</b>	<b>\$32,893,097</b>	<b>\$34,980,324</b>	<b>\$32,893,097</b>	<b>\$34,980,324</b>
5	Operating Expenses	\$22,362,740	\$22,362,740	\$21,726,916	\$21,726,916	\$21,726,916	\$21,726,916
6	Deemed Interest Expense	\$5,337,309	\$5,337,309	\$4,897,773	\$4,897,773	\$4,897,773	\$4,897,773
8	<b>Total Cost and Expenses</b>	<b>\$27,700,049</b>	<b>\$27,700,049</b>	<b>\$26,624,689</b>	<b>\$26,624,689</b>	<b>\$26,624,689</b>	<b>\$26,624,689</b>
9	<b>Utility Income Before Income Taxes</b>	\$4,739,508	\$8,894,025	\$6,268,408	\$8,355,635	\$6,268,408	\$8,355,635
10	Tax Adjustments to Accounting Income per 2013 PILs model	(\$5,334,266)	(\$5,334,266)	(\$5,242,884)	(\$5,242,884)	(\$5,242,884)	(\$5,242,884)
11	<b>Taxable Income</b>	<b>(\$594,759)</b>	\$3,559,759	\$1,025,524	\$3,112,751	\$1,025,524	\$3,112,751
12	Income Tax Rate	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%
13	<b>Income Tax on Taxable Income</b>	<b>(\$157,611)</b>	\$943,336	\$271,764	\$824,879	\$271,764	\$824,879
14	<b>Income Tax Credits</b>	<b>(\$139,521)</b>	<b>(\$139,521)</b>	<b>(\$139,521)</b>	<b>(\$139,521)</b>	<b>(\$139,521)</b>	<b>(\$139,521)</b>
15	<b>Utility Net Income</b>	<b>\$5,036,639</b>	<b>\$8,090,210</b>	<b>\$6,136,164</b>	<b>\$7,670,276</b>	<b>\$6,136,164</b>	<b>\$7,670,276</b>
16	<b>Utility Rate Base</b>	\$217,478,742	\$217,478,742	\$208,658,217	\$208,658,217	\$208,658,217	\$208,658,217
17	Deemed Equity Portion of Rate Base	\$86,991,497	\$86,991,497	\$83,463,287	\$83,463,287	\$83,463,287	\$83,463,287
18	Income/(Equity Portion of Rate Base)	5.79%	9.30%	7.35%	9.19%	7.35%	9.19%
19	Target Return - Equity on Rate Base	9.30%	9.30%	9.19%	9.19%	9.19%	9.19%
20	Deficiency/Sufficiency in Return on Equity	-3.51%	0.00%	-1.84%	0.00%	-1.84%	0.00%
21	Indicated Rate of Return	4.77%	6.17%	5.29%	6.02%	5.29%	6.02%
22	Requested Rate of Return on Rate Base	6.17%	6.17%	6.02%	6.02%	6.02%	6.02%
23	Deficiency/Sufficiency in Rate of Return	-1.40%	0.00%	-0.74%	0.00%	-0.74%	0.00%
24	Target Return on Equity	\$8,090,209	\$8,090,209	\$7,670,276	\$7,670,276	\$7,670,276	\$7,670,276
25	Revenue Deficiency/(Sufficiency)	\$3,053,570	\$0	\$1,534,112	\$0	\$1,534,112	\$0
26	<b>Gross Revenue Deficiency/(Sufficiency)</b>	<b>\$4,154,517 (1)</b>		<b>\$2,087,227 (1)</b>		<b>\$2,087,227 (1)</b>	

Notes:

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



# Revenue Requirement Workform (RRWF) for 2016 Filers

## Revenue Requirement

Line No.	Particulars	Application	Settlement Agreement	Per Board Decision
1	OM&A Expenses	\$13,721,334	\$13,159,334	\$13,159,334
2	Amortization/Depreciation	\$8,151,672	\$8,077,849	\$8,077,849
3	Property Taxes	\$489,734	\$489,734	\$489,734
5	Income Taxes (Grossed up)	\$803,815	\$685,358	\$685,358
6	Other Expenses	\$ -		
7	Return			
	Deemed Interest Expense	\$5,337,309	\$4,897,773	\$4,897,773
	Return on Deemed Equity	\$8,090,209	\$7,670,276	\$7,670,276
8	<b>Service Revenue Requirement (before Revenues)</b>	<u>\$36,594,074</u>	<u>\$34,980,324</u>	<u>\$34,980,324</u>
9	Revenue Offsets	\$1,181,606	\$1,223,596	\$1,223,596
10	<b>Base Revenue Requirement (excluding Tranformer Owership Allowance credit adjustment)</b>	<u>\$35,412,468</u>	<u>\$33,756,728</u>	<u>\$33,756,728</u>
11	Distribution revenue	\$35,412,468	\$33,756,728	\$33,756,728
12	Other revenue	\$1,181,606	\$1,223,596	\$1,223,596
13	<b>Total revenue</b>	<u>\$36,594,074</u>	<u>\$34,980,324</u>	<u>\$34,980,324</u>
14	<b>Difference (Total Revenue Less Distribution Revenue Requirement before Revenues)</b>	<u>\$0 (1)</u>	<u>\$0 (1)</u>	<u>\$0 (1)</u>

**Notes**

(1) Line 11 - Line 8



# Revenue Requirement Workform (RRWF) for 2016 Filers

### Tracking Form

The last row shown is the most current estimate of the cost of service data reflecting the original application and any updates provided by the applicant distributor (for updated evidence, responses to interrogatories, undertakings, etc.) Please ensure a Reference (Column B) and/or Item Description (Column C) is entered. Please note that unused rows will automatically be hidden and the PRINT AREA set when the PRINT BUTTON on Sheet 1 is activated.  
 (1) Short reference to evidence material (Interrogatory response, undertaking, exhibit number, Board Decision, Code, Guideline, Report of the Board, etc.)  
 (2) Short description of change, issue, etc.

60 Tracking Rows have been provided below. If you require more, please contact Industry Relations @ [IndustryRelations@ontarioenergyboard.ca](mailto:IndustryRelations@ontarioenergyboard.ca).

### Summary of Proposed Changes

Reference <sup>(1)</sup>	Item / Description <sup>(2)</sup>	Cost of Capital		Rate Base and Capital Expenditures			Operating Expenses			Revenue Requirement			Grossed up Revenue Deficiency / Sufficiency
		Regulated Return on Capital	Regulated Rate of Return	Rate Base	Working Capital	Working Capital Allowance (\$)	Amortization / Depreciation	Taxes/PILs	OM&A	Service Revenue Requirement	Other Revenues	Base Revenue Requirement	
	Original Application	\$ 13,427,518	6.17%	\$ 217,478,742	\$ 177,783,549	\$ 23,111,861	\$ 8,151,672	\$ 803,815	\$ 13,721,334	\$ 36,594,074	\$ 1,181,606	\$ 35,412,468	\$ 4,154,517
1	Board Staff IR # 21 Change Working Capital Allowance % to 7.5%	\$ 19,829,802	6.17%	\$ 207,793,648	\$ 177,783,549	\$ 13,333,766	\$ 8,161,672	\$ 877,668	\$ 13,721,334	\$ 36,868,211	\$ 1,181,606	\$ 34,677,605	\$ 3,419,604
	Change	\$ 6,402,284	0.00%	\$ -9,315,136	\$ -	\$ 2,221,905	\$ -	\$ 131,146	\$ -	\$ 734,863	\$ -	\$ 734,863	\$ 734,863
2	VECC # 10 / EP # 14 / SEC # 37 Update 2015 & 2016 LRT Capital Additions	\$ 52,262	6.17%	\$ 208,142,711	\$ 177,783,549	\$ 13,333,766	\$ 8,172,436	\$ 687,598	\$ 13,721,334	\$ 35,925,165	\$ 1,181,606	\$ 34,743,559	\$ 3,465,606
	Change	\$ 18,026	0.00%	\$ 814,055	\$ -	\$ -	\$ 20,763	\$ 6,070	\$ -	\$ 65,954	\$ -	\$ 65,954	\$ 65,954
3	VECC # 10 / EP # 14 / SEC # 37 Update 2015 & 2016 All Other (Non-LRT) Capital Additions	\$ 12,634,847	6.17%	\$ 207,879,536	\$ 177,783,549	\$ 13,333,766	\$ 8,157,240	\$ 687,961	\$ 13,721,334	\$ 35,871,116	\$ 1,181,606	\$ 34,689,510	\$ 3,431,599
	Change	\$ 39,217	0.00%	\$ 635,174	\$ -	\$ -	\$ 15,194	\$ 362	\$ -	\$ 54,049	\$ -	\$ 54,049	\$ 54,049
4	1-Staff-149 Adjust Revenue Offset Appendix 2-FC	\$ 12,834,847	6.17%	\$ 207,879,536	\$ 177,783,549	\$ 13,333,766	\$ 8,157,240	\$ 687,961	\$ 13,721,334	\$ 35,871,116	\$ 1,183,596	\$ 34,687,520	\$ 3,429,589
	Change	\$ -	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,990	\$ 1,990	\$ -	\$ 1,990
5	4-VECC-36 Increase Regulatory Expense - Board Costs	\$ 12,834,883	6.17%	\$ 207,880,298	\$ 177,793,549	\$ 13,334,516	\$ 8,157,240	\$ 687,971	\$ 13,731,334	\$ 35,881,172	\$ 1,183,596	\$ 34,697,576	\$ 3,439,625
	Change	\$ 46	0.00%	\$ 750	\$ 10,000	\$ 750	\$ -	\$ 10	\$ 10,000	\$ 10,056	\$ -	\$ 10,056	\$ 10,056
6	1-Staff-22 & 1-Staff-24 Adjust RPP% Res <08 Update Naviant Acq/15 Price	\$ 12,881,291	6.17%	\$ 208,631,771	\$ 187,813,339	\$ 14,086,000	\$ 8,157,240	\$ 678,050	\$ 13,731,334	\$ 35,937,649	\$ 1,183,596	\$ 34,754,053	\$ 3,498,103
	Change	\$ 48,398	0.00%	\$ 751,484	\$ 10,019,790	\$ 751,484	\$ -	\$ 10,079	\$ -	\$ 56,477	\$ -	\$ 56,477	\$ 56,477
7	3-Staff-99 & 3-Staff-131 Adjust Loss Factor in Load Forecast	\$ 12,881,291	6.17%	\$ 208,631,771	\$ 187,813,339	\$ 14,086,000	\$ 8,157,240	\$ 678,050	\$ 13,731,334	\$ 35,937,649	\$ 1,183,596	\$ 34,754,053	\$ 3,477,960
	Change	\$ -	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,142
8	4-Energy Probe-40 & 43 Correct PILs - Depreciation in Burdens and Donations	\$ 12,881,291	6.17%	\$ 208,631,771	\$ 187,813,339	\$ 14,086,000	\$ 8,157,240	\$ 740,537	\$ 13,731,334	\$ 36,000,135	\$ 1,183,596	\$ 34,816,540	\$ 3,540,447
	Change	\$ -	0.00%	\$ -	\$ -	\$ -	\$ -	\$ 62,486	\$ -	\$ 62,486	\$ -	\$ 62,486	\$ 62,486
9	JTC1-10 Correct Adjustment to Working Cap Allowance OM&A Ohv	\$ 12,883,979	6.17%	\$ 208,675,315	\$ 188,393,925	\$ 14,129,544	\$ 8,157,240	\$ 741,121	\$ 13,731,334	\$ 36,003,408	\$ 1,183,596	\$ 34,819,812	\$ 3,543,719
	Change	\$ 2,688	0.00%	\$ 43,544	\$ 580,587	\$ 43,544	\$ -	\$ 584	\$ -	\$ 3,273	\$ -	\$ 3,273	\$ 3,273
10	JTC1-21 Change 2015 Term Loan in 2016 to 3.43% for \$10M	\$ 12,817,870	6.14%	\$ 208,675,315	\$ 188,393,925	\$ 14,129,544	\$ 8,157,240	\$ 741,121	\$ 13,731,334	\$ 35,937,298	\$ 1,183,596	\$ 34,753,703	\$ 3,477,610
	Change	\$ 66,109	-0.03%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 66,109	\$ -	\$ 66,109	\$ 66,109
11	Settlement Increase Other Revenue \$40,000	\$ 12,817,870	6.14%	\$ 208,675,315	\$ 188,393,925	\$ 14,129,544	\$ 8,157,240	\$ 741,121	\$ 13,731,334	\$ 35,937,298	\$ 1,223,596	\$ 34,713,703	\$ 3,437,610
	Change	\$ -	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,000	\$ -	\$ 40,000	\$ 40,000
12	Settlement MS3 out Opening 2016, MS1 out Closing 2016	\$ 12,816,888	6.14%	\$ 208,669,977	\$ 188,393,925	\$ 14,129,544	\$ 8,156,493	\$ 740,659	\$ 13,731,334	\$ 35,935,208	\$ 1,223,596	\$ 34,711,613	\$ 3,435,620
	Change	\$ 881	0.00%	\$ 14,338	\$ -	\$ -	\$ 747	\$ 462	\$ -	\$ 2,089	\$ -	\$ 2,089	\$ 2,089
13	Settlement Decrease 2016 Additions by \$500k	\$ 12,801,828	6.14%	\$ 208,414,152	\$ 188,393,925	\$ 14,129,544	\$ 8,150,144	\$ 742,270	\$ 13,731,334	\$ 35,915,310	\$ 1,223,596	\$ 34,691,714	\$ 3,415,621
	Change	\$ 15,161	0.00%	\$ 246,835	\$ -	\$ -	\$ 6,349	\$ 1,611	\$ -	\$ 19,899	\$ -	\$ 19,899	\$ 19,899
14	Settlement Change 2016 Term Loan Jn-Dec 2016 to 3.43% for \$7.2M	\$ 12,774,648	6.13%	\$ 208,414,152	\$ 188,393,925	\$ 14,129,544	\$ 8,150,144	\$ 742,270	\$ 13,731,334	\$ 35,888,130	\$ 1,223,596	\$ 34,664,534	\$ 3,388,441
	Change	\$ 27,180	-0.01%	\$ -	\$ -	\$ -	\$ -	\$ 0	\$ -	\$ 27,180	\$ -	\$ 27,180	\$ 27,180
15	Settlement Decrease \$10k OM&A in 2016	\$ 12,773,223	6.13%	\$ 208,398,882	\$ 188,083,925	\$ 14,108,294	\$ 8,150,144	\$ 741,868	\$ 13,421,334	\$ 35,576,303	\$ 1,223,596	\$ 34,352,707	\$ 3,076,794
	Change	\$ 1,425	0.00%	\$ 23,250	\$ 310,000	\$ -	\$ -	\$ 312	\$ 310,000	\$ -	\$ -	\$ 311,737	\$ 311,737
16	Settlement Change LF to 1540 GWh, Add 146 Res, 10 <50 Cust, Adj 2014 CDM / Persistence	\$ 12,786,026	6.13%	\$ 208,599,775	\$ 190,868,909	\$ 14,315,168	\$ 8,150,144	\$ 744,700	\$ 13,421,334	\$ 35,591,997	\$ 1,223,596	\$ 34,368,401	\$ 2,697,789
	Change	\$ 12,803	0.00%	\$ 208,874	\$ 2,784,984	\$ 208,874	\$ -	\$ 2,801	\$ -	\$ 15,604	\$ -	\$ 15,604	\$ 378,915
17	Settlement Adjust 2 Assets Outside Kinetics Rance	\$ 12,788,279	6.13%	\$ 208,636,537	\$ 190,868,909	\$ 14,315,168	\$ 8,076,620	\$ 718,744	\$ 13,421,334	\$ 35,494,711	\$ 1,223,596	\$ 34,271,115	\$ 2,600,502
	Change	\$ 2,253	0.00%	\$ 36,762	\$ -	\$ -	\$ 73,524	\$ 26,016	\$ -	\$ 97,286	\$ -	\$ 97,286	\$ 97,286
18	Settlement OPEB Changes to OM&A Capital and Deferral	\$ 12,789,672	6.13%	\$ 208,659,273	\$ 190,006,909	\$ 14,295,518	\$ 8,077,849	\$ 718,252	\$ 13,159,334	\$ 35,234,841	\$ 1,223,596	\$ 34,011,245	\$ 2,340,632
	Change	\$ 1,354	0.00%	\$ 22,736	\$ 262,000	\$ 19,650	\$ 1,229	\$ 492	\$ 262,000	\$ 259,870	\$ -	\$ 259,870	\$ 259,870
19	Settlement Correct Rate Base Calculation re: MS3 Opening	\$ 12,789,608	6.13%	\$ 208,658,217	\$ 190,006,909	\$ 14,295,518	\$ 8,077,849	\$ 718,238	\$ 13,159,334	\$ 35,234,762	\$ 1,223,596	\$ 34,011,166	\$ 2,340,553
	Change	\$ 65	0.00%	\$ 1,056	\$ -	\$ -	\$ -	\$ 14	\$ -	\$ 79	\$ -	\$ 79	\$ 79
20	Settlement MS3 adjust 2016 CCA for Disposal	\$ 12,789,608	6.13%	\$ 208,658,217	\$ 190,006,909	\$ 14,295,518	\$ 8,077,849	\$ 718,460	\$ 13,159,334	\$ 35,234,964	\$ 1,223,596	\$ 34,011,368	\$ 2,340,775
	Change	\$ -	0.00%	\$ -	\$ -	\$ -	\$ -	\$ 222	\$ -	\$ -	\$ -	\$ 222	\$ 222
21	Settlement Adj CDM % to Rate Classes in Load Forecast - Enerov Tab	\$ 12,789,608	6.13%	\$ 208,658,217	\$ 190,006,909	\$ 14,295,518	\$ 8,077,849	\$ 718,460	\$ 13,159,334	\$ 35,234,964	\$ 1,223,596	\$ 34,011,368	\$ 2,341,887
	Change	\$ -	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,112
22	Settlement Update Adjust to 2016 Cost of Capital Parameters	\$ 12,568,048	6.02%	\$ 208,658,217	\$ 190,006,909	\$ 14,295,518	\$ 8,077,849	\$ 685,308	\$ 13,159,334	\$ 34,860,324	\$ 1,223,596	\$ 33,736,728	\$ 2,087,227
	Change	\$ 21,559	-0.11%	\$ -	\$ -	\$ -	\$ -	\$ 33,101	\$ -	\$ 254,660	\$ -	\$ 254,660	\$ 254,660