

**EB-2021-0041**

**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  
London Hydro Inc.  
For an order approving just and reasonable rates and  
Other charges for electricity distribution beginning  
May 1, 2022.

**London Hydro Inc.**

**Settlement Proposal**

Filed: January 31, 2022

# Contents

<b>LIST OF TABLES</b> .....	<b>4</b>
<b>LIST OF ATTACHMENTS</b> .....	<b>5</b>
<b>SETTLEMENT PROPOSAL</b> .....	<b>6</b>
<b>SUMMARY</b> .....	<b>9</b>
<b>RRF OUTCOMES</b> .....	<b>12</b>
<b>1.0 PLANNING</b> .....	<b>13</b>
<b>1.1 CAPITAL</b> .....	13
<b>1.2 OM&amp;A</b> .....	16
<b>1.3 Has London Hydro appropriately considered measures to cost-effectively reduce distribution losses in its planning processes and included such measures where appropriate?</b> .....	18
<b>2.0 REVENUE REQUIREMENT</b> .....	<b>19</b>
<b>2.1 Are all elements of the revenue requirement reasonable, and have they been appropriately determined in accordance with OEB policies and practices?</b> .....	19
<b>2.1.1 Rate Base</b> .....	22
<b>2.1.2 Utility Income</b> .....	24
<b>2.1.3 Taxes/PILs</b> .....	26
<b>2.1.4 Capitalization/Cost of Capital</b> .....	27
<b>2.2 Has the revenue requirement been accurately determined based on these elements?</b> .....	28
<b>2.3 Is the proposed shared services cost allocation methodology and the quantum appropriate?</b> .....	30
<b>2.4 Is London Hydro’s proposal to remove the Scientific Research &amp; Experimental Development tax credits from its revenue requirement as a revenue offset appropriate?</b> .....	31
<b>3.0 LOAD FORECAST, COST ALLOCATION, AND RATE DESIGN</b> .....	<b>32</b>
<b>3.1 Are the proposed load and customer forecast, loss factors, and resulting billing determinants appropriate and, to the extent applicable, are they an appropriate reflection of the energy and demand requirements of London Hydro’s customers?</b> .....	32
<b>3.1.1 Customer/Connection Forecast</b> .....	35
<b>3.1.2 Load Forecast</b> .....	36
<b>3.1.3 Loss Factors</b> .....	38
<b>3.2 Are the proposed cost allocation methodology, allocations, and revenue-to-cost ratios, appropriate?</b> .....	39

3.3	Are London Hydro’s proposals, including the proposed fixed/variable splits, for rate design appropriate? .....	41
3.4	Are the proposed Retail Transmission Service Rates appropriate? .....	43
3.5	Are the Specific Service Charges, Retail Service Charges, and Pole Attachment Charge appropriate? .....	45
4.0	<b>ACCOUNTING</b> .....	<b>46</b>
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? .....	46
4.2	Are London Hydro’s proposals for deferral and variance accounts, including the balances in the existing accounts and their disposition, requests for discontinuation of accounts, and the continuation of existing accounts, appropriate? .....	47
4.3	Is London Hydro’ proposal for a new deferral and variance account for impacts resulting from Ontario’s Broadband and Cellular Action Plan appropriate?.....	51
5.0	<b>OTHER</b> .....	<b>52</b>
5.1	Is the proposed effective date (i.e. May 1, 2022) for 2022 rates appropriate? .....	52
5.2	Are the amounts proposed for inclusion in rate base for the Advanced Capital Modules approved in EB-2017-0059 and the proposed treatment of the associated true-up appropriate? .....	53
5.3	Is the proposal for an Advanced Capital Module for an upgraded customer information system appropriate, and does the proposal include sufficient justification and cost estimates to show need and prudence? .....	55
5.4	Is London Hydro’s request for an extension to the exception granted to it under section 71(4) of the OEB Act to carry out certain Green Button related services that are non-distribution related activities appropriate? .....	56
6	<b>ATTACHMENTS</b> .....	<b>58</b>
A	Proposed May 1, 2022 Tariff of Rates and Charges .....	59
B	Bill Impacts .....	60
C	Revenue Requirement Work Form .....	61

## LIST OF TABLES

<b>Table 1: 2022 Revenue Requirement .....</b>	<b>10</b>
<b>Table 2: Bill Impact Summary .....</b>	<b>11</b>
<b>Table 3: Fixed Asset Continuity and 2022 Capital Expenditures .....</b>	<b>14</b>
<b>Table 4: 2022 Test Year OM&amp;A Expenses .....</b>	<b>17</b>
<b>Table 5: 2022 Revenue Requirement Summary .....</b>	<b>20</b>
<b>Table 6: 2022 Rate Base .....</b>	<b>22</b>
<b>Table 7: 2022 Utility Income .....</b>	<b>24</b>
<b>Table 8: 2022 Income Taxes .....</b>	<b>26</b>
<b>Table 9: 2022 Cost of Capital Calculation .....</b>	<b>27</b>
<b>Table 10: 2022 Base Revenue Requirement .....</b>	<b>28</b>
<b>Table 11: 2022 Test Year Billing Determinants .....</b>	<b>33</b>
<b>Table 12: Summary of 2022 Lost Forecast Customer Counts/Connections .....</b>	<b>35</b>
<b>Table 13: Summary of 2022 Wholesale Load Forecast kWh .....</b>	<b>36</b>
<b>Table 14: 2022 Loss Factors .....</b>	<b>38</b>
<b>Table 15: Summary of 2022 Revenue-to-Cost Ratios .....</b>	<b>39</b>
<b>Table 16: 2022 Distribution Rates .....</b>	<b>41</b>
<b>Table 17: 2022 Fixed Rate Reduction .....</b>	<b>42</b>
<b>Table 18: 2022 RTSR Network and Connection Rates Charges .....</b>	<b>43</b>
<b>Table 19: DVA Balances for Disposition .....</b>	<b>48</b>
<b>Table 20: DVA and LRAMVA Rate Riders .....</b>	<b>48</b>

## LIST OF ATTACHMENTS

- A. Proposed May 1, 2022 Tariff of Rates and Charges
- B. Bill Impacts
- C. Revenue Requirement Work Form

LH has filed revised models as evidence to support this Settlement Proposal. The models have been filed through the OEB's e-filing service and include:

1. Filing Requirements Chapter 2 Appendices
2. Revenue Requirement Work Form
3. Income Tax PILs Model
4. Load Forecast Model
5. Cost Allocation Model
6. DVA Continuity Schedule
7. RTSR Model
8. Tariff Schedule and Bill Impact Model

## SETTLEMENT PROPOSAL

London Hydro Inc. (the Applicant or LH) filed a Cost of Service application with the Ontario Energy Board (the OEB) on August 30, 2021, 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 LH charges for electricity distribution, to be effective May 1, 2022 (OEB file number EB-2021-0041) (the Application).

The OEB issued a Letter of Direction and Notice of Application on September 13, 2021. In Procedural Order No. 1, dated October 15, 2021, the OEB approved the following intervenors (the Intervenors):

1. School Energy Coalition (SEC)
2. Vulnerable Energy Consumers Coalition (VECC)
3. Consumers Council of Canada (CCC)
4. London Property Management Association (LPMA)
5. Environmental Defence
6. Chippewas of Kettle and Stony Point First Nation with Southwind Development Corporation (CKSPFN - Southwind)

The Procedural Order also indicated the prescribed dates for the written interrogatories, LH's responses to interrogatories, a Settlement Conference, and various other elements in the proceeding.

On October 22, 2021, OEB staff, on behalf of all the parties, submitted a proposed issues list (the Issues List) to the OEB for approval. The OEB approved the Issues List on October 29, 2021.

Following the receipt of interrogatories, LH filed its interrogatory responses with the OEB on November 22, 2021.

The Settlement Conference was convened on November 29, 30, December 1 and 2, 2021 in accordance with the OEB's Rules of Practice and Procedure (the Rules) and the OEB's Practice Direction on Settlement Conferences. The above noted intervenors and OEB Staff participated in the Settlement Conference.

Jim Faught and Michelle Dagnino acted as facilitators for the Settlement Conference.

LH and the Intervenors (collectively referred to below as the Parties), reached a full, comprehensive settlement regarding LH's 2022 Cost of Service Application. The details and specific components of the settlement are detailed in this Settlement Proposal.

This document is called a Settlement Proposal because it is a proposal by the Parties presented to the OEB to settle the issues in this proceeding. It is termed a proposal as between the Parties and the OEB. However, as between the Parties, and subject only to the OEB's approval of this Settlement Proposal, this document is intended to be a legal agreement, creating mutual obligations, and binding and enforceable in accordance with its terms. In entering into this

Settlement Proposal, the Parties understand and agree that pursuant to the Act, the OEB has exclusive jurisdiction with respect to the interpretation and enforcement of the terms hereof.

The Parties acknowledge that the Settlement Conference was confidential in accordance with the OEB's Practice Direction on Settlement Conferences. The Parties understand that confidentiality in that context does not have the same meaning as confidentiality in the OEB's Practice Direction on Confidential Filings, and the rules of that latter document do not apply. Instead, in this Settlement Conference, and in this Settlement Proposal, the specific rules with respect to confidentiality and privilege are as set out in the Practice Direction on Settlement Conferences, as amended on February 17, 2021. The Parties have interpreted the revised Practice Direction on Settlement Conferences to mean that the documents and other information provided during the course of the Settlement Conference itself, 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 are deemed to include, in this context, persons who were not in attendance at the Settlement Conference but were a) any persons or entities that the Parties engaged to assist them with the Settlement Conference, and b) any persons or entities from whom the attendees sought instructions with respect to the negotiations.

OEB Staff also participated in the Settlement Conference. The role adopted by OEB Staff is set out in section 11 of the Practice Direction on Settlement Conferences. Although OEB Staff is not a party to this Settlement Proposal, as noted in the Practice Direction on Settlement Conferences, OEB Staff who participated in the Settlement Conference are bound by the same confidentiality standards that apply to the Parties to the proceeding.

This Settlement Proposal provides a brief description of each of the 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, in addition to the Application, the responses to interrogatories, all other components of the record up to and including the date here of, and the additional information included by the Parties in this Settlement Proposal and the attachments and appendices to this document.

Included with the Settlement Proposal are attachments that provide further support for the proposed settlement. The Parties acknowledge that the attachments were prepared by LH. The Intervenors and OEB Staff have reviewed the attachments. However, the intervenors are relying on the accuracy of the attachments and the underlying evidence in entering into this Settlement Proposal.

For ease of reference, this Settlement Proposal follows the format of the final approved Issues List, with additional sub-issues added as appropriate in order to highlight specific aspects of the settlement.

According to section 6 of the Practice Direction on Settlement Conferences, 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. Any such adjustments are specifically set out in the text of the Settlement Proposal.

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

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

Unless stated otherwise, the settlement of any particular issue in this proceeding and the positions of the Parties in this Settlement Proposal are without prejudice to the rights of the Parties to raise the same issue and/or to take any position thereon in any other proceeding, whether or not LH is a party to such proceeding, provided that no Party shall take a position that would result in the Settlement Proposal not applying in accordance with the terms contained herein.

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



## SUMMARY

The parties were able to reach agreement on all aspects of the Application; capital costs, operations, maintenance & administration (OM&A) costs, revenue requirement-related issues, including the accuracy of the revenue requirement determination, OEB policies and practices and accounting.

In reaching this Settlement Proposal, the Parties have been guided by the Filing Requirements for 2022 rates and the approved Issues List.

This Settlement Proposal reflects a full settlement of the issues in the proceeding. The Parties have described below, in detail, areas where they have settled an issue by agreeing to adjustments to the Application as updated. Notwithstanding any other clause of this Settlement Proposal, Environmental Defence only takes a position on the issues where it is listed below as a supporting party and takes no position with respect to, and does not oppose, any of the remaining issues.

This Settlement Proposal will, if accepted, result in total bill increases of \$1.34 or 1.17% per month for the typical residential customer consuming 750 kWh per month. This compares to an increase of \$3.30 or 2.9% per month in the original Application evidence.

The overall financial impact of the Settlement Proposal is to reduce the total base revenue requirement by 3.0% from \$79,330,946 to \$76,889,445.

The Parties note that this Settlement Proposal includes all tables, appendices and the Excel models that represent the evidence and the settlement between the Parties at the time of filing the Settlement Proposal, and the agreed Tariff of Rates and Charges.

A Revenue Requirement Work Form (RRWF) incorporating all terms that have been agreed to is filed with the Settlement Proposal. Through the settlement process, LH has agreed to certain adjustments to its original 2022 Application. The changes are described in the following sections.

LH has provided the following tables summarizing the Application and highlighting the changes to its Rate Base and Capital, Operating Expenses, and Revenue Requirement as between LH's Application as filed, the interrogatory process and this Settlement Proposal.

**Table 1: 2022 Revenue Requirement**

Particulars	Application August 27, 2021	IRR November 19, 2021	Variance over Original Filing	Settlement Proposal December 2, 2021	Variance over IRs
Long Term Debt	2.30%	2.30%	0.00%	2.30%	0.00%
Short Term Debt	1.75%	1.17%	-0.58%	1.17%	0.00%
Return on Equity	8.34%	8.66%	0.32%	8.66%	0.00%
Long Term Debt	56%	56%	0.00%	56%	0.00%
Short Term Debt	4%	4%	0.00%	4%	0.00%
Return on Equity	40%	40%	0.00%	40%	0.00%
Weighted Average Cost of Capital	4.69%	4.80%	-0.10%	4.80%	0.00%
Controllable Expenses	\$ 44,295,600	\$ 44,295,600	\$ -	\$ 42,939,800	-\$ 1,355,800
Power Supply Expense	\$ 313,751,116	\$ 313,751,116	\$ -	\$ 327,514,989	\$ 13,763,873
Working Capital Allowance Base	\$ 358,046,716	\$ 358,046,716	\$ -	\$ 370,454,789	\$ 12,408,073
Working Capital Allowance Rate	7.50%	7.50%	0.00%	7.50%	0%
Total Working Capital Allowance	\$ 26,853,504	\$ 26,853,504	\$ -	\$ 27,784,109	\$ 930,606
Gross Fixed Assets (avg)	\$ 591,248,298	\$ 591,248,298	\$ -	\$ 584,676,115	-\$ 6,572,184
Accumulated Depreciation (avg)	-\$ 234,637,862	-\$ 234,637,862	\$ -	-\$ 232,897,992	\$ 1,739,870
Net Fixed Assets (avg)	\$ 356,610,436	\$ 356,610,436	\$ -	\$ 351,778,123	-\$ 4,832,314
Working Capital Allowance	\$ 26,853,504	\$ 26,853,504	\$ -	\$ 27,784,109	\$ 930,606
Rate Base	\$ 383,463,940	\$ 383,463,940	\$ -	\$ 379,562,232	-\$ 3,901,708
Long Term Debt	\$ 4,939,016	\$ 4,939,016	\$ -	\$ 4,888,762	-\$ 50,254
Short Term Debt	\$ 268,425	\$ 179,461	-\$ 88,964	\$ 177,635	-\$ 1,826
Return on Equity	\$ 12,792,357	\$ 13,283,191	\$ 490,834	\$ 13,148,036	-\$ 135,155
Regulated Return on Capital	\$ 17,999,797	\$ 18,401,668	\$ 401,870	\$ 18,214,432	-\$ 187,235
Regulated Rate of Return	4.69%	4.80%		4.80%	
OM&A Expenses	\$ 44,168,800	\$ 44,168,800	\$ -	\$ 42,793,800	-\$ 1,375,000
Property Taxes	\$ 609,200	\$ 609,200	\$ -	\$ 609,200	\$ -
Depreciation Expense	\$ 22,148,800	\$ 22,148,800	\$ -	\$ 21,525,800	-\$ 623,000
PILs	\$ 403,436	\$ 580,404	\$ 176,968	\$ 395,260	-\$ 185,144
Revenue Offset	-\$ 5,999,088	-\$ 5,999,088	\$ -	-\$ 6,649,048	-\$ 649,960
<b>Revenue Requirement</b>	<b>\$ 79,330,946</b>	<b>\$ 79,909,784</b>	<b>\$ 578,838</b>	<b>\$ 76,889,445</b>	<b>-\$ 3,020,339</b>
Distribution Revenue at Current Rates	\$ 71,530,217	\$ 71,530,217	\$ -	\$ 72,736,802	\$ 1,206,584
<b>Gross Revenue Deficiency/Sufficiency</b>	<b>\$ 7,800,729</b>	<b>\$ 8,379,566</b>	<b>\$ 578,838</b>	<b>\$ 4,152,643</b>	<b>-\$ 4,226,924</b>
	<b>10.91%</b>	<b>11.71%</b>		<b>5.71%</b>	

Based on the foregoing, and the evidence and rationale provided below, the Parties accept this Settlement Proposal as appropriate and recommend its acceptance by the OEB. Table 2 below illustrates the updated bill impacts that would result from the acceptance of this Settlement Proposal.

**Table 2: Bill Impact Summary**

Rate Class	Usage		Monthly Distribution Charge (sub-total A)				
	kWh	kW	Change				
			2021	2022	\$	%	
Residential - RPP	750		\$ 26.67	\$ 26.96	\$ 0.29	1.09%	
Residential - RPP - 10th percentile	254		\$ 26.42	\$ 26.81	\$ 0.39	1.47%	
GS <50 kW - RPP	2,000		\$ 57.99	\$ 57.85	-\$ 0.14	-0.24%	
GS > 50 - 4,999 kW	73,689	186	\$ 736.29	\$ 756.65	\$ 20.36	2.77%	
Co-Generation	280,115	670	\$ 5,086.89	\$ 2,381.79	-\$ 2,705.10	-53.18%	
Standby		2,500	\$ 8,623.75	\$ 9,108.00	\$ 484.25	5.62%	
Large Use	7,562,627	14,369	\$ 49,532.02	\$ 40,315.32	-\$ 9,216.70	-18.61%	
Street Lights	32	0	\$ 0.54	\$ 0.35	-\$ 0.19	-35.85%	
Sentinel Lights	81	0	\$ 3.63	\$ 4.13	\$ 0.51	14.00%	
Unmetered Scattered Load	288		\$ 6.19	\$ 7.23	\$ 1.04	16.72%	

Rate Class	Usage		Total Bill				
	kWh	kW	Change				
			2021	2022	\$	%	
Residential - RPP	750		\$ 114.04	\$ 115.37	\$ 1.33	1.17%	
Residential - RPP - 10th percentile	254		\$ 55.49	\$ 56.22	\$ 0.72	1.30%	
GS <50 kW - RPP	2,000		\$ 288.35	\$ 290.66	\$ 2.31	0.80%	
GS > 50 - 4,999 kW	73,689	186	\$ 11,961.07	\$ 12,182.78	\$ 221.71	1.85%	
Co-Generation	280,115	670	\$ 49,727.09	\$ 45,972.55	-\$ 3,754.54	-7.55%	
Standby		2,500	\$ 9,419.96	\$ 10,409.56	\$ 989.60	10.51%	
Large Use	7,562,627	14,369	\$ 1,047,845.21	\$ 1,053,952.13	\$ 6,106.92	0.58%	
Street Lights	32	0	\$ 5.72	\$ 5.43	-\$ 0.29	-5.05%	
Sentinel Lights	81	0	\$ 13.78	\$ 14.10	\$ 0.32	2.35%	
Unmetered Scattered Load	288		\$ 39.62	\$ 40.94	\$ 1.33	3.35%	

## **RRF OUTCOMES**

The Parties accept that the Applicant is in compliance with the OEB's required outcomes as defined by the Renewed Regulatory Framework for Electricity (RRFE). Subject to the adjustments noted in this Settlement Proposal, the Parties accept that LH's proposed rates in the 2022 Test Year will, in all reasonably foreseeable circumstances, allow the Applicant to meet its obligations to its customers while maintaining its financial viability.

## 1.0 PLANNING

### 1.1 CAPITAL

Is the level of planned capital expenditure 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
- investment in non-wire alternatives, including distributed energy resources, where appropriate
- Trade-offs with OM&A spending
- Government-mandated obligations
- The objectives of London Hydro and its customers
- The distribution system plan
- The business plan

#### Full Settlement

For the purposes of settlement, the Parties have agreed that LH will reduce its forecast net In-Service Additions for the 2022 test year by \$4.0M (from \$41,742,000 to \$37,742,000) for the purposes of setting rates. This reduction in the net In-Service Additions is intended to reflect a more levelized spending pattern for LH's proposed capital spending over the 2022-2026 term.

In addition, as noted under issue 2.1.1, LH has agreed to update its forecast net In-Service additions for 2021 from \$36,777,000 to \$33,286,000.

The Parties noted that relative to the DSP filed by LH for the 2017 to 2020 period LH's total spending was materially higher than planned, and that the bulk of that increased spending was attributable to customer driven capital requirements, include both system access projects and work driven by the City of London, the scope of which had not been fully anticipated within the 2017 to 2021 DSP (see appendix D). In order to attempt to mitigate any similar disparity between planned spending in LH's next filed DSP and actual spending LH has agreed to document and bring forward for review the steps it takes to establish the extent and cost of customer driven work in order to account for such work, to the extent possible, within its next DSP.

- LH further agrees that in developing its next Asset Condition Assessment, it will place a greater focus on actual asset condition as opposed to age.

**Table 3: Fixed Asset Continuity and 2022 Capital Expenditures**

Particulars	Application	IRR	Variance over	Settlement	Variance over IRs
	August 27, 2021	November 19, 2021	Original Filing	Proposal December 2, 2021	
<b>2021 Fixed Asset Continuity Schedule</b>					
<b>Gross Fixed Assets</b>					
Opening	543,664,983	543,664,983	-	543,664,983	-
Additions	36,777,000	36,777,000	-	33,286,000	(3,491,000)
Disposals	(12,370,400)	(12,370,400)	-	(12,370,400)	-
Closing	568,071,583	568,071,583	-	564,580,583	(3,491,000)
<b>Accumulated Depreciation</b>					
Opening	218,482,280	218,482,280	-	218,482,280	-
Additions	20,913,500	20,913,500	-	20,627,500	(286,000)
Disposals	(12,368,300)	(12,368,300)	-	(12,368,300)	-
Closing	227,027,480	227,027,480	-	226,741,480	(286,000)
<b>2021 Closing NBV</b>	<b>341,044,103</b>	<b>341,044,103</b>	-	<b>337,839,103</b>	<b>(3,205,000)</b>
<b>Average Net Fixed Assets</b>	<b>333,113,403</b>	<b>333,113,403</b>	-	<b>331,510,903</b>	<b>(1,602,500)</b>
<b>2022 Fixed Asset Continuity Schedule</b>					
<b>Gross Fixed Assets</b>					
Opening	568,071,583	568,071,583	-	564,580,583	(3,491,000)
Regulatory Transfers(ACM)	8,099,016	8,110,244	11,228	8,110,244	-
Additions	41,742,000	41,742,000	-	37,742,000	(4,000,000)
Disposals	(11,586,600)	(11,586,600)	-	(11,586,600)	-
Closing	606,325,998	606,325,998	-	598,846,226	(7,479,772)
<b>Accumulated Depreciation</b>					
Opening	227,027,480	227,027,480	-	226,741,480	(286,000)
Regulatory Transfers(ACM)	2,213,782	2,184,824	(28,958)	2,184,824	-
Additions	22,379,800	22,379,800	-	21,714,800	(665,000)
Disposals	(11,586,600)	(11,586,600)	-	(11,586,600)	-
Closing	240,034,462	240,034,462	-	239,054,504	(979,958)
<b>2022 Closing NBV</b>	<b>366,291,537</b>	<b>366,291,537</b>	-	<b>359,791,723</b>	<b>(6,499,814)</b>
<b>Average Net Fixed Assets</b>	<b>356,610,437</b>	<b>356,610,437</b>	-	<b>351,778,123</b>	<b>(4,832,314)</b>
<b>2022 Capital Expenditures</b>					
System Access	17,987,000	17,987,000	-	17,987,000	-
System Renewal	16,993,000	16,993,000	-	16,993,000	-
System Service	1,135,000	1,135,000	-	1,135,000	-
General Plant	15,935,000	15,935,000	-	15,935,000	-
Capital Contributions	(4,558,000)	(4,558,000)	-	(4,558,000)	-
<b>2022 Total Net Capital Expenditures</b>	<b>47,492,000</b>	<b>47,492,000</b>	-	<b>47,492,000</b>	-

The Parties accept the evidence of LH that the level of planned capital expenditures and the rationale for planning and pacing choices, as adjusted in this Settlement Proposal, are appropriate in order to maintain system reliability, service quality objectives and the reliable and safe operation of the distribution system.

### Evidence References

- EXHIBIT 1 - ADMINISTRATION
- EXHIBIT 2 - RATEBASE
- EXHIBIT 2 APPENDIX 2-7: DISTRIBUTION SYSTEM PLAN

## IR Responses

1-CCC-16	1-CCC-2	1-CCC-4	1-CCC-5
1-CCC-6	1-Staff-13	1-Staff-14	1-Staff-4
1-Staff-5	2.0-VECC-10	2.0-VECC-11	2.0-VECC-12
2.0-VECC-13	2.0-VECC-15	2.0-VECC-17	2.0-VECC-18
2.0-VECC-19	2.0-VECC-20	2.0-VECC-21	2.0-VECC-22
2.0-VECC-23	2.0-VECC-24	2.0-VECC-8	2.0-VECC-9
2-CCC-18	2-CCC-19	2-CCC-20	2-CCC-21
2-CCC-22	2-CCC-23	2-CCC-24	2-CCC-25
2-CCC-26	2-CCC-27	2-CCC-28	2-CCC-29
2-CCC-30	2-CCC-31	2-CCC-32	2-CCC-33
2-CCC-34	2-CCC-35	2-CCC-36	2-CCC-37
2-CCC-38	2-CCC-39	2-CCC-40	2-ED-1
2-ED-3	2-ED-4	2-ED-5	2-ED-6
2-ED-7	2-LPMA-10	2-LPMA-11	2-LPMA-12
2-LPMA-13	2-SEC-13	2-SEC-14	2-SEC-16
2-SEC-17	2-SEC-18	2-SEC-19	2-SEC-20
2-SEC-21	2-SEC-22	2-SEC-23	2-SEC-24
2-SEC-25	2-SEC-26	2-SEC-27	2-SEC-28
2-SEC-29	2-SEC-30	2-SEC-31	2-SEC-32
2-SEC-33	2-SEC-34	2-SEC-35	2-Staff-16
2-Staff-17	2-Staff-18	2-Staff-19	2-Staff-20
2-Staff-21	2-Staff-22	2-Staff-23	2-Staff-24
2-Staff-25	2-Staff-26	2-Staff-27	2-Staff-28
2-Staff-29	2-Staff-30	2-Staff-31	2-Staff-35
2-Staff-36	2-Staff-37	2-Staff-38	2-Staff-39
2-Staff-40	2-Staff-41	2-Staff-42	2-Staff-43
2-Staff-44	2-Staff-45	2-Staff-46	Supplementary 1-SEC
Supplementary 2-CCC-20	Supplementary 2-CCC-21	Supplementary 2-CCC-27	Supplementary 2-CCC-29
Supplementary 2-SEC	Supplementary 2-Staff-100	Supplementary 2-Staff-103	Supplementary 3-SEC
Supplementary 5-ED	Supplementary 7-SEC		

## Supporting Parties

- SEC, VECC, CCC, LPMA, CKSPFN-Southwind

## Parties Taking No Position

- Environmental Defence

## 1.2 OM&A

Is the level of planned OM&A expenditures appropriate and is the rationale for planning choices appropriate and adequately explaining, 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
- The objectives of London Hydro and its customers
- The distribution system plan
- The business plan

### Full Settlement

For the purposes of the Settlement Proposal, the Parties have agreed to a reduction of \$1,375,000 from LH's forecast 2022 OM&A spending.

As part of its plans going forward LH has agreed to, where reasonable, expand its ability to receive credit card payments from customers beyond the use of MasterCard to include other credit card providers. To that end the Parties recognize that LH will commit to add the capability to accept payment by VISA card prior to the end of the test year.

In recognition of concerns brought forward by some parties and as part of its Diversity, Equity & Inclusion (DEI) initiatives, LH has agreed to undertake the following with respect to its Indigenous customers and potential Indigenous suppliers:

1. Make reasonable efforts to build relationships with CKSPFN/Southwind and other First Nations within LH's distribution service territory, with the goal of gaining a deeper understanding of the identified needs of Indigenous people, customers and communities in relation to LH's business and services. LH will also report on its efforts in its next cost of service application.
2. Develop and implement a *Procurement & Supply-Chain Guide for Indigenous Suppliers* within the next twenty-four (24) months, and file this document with the parties to this Settlement Proposal and post it publicly on its website.



**Table 4: 2022 Test Year OM&A Expenses**

Particulars	Application	IRR	Variance over Original	Settlement Proposal	Variance over IRs
	August 27, 2021	November 19, 2021	Filing	December 2, 2021	
Operations	\$ 12,141,622	\$ 12,141,622	\$ -	\$ 11,763,646	-\$ 377,976
Maintenance	\$ 8,660,916	\$ 8,660,916	\$ -	\$ 8,391,297	-\$ 269,619
Billing and Collecting	\$ 6,324,404	\$ 6,324,404	\$ -	\$ 6,127,522	-\$ 196,882
Community Relations	\$ 171,600	\$ 171,600	\$ -	\$ 166,258	-\$ 5,342
Administration and General (including LEAP)	\$ 16,870,258	\$ 16,870,258	\$ -	\$ 16,345,077	-\$ 525,181
Total	\$ 44,168,800	\$ 44,168,800	\$ -	\$ 42,793,800	-\$ 1,375,000

## Evidence References

- EXHIBIT 1 - ADMINISTRATION
- EXHIBIT 4 – OM&A

## IR Responses

1.0-VECC-5	1.0-VECC-6	1-CCC-1	1-CCC-10
1-CCC-15	1-CCC-16	1-CCC-2	1-CCC-5
1-CCC-6	1-LPMA-6	1-LPMA-8	1-SEC-1
1-SEC-2	1-SEC-3	1-SEC-4	1-SEC-5
1-SEC-6	1-Staff-12	1-Staff-13	1-Staff-4
1-Staff-5	2.0-VECC-15	2-SEC-18	2-SEC-19
2-Staff-17	2-Staff-24	2-Staff-29	4.0-VECC-38
4.0-VECC-39	4.0-VECC-40	4.0-VECC-41	4-CCC-41
4-CCC-44	4-CCC-49	4-SEC-41	4-SEC-43
4-SEC-44	4-SEC-45	4-SEC-47	4-Staff-58
4-Staff-60	4-Staff-61	Supplementary 2-Staff-103	Supplementary 4-SEC

## Supporting Parties

- SEC, VECC, CCC, LPMA, CKSPFN-Southwind

## Parties Taking No Position

- Environmental Defence

### **1.3 Has London Hydro appropriately considered measures to cost-effectively reduce distribution losses in its planning processes and included such measures where appropriate?**

#### **Full Settlement**

The parties accept and note the improvements in LH's actual line losses in recent years, as reflected in the settlement proposal under issue 3.1.3 wherein the loss factors for the test year are to be calculated on the basis of LH's most recent 3 years of actual data (2018-2020) in order to capture the reduced actual line losses experienced by LH in recent years.

Going forward, between 2022 and 2027, LHI agrees as part of this Settlement Proposal to use best efforts to maintain its five-year average total system losses at or below a target of 1.0288 through cost-effective measures, recognizing that there are factors beyond the control of LHI that may contribute to increases in line losses.

#### **Evidence References**

- EXHIBIT 8 – RATE DESIGN
- EXHIBIT 8.9 LOSS ADJUSTMENT FACTORS

#### **IR Responses**

1-ED-2

3-Staff-47

8-Staff-81

Supplementary VECC-64

#### **Supporting Parties**

- SEC, VECC, CCC, LPMA, Environmental Defence, CKSPFN-Southwind

#### **Parties Taking No Position**

**None**

## **2.0 REVENUE REQUIREMENT**

### **2.1 Are all elements of the revenue requirement reasonable, and have they been appropriately determined in accordance with OEB policies and practices?**

#### **Full Settlement**

The Parties agree that the methodology used by LH to calculate the Revenue Requirement is appropriate, including the use of actual/forecast in service dates instead of the half year rule for the purpose of calculating depreciation expense for 2021 and 2022 as described under issue 2.1. The Parties note the following adjustments to LH's Other Revenue forecast that have been agreed to for the purpose of settlement. The following adjustments have been made to the base revenue requirement calculation:

- a) The Parties have agreed that LH will increase its Other Revenue forecast by \$650,000 for the purposes of calculating the test year base revenue requirement, with the increased forecast intending to more closely reflect the ability of LH to generate sustainable revenue offsets based on updated information relating to 2021 actual Other Revenue amounts.
- b) As discussed in issue 5.4, the Parties have agreed to an incremental increase to Other Revenue of \$89,960 in connection with the forecast profits from Green Button services over the 2022 to 2026 period.
- c) The Parties have agreed to an incremental decrease in Pole Attachment Revenue of \$84,000, made up of the following:
  - a. Increase of \$148,000, reflecting a full year of pole attachment revenue in the test year as opposed to 8 months of revenue; the Parties acknowledge that there will be no overlap with the tracking of pole attachment revenue in account 1508 for the year 2021, as that account tracks the differential between the pole attachment revenue embedded in rates against the impact of pole attachment rate changes on a calendar year basis, such that for the tracking of the price effective January 1, 2021 London Hydro tracks the differential in account 1508 from January 1, 2021 to December 31, 2021, while the price effective January 1, 2022 will be fully embedded in 2022 rates.
  - a) Decrease of \$232,000, reflecting the new wireline pole attachment rate, as outlined in EB-2021-0302, issued by the OEB on December 16, 2021. This was calculated as follows: London Hydro 2022 budgeted quantity of pole rentals (20,157) multiplied by the change in wireline pole attachment rate (\$46.30 - \$34.76), rounded to the nearest thousand.

- d) The Parties have agreed to decrease Other Revenue in the amount of \$6,000 in connection with the amortization of contributed capital to consider updated projected amounts for the 2021 fiscal year.

A summary of the adjusted Revenue Requirement of \$3,020,339 reflecting adjustments and settled issues in accordance with the above is presented in Table 5 – 2022 Revenue Requirement Summary below.

**Table 5: 2022 Revenue Requirement Summary**

Particulars	Application August 27, 2021	IRR November 19, 2021	Variance over Original Filing	Settlement Proposal December 2, 2021	Variance over IRs
Long Term Debt	\$ 4,939,016	\$ 4,939,016	\$ -	\$ 4,888,762	-\$ 50,254
Short Term Debt	\$ 268,425	\$ 179,461	-\$ 88,964	\$ 177,635	-\$ 1,826
Return on Equity	\$ 12,792,357	\$ 13,283,191	\$ 490,834	\$ 13,148,036	-\$ 135,155
Regulated Return on Capital	\$ 17,999,797	\$ 18,401,668	\$ 401,870	\$ 18,214,432	-\$ 187,235
OM&A Expenses	\$ 44,168,800	\$ 44,168,800	\$ -	\$ 42,793,800	-\$ 1,375,000
Property Taxes	\$ 609,200	\$ 609,200	\$ -	\$ 609,200	\$ -
Depreciation Expense	\$ 22,148,800	\$ 22,148,800	\$ -	\$ 21,525,800	-\$ 623,000
PILs	\$ 403,436	\$ 580,404	\$ 176,968	\$ 395,260	-\$ 185,144
Revenue Offset	-\$ 5,999,088	-\$ 5,999,088	\$ -	-\$ 6,649,048	-\$ 649,960
<b>Revenue Requirement</b>	<b>\$ 79,330,946</b>	<b>\$ 79,909,784</b>	<b>\$ 578,838</b>	<b>\$ 76,889,445</b>	<b>-\$ 3,020,339</b>

An updated Revenue Requirement Work Form has been filed through the OEB's e-filing service.

### Evidence References

- EXHIBIT 1 - ADMINISTRATION
- EXHIBIT 6 – REVENUE DEFICIENCY OR SUFFICIENCY

### IR Responses

1-SEC-8	1-Staff-1	2.0-VECC-12	2.0-VECC-15
2.0-VECC-18	2.0-VECC-19	2.0-VECC-20	2.0-VECC-21
2.0-VECC-22	2.0-VECC-24	2.0-VECC-8	2.0-VECC-9
2-CCC-20	2-CCC-21	2-CCC-24	2-CCC-25
2-CCC-26	2-CCC-27	2-CCC-28	2-LPMA-10
2-LPMA-9	2-Staff-17	2-Staff-20	2-Staff-23
2-Staff-24	2-Staff-25	2-Staff-27	2-Staff-28
2-Staff-29	3.0-VECC-35	3.0-VECC-36	3.0-VECC-37
3-LPMA-14	3-LPMA-33	3-LPMA-34	3-LPMA-35
3-LPMA-36	3-LPMA-37	3-LPMA-38	3-LPMA-39
3-SEC-37	3-Staff-54	4.0-VECC-38	4.0-VECC-39
4.0-VECC-40	4.0-VECC-41	4.0-VECC-42	4.0-VECC-43

4.0-VECC-44	4.0-VECC-45	4.0-VECC-46	4.0-VECC-47
4.0-VECC-48	4.0-VECC-49	4.0-VECC-50	4.0-VECC-51
4.0-VECC-52	4-CCC-41	4-CCC-42	4-CCC-43
4-CCC-45	4-CCC-46	4-CCC-47	4-CCC-48
4-CCC-49	4-CCC-50	4-LPMA-40	4-LPMA-41
4-LPMA-42	4-LPMA-43	4-LPMA-44	4-LPMA-45
4-SEC-38	4-SEC-39	4-SEC-40	4-SEC-41
4-SEC-42	4-SEC-43	4-SEC-44	4-SEC-45
4-SEC-46	4-SEC-47	4-SEC-48	4-Staff-55
4-Staff-56	4-Staff-57	4-Staff-58	4-Staff-59
4-Staff-60	4-Staff-61	4-Staff-62	4-Staff-63
4-Staff-64	4-Staff-65	4-Staff-66	4-Staff-67
4-Staff-68	4-Staff-69	4-Staff-70	4-Staff-71
4-Staff-72	4-Staff-73	5.0-VECC-53	5-SEC-50
5-SEC-51	5-Staff-74	6-LPMA-46	

**Supporting Parties**

- SEC, VECC, CCC, LPMA, CKSPFN-Southwind

**Parties Taking No Position**

- Environmental Defence

## 2.1.1 Rate Base

### Full Settlement

The Parties accept the evidence of LH that the rate base calculations have been appropriately determined in accordance with OEB policies and practices, after adjustments made necessary by the various elements of the Settlement Proposal, subject to the following:

The Parties have agreed that LH's 2021 and 2022 depreciation expense on assets going into service in 2021 and 2022 respectively will be based on their actual (where available) and forecast in service dates as opposed to applying the half year rule for all in service additions. The net result of using the actual/forecast in service dates is to reduce the depreciation expense in 2021 and 2022, with a corresponding increase in both the closing rate base for 2021 (with a corresponding increase in the opening rate base for 2022) and the closing rate base for 2022.

**Table 6: 2022 Rate Base**

Particulars	Application	IRR	Variance over	Settlement Proposal	Variance over
	August 27, 2021	November 19, 2021	Original Filing	December 2, 2021	IRs
Controllable Expenses	\$ 44,295,600	\$ 44,295,600	\$ -	\$ 42,939,800	-\$ 1,355,800
Power Supply Expense	\$ 313,751,116	\$ 313,751,116	\$ -	\$ 327,514,989	\$ 13,763,873
Working Capital Allowance Base	\$ 358,046,716	\$ 358,046,716	\$ -	\$ 370,454,789	\$ 12,408,073
Working Capital Allowance Rate	7.50%	7.50%	0.00%	7.50%	0%
Total Working Capital Allowance	\$ 26,853,504	\$ 26,853,504	\$ -	\$ 27,784,109	\$ 930,606
Gross Fixed Assets (avg)	\$ 591,248,298	\$ 591,248,298	\$ -	\$ 584,676,115	-\$ 6,572,184
Accumulated Depreciation (avg)	-\$ 234,637,862	-\$ 234,637,862	\$ -	-\$ 232,897,992	\$ 1,739,870
Net Fixed Assets (avg)	\$ 356,610,436	\$ 356,610,436	\$ -	\$ 351,778,123	-\$ 4,832,314
Working Capital Allowance	\$ 26,853,504	\$ 26,853,504	\$ -	\$ 27,784,109	\$ 930,606
Rate Base	\$ 383,463,940	\$ 383,463,940	\$ -	\$ 379,562,232	-\$ 3,901,708

As noted above, the change in rate base is the result various factors including the updating for the revised forecast of capital additions for 2021, reduction in the 2022 capital additions, changes in depreciation expense for 2021 and 2022. Due to the reduction in test year OM&A and the increase in cost of power expenses, the working capital allowance base was adjusted. The change in power supply expense is related to the change in the load forecast, OER and RTSRs.

### Evidence References

- EXHIBIT 1 - ADMINISTRATION
- EXHIBIT 2 - RATEBASE
- EXHIBIT 2 APPENDIX 2-7: DISTRIBUTION SYSTEM PLAN

## IR Responses

- 1-LPMA-2

1-LPMA-2	2.0-VECC-10	2.0-VECC-11	2.0-VECC-12
2.0-VECC-13	2.0-VECC-14	2.0-VECC-15	2.0-VECC-17
2.0-VECC-18	2.0-VECC-19	2.0-VECC-20	2.0-VECC-21
2.0-VECC-22	2.0-VECC-23	2.0-VECC-24	2.0-VECC-8
2.0-VECC-9	2-CCC-18	2-CCC-19	2-CCC-20
2-CCC-21	2-CCC-24	2-CCC-25	2-CCC-26
2-CCC-27	2-CCC-28	2-CCC-29	2-CCC-30
2-CCC-34	2-CCC-37	2-CCC-38	2-CCC-39
2-CCC-40	2-ED-1	2-LPMA-10	2-LPMA-11
2-LPMA-12	2-LPMA-9	2-SEC-17	2-SEC-18
2-SEC-19	2-SEC-20	2-SEC-28	2-SEC-29
2-SEC-30	2-SEC-31	2-SEC-32	2-Staff-16
2-Staff-17	2-Staff-19	2-Staff-20	2-Staff-21
2-Staff-22	2-Staff-23	2-Staff-24	2-Staff-25
2-Staff-26	2-Staff-27	2-Staff-28	2-Staff-29
2-Staff-30	2-Staff-32	2-Staff-33	2-Staff-34
2-Staff-35	2-Staff-36	2-Staff-37	2-Staff-38
2-Staff-39	2-Staff-40	2-Staff-41	2-Staff-42
2-Staff-43	2-Staff-44	2-Staff-45	2-Staff-46

## Supporting Parties

- SEC, VECC, CCC, LPMA, CKSPFN-Southwind

## Parties Taking No Position

- Environmental Defence

## 2.1.2 Utility Income

### Full Settlement

The Parties accept that the forecast utility income in the amount of \$13,148,036 has been calculated correctly.

**Table 7: 2022 Utility Income**

Particulars	Application	IRR	Variance over	Settlement Proposal	
	August 27, 2021	November 19, 2021	Original Filing	December 2, 2021	Variance over IRs
Distribution Revenue at proposed rates	\$ 79,330,946	\$ 79,909,784	\$ 578,838	\$ 76,889,445	-\$ 3,020,339
Other Revenue	\$ 5,999,088	\$ 5,999,088	\$ -	\$ 6,649,048	\$ 649,960
Total Operating Revenues	\$ 85,330,034	\$ 85,908,872	\$ 578,838	\$ 83,538,492	-\$ 2,370,379
OM&A Expenses	\$ 44,168,800	\$ 44,168,800	\$ -	\$ 42,793,800	-\$ 1,375,000
Property Taxes	\$ 609,200	\$ 609,200	\$ -	\$ 609,200	\$ -
Amortization	\$ 22,148,800	\$ 22,148,800	\$ -	\$ 21,525,800	-\$ 623,000
Deemed Interest Expense	\$ 5,207,440	\$ 5,118,477	-\$ 88,964	\$ 5,066,397	-\$ 52,080
Total Operating Expenses	\$ 72,134,240	\$ 72,045,277	-\$ 88,964	\$ 69,995,197	-\$ 2,050,080
Utility Income Before Income Taxes	\$ 13,195,793	\$ 13,863,595	\$ 667,802	\$ 13,543,296	-\$ 320,299
Income Taxes (grossed-up)	-\$ 403,436	-\$ 580,404	-\$ 176,968	-\$ 395,260	\$ 185,144
Utility Net Income	\$ 12,792,357	\$ 13,283,191	\$ 490,834	\$ 13,148,036	-\$ 135,155

### Evidence References

- EXHIBIT 1 - ADMINISTRATION
- EXHIBIT 6 – REVENUE DEFICIENCY OR SUFFICIENCY

### IR Responses

3.0-VECC-34	3.0-VECC-35	3.0-VECC-36	3.0-VECC-37
3-LPMA-14	3-LPMA-31	3-LPMA-32	3-LPMA-33
3-LPMA-34	3-LPMA-35	3-LPMA-36	3-LPMA-37
3-LPMA-38	3-Staff-54	4.0-VECC-38	4.0-VECC-39
4.0-VECC-40	4.0-VECC-41	4.0-VECC-42	4.0-VECC-43
4.0-VECC-44	4.0-VECC-45	4.0-VECC-46	4.0-VECC-47
4.0-VECC-48	4.0-VECC-49	4.0-VECC-50	4.0-VECC-51
4.0-VECC-52	4-CCC-41	4-CCC-42	4-CCC-43
4-CCC-44	4-CCC-45	4-CCC-46	4-CCC-47
4-CCC-49	4-CCC-50	4-LPMA-40	4-LPMA-41
4-LPMA-42	4-LPMA-43	4-LPMA-44	4-LPMA-45
4-SEC-38	4-SEC-39	4-SEC-40	4-SEC-41



4-SEC-42	4-SEC-43	4-SEC-44	4-SEC-45
4-SEC-46	4-SEC-47	4-SEC-48	4-SEC-49
4-Staff-55	4-Staff-56	4-Staff-57	4-Staff-58
4-Staff-59	4-Staff-60	4-Staff-61	4-Staff-62
4-Staff-63	4-Staff-64	4-Staff-65	4-Staff-66
4-Staff-67	4-Staff-68	4-Staff-69	4-Staff-70
4-Staff-71	4-Staff-72	4-Staff-73	5.0-VECC-53
5-SEC-50	5-SEC-51	5-Staff-74	Supplementary 10-LPMA
Supplementary 4-SEC	Supplementary 6-SEC	Supplementary VECC-68	Supplementary VECC-70
Supplementary VECC-74			

### **Supporting Parties**

- SEC, VECC, CCC, LPMA, CKSPFN-Southwind

### **Parties Taking No Position**

- Environmental Defence

## 2.1.3 Taxes/PILs

The Parties agree that forecast PILs has been accurately calculated, including the recognition of accelerated CCA in the Test Year.

A summary of the updated PILs calculation is presented in Table 8 below.

**Table 8: 2022 Income Taxes**

Particulars	Application	IRR	Variance over Original	Settlement Proposal	
	August 27, 2021	November 19, 2021	Filing	December 2, 2021	Variance over IRs
Income Taxes (grossed up)	\$ 403,436	\$ 580,404	\$ 176,968	\$ 395,260	-\$ 192,709

An updated Income Tax/PILs Model has been submitted in Live Excel format as part of this Settlement Proposal.

### Evidence References

- EXHIBIT 4 OM&A
- EXHIBIT 4.7 TAXES OR PAYMENTS IN LIEU OF TAXES (“PILS”) AND PROPERTY TAXES
- EXHIBIT 4.7.1 INCOME TAXES

### IR Responses

- None

### Supporting Parties

- SEC, VECC, CCC, LPMA, CKSPFN-Southwind

### Parties Taking No Position

- Environmental Defence

## 2.1.4 Capitalization/Cost of Capital

### Full Settlement

The Parties agree to LH's proposed cost of capital parameters as reflected in the calculation below. The Parties note that the proposed cost of capital parameters reflect the OEB's deemed Long Term Debt, Short Term Debt, and Return on Equity for 2022 Cost of Service Applications as applicable.

**Table 9: 2022 Cost of Capital Calculation**

Particulars	Application August 27, 2021	IRR November 19, 2021	Variance over Original Filing	Settlement Proposal December 2, 2021	Variance over IRs
Long Term Debt	2.30%	2.30%	0.00%	2.30%	0.00%
Short Term Debt	1.75%	1.17%	-0.58%	1.17%	0.00%
Return on Equity	8.34%	8.66%	0.32%	8.66%	0.00%
Long Term Debt	56%	56%	0.00%	56%	0%
Short Term Debt	4%	4%	0.00%	4%	0%
Return on Equity	40%	40%	0.00%	40%	0%
Weighted Average Cost of Capital	4.69%	4.80%	0.10%	4.80%	0.00%
Rate Base	\$ 383,463,940	\$ 383,463,940	\$ -	\$ 379,562,232	-\$ 3,901,708
Long Term Debt	\$ 4,939,016	\$ 4,939,016	\$ -	\$ 4,888,762	-\$ 50,254
Short Term Debt	\$ 268,425	\$ 179,461	-\$ 88,964	\$ 177,635	-\$ 1,826
Return on Equity	\$ 12,792,357	\$ 13,283,191	\$ 490,834	\$ 13,148,036	-\$ 135,155
Regulated Return on Capital	\$ 17,999,797	\$ 18,401,668	\$ 401,870	\$ 18,214,432	-\$ 187,235
Regulated Rate of Return	4.69%	4.80%		4.80%	

### Evidence References

- EXHIBIT 1 - ADMINISTRATION
- EXHIBIT 5 – COST OF CAPITAL

### IR Responses

5.0-VECC-53

5-SEC-50

5-SEC-51

5-Staff-74

### Supporting Parties

- SEC, VECC, CCC, LPMA, CKSPFN-Southwind

### Parties Taking No Position

- Environmental Defence

## 2.2 Has the revenue requirement been accurately determined based on these elements?

### Full Settlement

The Parties accept the evidence of LH that, after adjustments made necessary by the various elements of the Settlement Proposal, the proposed Base Distribution Revenue Requirement has been determined accurately.

**Table 10: 2022 Base Revenue Requirement**

Particulars	Application		IRR	Variance over Original Filing	Settlement Proposal	
	August 27, 2021	November 19, 2021			December 2, 2021	Variance over IRs
Long Term Debt	\$ 4,939,016	\$ 4,939,016	\$ -	\$ 4,888,762	-\$ 50,254	
Short Term Debt	\$ 268,425	\$ 179,461	-\$ 88,964	\$ 177,635	-\$ 1,826	
Return on Equity	\$ 12,792,357	\$ 13,283,191	\$ 490,834	\$ 13,148,036	-\$ 135,155	
Regulated Return on Capital	\$ 17,999,797	\$ 18,401,668	\$ 401,870	\$ 18,214,432	-\$ 187,235	
OM&A Expenses	\$ 44,168,800	\$ 44,168,800	\$ -	\$ 42,793,800	-\$ 1,375,000	
Property Taxes	\$ 609,200	\$ 609,200	\$ -	\$ 609,200	\$ -	
Depreciation Expense	\$ 22,148,800	\$ 22,148,800	\$ -	\$ 21,525,800	-\$ 623,000	
PILs	\$ 403,436	\$ 580,404	\$ 176,968	\$ 395,260	-\$ 185,144	
Revenue Requirement	\$ 85,330,034	\$ 85,908,872	\$ 578,838	\$ 83,538,492	-\$ 2,370,379	
Revenue Offset	-\$ 5,999,088	-\$ 5,999,088	\$ -	-\$ 6,649,048	-\$ 649,960	
Base Revenue Requirement	\$ 79,330,946	\$ 79,909,784	\$ 578,838	\$ 76,889,445	-\$ 3,020,339	

### Evidence References

- EXHIBIT 1 - ADMINISTRATION
- EXHIBIT 6 – REVENUE DEFICIENCY OR SUFFICIENCY

### IR Responses

1-SEC-8	1-SEC-9	1-Staff-1	1-Staff-10
1-Staff-11	1-Staff-12	1-Staff-13	1-Staff-14
1-Staff-15	1-Staff-2	1-Staff-3	1-Staff-4
1-Staff-5	1-Staff-6	1-Staff-7	1-Staff-8
1-Staff-9	2.0-VECC-10	2.0-VECC-11	2.0-VECC-12
2.0-VECC-13	2.0-VECC-14	2.0-VECC-15	2.0-VECC-16
2.0-VECC-17	2.0-VECC-18	2.0-VECC-19	2.0-VECC-20
2.0-VECC-21	2.0-VECC-22	2.0-VECC-23	2.0-VECC-24
2.0-VECC-8	2.0-VECC-9	2-CCC-18	2-CCC-19
2-CCC-20	2-CCC-21	2-CCC-22	2-CCC-23
2-CCC-24	2-CCC-25	2-CCC-26	2-CCC-27
2-CCC-28	2-CCC-29	2-CCC-30	2-CCC-31
2-CCC-32	2-CCC-33	2-CCC-34	2-CCC-35

2-CCC-36	2-CCC-37	2-CCC-38	2-CCC-39
2-CCC-40	2-ED-1	2-ED-3	2-ED-4
2-ED-5	2-ED-6	2-ED-7	2-LPMA-10
2-LPMA-11	2-LPMA-12	2-LPMA-13	2-LPMA-9
2-SEC-11	2-SEC-12	2-SEC-13	2-SEC-14
2-SEC-15	2-SEC-16	2-SEC-17	2-SEC-18
2-SEC-19	2-SEC-20	2-SEC-21	2-SEC-22
2-SEC-23	2-SEC-24	2-SEC-25	2-SEC-26
2-SEC-27	2-SEC-28	2-SEC-29	2-SEC-30
2-SEC-31	2-SEC-32	2-SEC-33	2-SEC-34
2-SEC-35	2-Staff-16	2-Staff-17	2-Staff-18
2-Staff-19	2-Staff-20	2-Staff-21	2-Staff-22
2-Staff-23	2-Staff-24	2-Staff-25	2-Staff-26
2-Staff-27	2-Staff-28	2-Staff-29	

**Supporting Parties**

- SEC, VECC, CCC, LPMA, CKSPFN-Southwind

**Parties Taking No Position**

- Environmental Defence

## **2.3 Is the proposed shared services cost allocation methodology and the quantum appropriate?**

### **Full Settlement**

For the purpose of settlement, the Parties agree that the shared services cost allocation methodology and resulting quantum are appropriate, subject to requirements discussed in issue 5.4 related to the preparation and filing of a cost allocation study related to Green Button Services.

### **Evidence References**

- EXHIBIT 4 – OM&A
- EXHIBIT 4.5.2 SHARED SERVICES AND CORPORATE COST ALLOCATION

### **IR Responses**

- None

### **Supporting Parties**

- SEC, VECC, CCC, LPMA, CKSPFN-Southwind

### **Parties Taking No Position**

- Environmental Defence

## **2.4 Is London Hydro’s proposal to remove the Scientific Research & Experimental Development tax credits from its revenue requirement as a revenue offset appropriate?**

### **Full Settlement**

For the purpose of settlement, LH has agreed to withdraw its request to remove the Scientific Research & Experimental Development tax credits as an offset in the PILs calculation in its revenue requirement. This proposal was not implemented in LH’s original application, accordingly there is no corresponding adjustment to the revenue requirement as a result of the withdrawal.

### **Evidence References**

- EXHIBIT 4 – OM&A
- EXHIBIT 4.7.1 INCOME TAXES

### **IR Responses**

4-SEC-48

4-Staff-71

4-Staff-72

4-Staff-73

### **Supporting Parties**

- SEC, VECC, CCC, LPMA, CKSPFN-Southwind

### **Parties Taking No Position**

- Environmental Defence

### **3.0 LOAD FORECAST, COST ALLOCATION, AND RATE DESIGN**

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

##### **Full Settlement**

The Parties agreed that, for the purposes of settlement, the following adjustments to the load and customer forecast for LH:

- a) The Wholesale kWh forecast has been updated to include a binary of 0 for the Covid-19 impact business shut down period March 2020 to May 2020 and a value of 1 in all other months and removing negative coefficient dependant variable for London population.
- b) The load forecast customer growth geo mean was adjusted by removing 2020 and using 2020 actual as beginning base.
- c) The load forecast average use per customer geo mean was adjusted by removing 2020 and using 2019 as the actual beginning base

The resulting billing determinants are presented in Table 11 below.



**Table 11: 2022 Test Year Billing Determinants**

Particulars	Unit	Application	IRR	Variance over	Settlement	
		August 27, 2021	November 19, 2021	Original Filing	Proposal December 2, 2021	Variance over IRs
Residential	kWh	1,219,995,338	1,219,995,338	-	1,148,751,823	71,243,515
GS < 50 kW	kWh	365,492,042	365,492,042	-	413,182,553	47,690,511
GS > 50 - 4,999 kW	kWh	1,336,134,398	1,336,134,398	-	1,457,535,688	121,401,290
Co-Generation	kWh	30,252,424	30,252,424	-	29,242,525	1,009,899
Standby	kWh			-		-
Large Use	kWh	90,751,530	90,751,530	-	93,966,041	3,214,512
Street Lights	kWh	14,936,832	14,936,832	-	12,837,504	2,099,328
Sentinel Lights	kWh	462,196	462,196	-	430,125	32,071
Unmetered Scattered Load	kWh	5,323,401	5,323,401	-	5,335,956	12,555
		<b>3,063,348,161</b>	<b>3,063,348,161</b>	<b>-</b>	<b>3,161,282,216</b>	<b>97,934,055</b>
<b>GS &gt; 50 - 4,999 kW</b>						
GS > 50 - 4,999 kW Not WMP	kWh	1,321,343,373	1,321,343,373	-	1,442,495,136	121,151,763
Wholesale Market Participant	kWh	14,791,025	14,791,025	-	15,040,553	249,528
Total	kWh	<b>1,336,134,398</b>	<b>1,336,134,398</b>	<b>-</b>	<b>1,457,535,688</b>	<b>121,401,290</b>

Particulars	Unit	Application	IRR	Variance over	Settlement	
		August 27, 2021	November 19, 2021	Original Filing	Proposal December 2, 2021	Variance over IRs
Residential	kW	-	-	-	-	-
GS < 50 kW	kW	-	-	-	-	-
GS > 50 - 4,999 kW	kW	3,363,562	3,363,562	-	3,669,928	306,366
Co-Generation	kW	72,330	72,330	-	20,197	52,133
Standby	kW	172,800	172,800	-	172,800	-
Large Use	kW	172,428	172,428	-	178,535	6,107
Street Lights	kW	41,823	41,823	-	35,945	5,878
Sentinel Lights	kW	1,248	1,248	-	1,161	87
Unmetered Scattered Load	kW	-	-	-	-	-
Total		<b>3,824,191</b>	<b>3,824,191</b>	<b>-</b>	<b>4,078,566</b>	<b>254,375</b>
<b>GS &gt; 50 - 4,999 kW</b>						
GS > 50 - 4,999 kW Not WMP	kW	3,336,392	3,336,392	-	3,642,300	305,908
Wholesale Market Participant	kW	27,170	27,170	-	27,628	458
Total	kW	<b>3,363,562</b>	<b>3,363,562</b>	<b>-</b>	<b>3,669,928</b>	<b>306,366</b>
<b>Transformer Allowance</b>						
GS > 50 - 4,999 kW	kW	955,844	955,844	-	1,042,772	86,928
Co-Generation	kW	67,206	67,206	-	18,766	48,440
Standby	kW	172,800	172,800	-	172,800	-
Total		<b>1,195,850</b>	<b>1,195,850</b>	<b>-</b>	<b>1,234,338</b>	<b>38,488</b>

An updated copy of LH's Load Forecast Model has been submitted in Excel format as part of this Settlement.

### Evidence References

- EXHIBIT 3 – REVENUE

### IR Responses

1-CCC-13

1-LPMA-6

3.0-VECC-25

3.0-VECC-26

3.0-VECC-27	3.0-VECC-28	3.0-VECC-31	3.0-VECC-32
3.0-VECC-33	3-LPMA-17	3-LPMA-18	3-LPMA-19
3-LPMA-21	3-LPMA-22	3-LPMA-23	3-LPMA-25
3-LPMA-26	3-LPMA-27	3-LPMA-28	3-LPMA-29
3-Staff-47	3-Staff-48	3-Staff-49	3-Staff-50
3-Staff-51	3-Staff-52	3-Staff-53	Supplementary 2-LPMA
Supplementary 3-LPMA	Supplementary 4-LPMA	Supplementary 5-LPMA	Supplementary 6-LPMA
Supplementary 7-LPMA	Supplementary 8-LPMA	Supplementary 9-LPMA	Supplementary VECC-64
Supplementary VECC-65	Supplementary VECC-66	Supplementary VECC-67	

### **Supporting Parties**

- SEC, VECC, CCC, LPMA, CKSPFN-Southwind

### **Parties Taking No Position**

- Environmental Defence

### 3.1.1 Customer/Connection Forecast

#### Full Settlement

The Parties have agreed to the forecast of customers/connections, as updated in accordance with the adjustments set out under issue 3.1, as set out in Table 12 below.

**Table 12: Summary of 2022 Load Forecast Customer Counts/Connections**

Customer Class	Application	IRR	Variance over Original Filing	Settlement Proposal	Variance over IRs
	August 27, 2021	November 19, 2021		December 2, 2021	
Residential	150,243	150,243	-	150,337	94
GS < 50 kW	13,071	13,071	-	13,050	- 21
GS > 50 - 4,999 kW	1,511	1,511	-	1,526	15
Co-Generation	9	9	-	9	-
Standby			-		-
Large Use	1	1	-	1	-
Street Lights	38,898	38,898	-	38,784	- 114
Sentinel Lights	476	476	-	465	- 11
Unmetered Scattered Load	1,539	1,539	-	1,548	9
	205,748	205,748	-	205,720	- 28
<b>GS &gt; 50 - 4,999 kW</b>					
GS > 50 - 4,999 kW Not WMP	1,507	1,507	-	1522	15
Wholesale Market Participant	4	4	-	4	-
Total	1,511	1,511	-	1,526	15

#### Evidence References

- EXHIBIT 3 – REVENUE

#### IR Responses

1-CCC-13	3.0-VECC-28	3.0-VECC-29	3.0-VECC-30
3.0-VECC-31	3.0-VECC-33	3-LPMA-19	3-LPMA-20
3-LPMA-21	3-LPMA-22	3-LPMA-23	3-LPMA-24
3-LPMA-25	3-Staff-51	Supplementary 1-LPMA	Supplementary 2-LPMA
Supplementary 3-LPMA	Supplementary 4-LPMA	Supplementary VECC-70	Supplementary VECC-75

#### Supporting Parties

- SEC, VECC, CCC, LPMA, CKSPFN-Southwind

#### Parties Taking No Position

- Environmental Defence

## 3.1.2 Load Forecast

### Full Settlement

The Parties agree to LH's Load Forecast Model, as updated pursuant to the adjustments described under issue 3.1, as detailed in Table 13 below.

**Table 13: Summary of 2022 Load Forecast kWh**

Particulars	Unit	Application August 27, 2021	IRR November 19, 2021	Variance over Original Filing	Settlement Proposal December 2, 2021	Variance over IRs
2022 Wholesale Load Forecast (kWh)	kWh	3,130,563,323	3,130,563,323	-	3,230,875,564	100,312,241

Customer Class	Unit	Application August 27, 2021	IRR November 19, 2021	Variance over Original Filing	Settlement Proposal December 2, 2021	Variance over IRs
Residential	kWh	1,219,995,338	1,219,995,338	-	1,148,751,823	- 71,243,515
GS < 50 kW	kWh	365,492,042	365,492,042	-	413,182,553	47,690,511
GS > 50 - 4,999 kW	kWh	1,336,134,398	1,336,134,398	-	1,457,535,688	121,401,290
Co-Generation	kWh	30,252,424	30,252,424	-	29,242,525	- 1,009,899
Standby	kWh	-	-	-	-	-
Large Use	kWh	90,751,530	90,751,530	-	93,966,041	3,214,512
Street Lights	kWh	14,936,832	14,936,832	-	12,837,504	- 2,099,328
Sentinel Lights	kWh	462,196	462,196	-	430,125	- 32,071
Unmetered Scattered Load	kWh	5,323,401	5,323,401	-	5,335,956	12,555
		<b>3,063,348,161</b>	<b>3,063,348,161</b>	<b>-</b>	<b>3,161,282,216</b>	<b>97,934,055</b>
<b>GS &gt; 50 - 4,999 kW</b>						
GS > 50 - 4,999 kW Not WMP	kWh	1,321,343,373	1,321,343,373	-	1,442,495,136	121,151,763
Wholesale Market Participant	kWh	14,791,025	14,791,025	-	15,040,553	249,528
Total	kWh	<b>1,336,134,398</b>	<b>1,336,134,398</b>	<b>-</b>	<b>1,457,535,688</b>	<b>121,401,290</b>

Customer Class	Unit	Application August 27, 2021	IRR November 19, 2021	Variance over Original Filing	Settlement Proposal December 2, 2021	Variance over IRs
Residential	kW	-	-	-	-	-
GS < 50 kW	kW	-	-	-	-	-
GS > 50 - 4,999 kW	kW	3,363,562	3,363,562	-	3,669,928	306,366
Co-Generation	kW	72,330	72,330	-	20,197	- 52,133
Standby	kW	172,800	172,800	-	172,800	-
Large Use	kW	172,428	172,428	-	178,535	6,107
Street Lights	kW	41,823	41,823	-	35,945	- 5,878
Sentinel Lights	kW	1,248	1,248	-	1,161	- 87
Unmetered Scattered Load	kW	-	-	-	-	-
Total		<b>3,824,191</b>	<b>3,824,191</b>	<b>-</b>	<b>4,078,566</b>	<b>254,375</b>
<b>GS &gt; 50 - 4,999 kW</b>						
GS > 50 - 4,999 kW Not WMP	kW	3,336,392	3,336,392	-	3,642,300	305,908
Wholesale Market Participant	kW	27,170	27,170	-	27,628	458
Total	kW	<b>3,363,562</b>	<b>3,363,562</b>	<b>-</b>	<b>3,669,928</b>	<b>306,366</b>
<b>Transformer Allowance</b>						
GS > 50 - 4,999 kW	kW	955,844	955,844	-	1,042,772	86,928
Co-Generation	kW	67,206	67,206	-	18,766	- 48,440
Standby	kW	172,800	172,800	-	172,800	-
Total		<b>1,195,850</b>	<b>1,195,850</b>	<b>-</b>	<b>1,234,338</b>	<b>38,488</b>

## Evidence References

- EXHIBIT 1 - ADMINISTRATION
- EXHIBIT 3 – REVENUE

## IR Responses

1-CCC-13	3.0-VECC-26	3.0-VECC-27	3.0-VECC-32
3-LPMA-26	3-LPMA-27	3-LPMA-28	3-LPMA-32
3-Staff-47	3-Staff-48	3-Staff-49	3-Staff-50
3-Staff-52	Supplementary 8-LPMA	Supplementary 9-LPMA	Supplementary VECC-64
Supplementary VECC-65	Supplementary VECC-66		

## Supporting Parties

- SEC, VECC, CCC, LPMA, CKSPFN-Southwind

## Parties Taking No Position

- Environmental Defence

### 3.1.3 Loss Factors

#### Full Settlement

The Parties have agreed for the purposes of settlement that the 2022 forecast loss factor should be calculated on the basis of the average over the 3-year period of actual results from 2018-2020 rather than the average over the 5-year period from 2016 to 2020, in order to more appropriately capture the reduction in losses experienced by LH as a result of the impact of its capital spending over the last 5 years.

**Table 14: 2022 Loss Factors**

Particulars	Application	IRR	Variance over Original	Settlement Proposal	Variance over IRs
	August 27, 2021	November 19, 2021	Filing	December 2, 2021	
Total Loss Factor - Secondary Metered Customer < 5,000 kW	1.0315	1.0315	-	1.0288	0.0027
Total Loss Factor - Secondary Metered Customer > 5,000 kW	1.0146	1.0146	-	1.0119	0.0027
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0212	1.0212	-	1.0185	0.0027
Total Loss Factor - Primary Metered Customer > 5,000 kW	1.0042	1.0042	-	1.0016	0.0026

#### Evidence References

- EXHIBIT 8 – RATE DESIGN
- EXHIBIT 8.9 LOSS ADJUSTMENT FACTORS

#### IR Responses

1-ED-2

3-Staff-47

8-Staff-81

Supplementary VECC-64

#### Supporting Parties

- SEC, VECC, CCC, LPMA, Environmental Defence, CKSPFN-Southwind

#### Parties Taking No Position

None

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

#### Full Settlement

The Parties agree to make the following adjustments to LH's proposed cost allocation methodology, allocations, and revenue-to-cost ratios:

- a) Adjusted Load profile to average 2019 and 2020
- b) Changed meter count for Co-gen class to account for generation meters in cost allocation.
- c) Once LH calculated updated status quo revenue to cost ratios reflecting the updates to the application including the various elements of the Settlement Proposal, classes with R/C ratios outside the OEB approved ranges for their class were moved to the outer limit of their approved ranges, with offsetting adjustments in other classes as necessary. The outcome of which is detailed in Table 15 Below.

**Table 15: Summary of 2022 Revenue-to-Cost Ratios**

Customer Class	Application August 27, 2021			IRR November 19, 2021			Settlement Proposal December 2, 2021		
	Calculated R/C	Proposed R/C	Variance	Calculated R/C	Proposed R/C	Variance	Calculated R/C	Proposed R/C	Variance
Residential	0.97	0.97	0.01	0.97	0.97	0.01	1.05	1.05	0.00
GS < 50 kW	1.19	1.19	- 0.01	1.19	1.19	- 0.01	1.19	1.18	- 0.01
GS > 50 - 4,999 kW	0.98	0.98	- 0.01	0.98	0.98	- 0.01	0.78	0.80	0.02
Co-Generation	1.96	1.08	- 0.89	1.96	1.08	- 0.89	3.00	1.20	- 1.80
Standby	0.96	0.98	0.01	0.96	0.98	0.01	0.78	0.80	0.02
Large Use	1.01	0.92	- 0.09	1.01	0.92	- 0.09	0.91	0.91	- 0.00
Street Lights	1.20	1.17	- 0.04	1.20	1.17	- 0.04	0.81	0.81	0.00
Sentinel Lights	0.77	0.98	0.21	0.77	0.98	0.21	0.79	0.80	0.01
Unmetered Scattered Load	0.84	0.91	0.07	0.84	0.91	0.07	0.74	0.80	0.06

Customer Class	Application August 27, 2021			IRR November 19, 2021			Settlement Proposal December 2, 2021		
	2022	2023	2024	2022	2023	2024	2022	2023	2024
Residential	0.97	0.97	0.97	0.97	0.97	0.97	1.05	1.05	1.05
GS < 50 kW	1.19	1.19	1.19	1.19	1.19	1.19	1.18	1.18	1.18
GS > 50 - 4,999 kW	0.98	0.98	0.98	0.98	0.98	0.98	0.80	0.80	0.80
Co-Generation	1.08	1.08	1.08	1.08	1.08	1.08	1.20	1.20	1.20
Standby	0.98	0.98	0.98	0.98	0.98	0.98	0.80	0.80	0.80
Large Use	0.92	0.92	0.92	0.92	0.92	0.92	0.91	0.91	0.91
Street Lights	1.17	1.17	1.17	1.17	1.17	1.17	0.81	0.81	0.81
Sentinel Lights	0.98	0.98	0.98	0.98	0.98	0.98	0.80	0.80	0.80
Unmetered Scattered Load	0.91	0.91	0.91	0.91	0.91	0.91	0.80	0.80	0.80

#### Evidence References

- EXHIBIT 1 - ADMINISTRATION
- EXHIBIT 7 – COST ALLOCATION

#### IR Responses

7.0-VECC-54

7.0-VECC-55

7.0-VECC-56

7.0-VECC-57

7.0-VECC-58

7-ED-8

7-LPMA-47

7-LPMA-48

7-Staff-75

7-Staff-76

7-Staff-77

Supplementary 12-LPMA

Supplementary 1-ED

Supplementary VECC-71

Supplementary VECC-72

**Supporting Parties**

- SEC, VECC, CCC, LPMA, CKSPFN-Southwind

**Parties Taking No Position**

- Environmental Defence



### 3.3 Are London Hydro’s proposals, including the proposed fixed/variable splits, for rate design appropriate?

#### Full Settlement

For the purposes of settlement, the Parties have agreed that for the rate classes other than the residential rate class LH will reduce the fixed charge for the test year by 8%, as detailed in Table 17. The Parties note that the fixed charge for the Co-Gen class based on the existing 75%/25% fixed to variable split has already been reduced by 57% for the 2022 test year relative to the status quo fixed charge. Therefore, no further adjustment is required to the Co-Gen Class’ fixed charge.

Table 16 below sets out the final fixed and variable rates for all classes pursuant to the Settlement Proposal.

**Table 16: 2022 Distribution Rates**

Customer Class	Metric	Application		IRR	Variance over Original		Settlement	
		August 27, 2021	November 19, 2021		Filing	December 2, 2021	Variance over IRs	
Residential	\$	\$ 29.05	\$ 29.27	\$	0.22	\$	27.46	-\$ 1.81
GS < 50 kW	\$	\$ 37.63	\$ 34.17	-\$	3.46	\$	31.45	-\$ 2.72
GS > 50 - 4,999 kW	\$	\$ 177.11	\$ 167.69	-\$	9.42	\$	153.60	-\$ 14.09
Co-Generation	\$	\$ 1,268.87	\$ 1,246.55	-\$	22.32	\$	902.50	-\$ 344.05
Standby	\$	\$ -	\$ -	\$	-	\$	-	\$ -
Large Use	\$	\$ 21,517.55	\$ 19,543.27	-\$	1,974.28	\$	19,799.26	\$ 255.99
Street Lights	\$	\$ 1.87	\$ 1.69	-\$	0.18	\$	1.74	\$ 0.05
Sentinel Lights	\$	\$ 7.07	\$ 6.41	-\$	0.66	\$	4.90	-\$ 1.51
Unmetered Scattered Load	\$	\$ 2.98	\$ 2.71	-\$	0.27	\$	2.46	-\$ 0.25

#### Distribution Rates - Volumetric

Customer Class	Metric	Application		IRR	Variance over Original		Settlement	
		August 27, 2021	November 19, 2021		Filing	December 2, 2021	Variance over IRs	
Residential	kWh	\$ -	\$ -	\$	-	\$	-	\$ -
GS < 50 kW	kWh	\$ 0.0125	\$ 0.0142	\$	0.0017	\$	0.0135	-\$ 0.0007
GS > 50 - 4,999 kW	kW	\$ 3.2106	\$ 3.2905	\$	0.0799	\$	3.2356	-\$ 0.0549
Co-Generation	kW	\$ 2.7740	\$ 2.8374	\$	0.0634	\$	2.1662	-\$ 0.6712
Standby	kW	\$ 3.6809	\$ 3.7034	\$	0.0225	\$	3.5111	-\$ 0.1923
Large Use	kW	\$ 2.4012	\$ 2.5671	\$	0.1659	\$	2.7329	\$ 0.1658
Street Lights	kW	\$ 9.2941	\$ 11.4671	\$	2.1730	\$	10.4370	-\$ 1.0301
Sentinel Lights	kW	\$ 23.2436	\$ 26.6482	\$	3.4046	\$	19.1677	-\$ 7.4805
Unmetered Scattered Load	kWh	\$ 0.0256	\$ 0.0268	\$	0.0012	\$	0.0258	-\$ 0.0010

**Table 17: 2022 Fixed Rate Reduction**

Customer Class	2021 Fixed	8% Reduction	2022 Fixed	2022 Applied	Customer Unit Cost per month - Minimum System with PLCC	
					Adjustment	
General Service Less Than 50 kW	\$ 34.18	-\$ 2.73	\$ 31.45	\$ 31.45		\$22.12
General Service 50 to 4,999 kW	\$ 166.96	-\$ 13.36	\$ 153.60	\$ 153.60		\$43.70
General Service 50 to 4,999 kW (CoGeneration)	\$ 2,279.47	-\$ 182.36	\$ 2,097.11	\$ 902.50		\$475.15
Standby Power	\$ -	\$ -	\$ -	\$ -		0
Large Use	\$ 21,499.20	-\$ 1,719.94	\$ 19,779.26	\$ 19,799.26		\$938.90

**Evidence References**

- EXHIBIT 1.8.8 BILL IMPACTS
- EXHIBIT 8 – RATE DESIGN

**IR Responses**

7-ED-8	8.0-VECC-59	8.0-VECC-60	8.0-VECC-61
8.0-VECC-62	8-Staff-79		

**Supporting Parties**

- SEC, VECC, CCC, LPMA, Environmental Defence, CKSPFN-Southwind

**Parties Taking No Position**

None

### 3.4 Are the proposed Retail Transmission Service Rates appropriate?

#### Full Settlement

The Parties have agreed to the RTSR rates as presented in Table 18. The Parties note that the current (2021) UTRs have been used in the determination of the RTSRs. The Parties further note that LH has agreed as part of the Settlement to withdraw its proposal to convert RTSR rates to kWhs for the General Service, Co-Gen and Large User customers participating in net metering and/or community net metering.

**Table 18: 2022 RTSR Network and Connection Rates Charges**

#### 2022 RTSR Network

Customer Class	Unit	Application		IRR	Variance over Original Filing	Settlement Proposal	
		August 27, 2021	November 19, 2021			December 2, 2021	Variance over IRs
Residential	kWh	0.0091	0.0091	0.0091	-	0.0091	-
GS < 50 kW	kWh	0.0085	0.0085	0.0085	-	0.0085	-
GS > 50 - 4,999 kW	kW	3.8253	3.8253	3.8253	-	3.8253	-
Co-Generation	kW	4.4160	4.4160	4.4160	-	4.4160	-
Standby	kW	-	-	-	-	-	-
Large Use	kW	3.9186	3.9186	3.9186	-	3.9186	-
Street Lights	kW	2.6265	2.6265	2.6265	-	2.6265	-
Sentinel Lights	kW	2.6299	2.6299	2.6299	-	2.6299	-
Unmetered Scattered Load	kWh	0.0085	0.0085	0.0085	-	0.0085	-

#### 2022 RTSR Connection

Customer Class	Unit	Application		IRR	Variance over Original Filing	Settlement Proposal	
		August 27, 2021	November 19, 2021			December 2, 2021	Variance over IRs
Residential	kWh	\$ 0.0066	\$ 0.0066	\$ 0.0066	-	\$ 0.0066	-
GS < 50 kW	kWh	\$ 0.0059	\$ 0.0059	\$ 0.0059	-	\$ 0.0059	-
GS > 50 - 4,999 kW	kW	\$ 2.9759	\$ 2.9759	\$ 2.9759	-	\$ 2.9759	-
Co-Generation	kW	\$ 3.1479	\$ 3.1479	\$ 3.1479	-	\$ 3.1479	-
Standby	kW	\$ -	\$ -	\$ -	-	\$ -	-
Large Use	kW	\$ 2.9759	\$ 2.9759	\$ 2.9759	-	\$ 2.9759	-
Street Lights	kW	\$ 1.8804	\$ 1.8804	\$ 1.8804	-	\$ 1.8804	-
Sentinel Lights	kW	\$ 1.8830	\$ 1.8830	\$ 1.8830	-	\$ 1.8830	-
Unmetered Scattered Load	kWh	\$ 0.0059	\$ 0.0059	\$ 0.0059	-	\$ 0.0059	-

#### Evidence References

- EXHIBIT 8 – RATE DESIGN
- EXHIBIT 8.3 RETAIL TRANSMISSION SERVICE RATES (RTSR)

#### IR Responses

8-SEC-52

8-Staff-82

8-Staff-84

8-Staff-85

#### Supporting Parties

- SEC, VECC, CCC, LPMA, CKSPFN-Southwind

**Parties Taking No Position**

- Environmental Defence

### **3.5 Are the Specific Service Charges, Retail Service Charges, and Pole Attachment Charge appropriate?**

#### **Full Settlement**

The Parties agree that LH's proposed Specific Service Charges, Retail Service Charges and Pole Attachment Charge are appropriate, and properly reflect the OEB's Decision regarding 2022 Retail Services Charges as applicable.

As part of this Settlement Proposal LH confirms that there shall be no connection charges, including no application fees, for a residential customer with micro-embedded generation except to the extent that the generation requires new connection assets above and beyond the basic residential connection. For clarity, new connection assets may include assets required in order to address safety concerns. The Parties acknowledge that if and when the OEB addresses and implements rates and charges in relation to micro-embedded generation on a generic basis that LH will implement those rates and charges as required.

#### **Evidence References**

- EXHIBIT 8 – RATE DESIGN

#### **IR Responses**

8-Staff-80

#### **Supporting Parties**

- SEC, VECC, CCC, LPMA, Environmental Defence, CKSPFN-Southwind

#### **Parties Taking No Position**

None

## **4.0 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?**

#### **Full Settlement**

The Parties agree that all impacts of any changes to accounting standards, policies, estimates, and adjustments identified by LH in the Application and the interrogatories have been properly identified, recorded and have been treated appropriately in the rate-making process.

#### **Evidence References**

- EXHIBIT 1 - ADMINISTRATION
- EXHIBIT 1.8.3 BUDGETING AND ACCOUNTING ASSUMPTIONS

#### **IR Responses**

- None

#### **Supporting Parties**

- SEC, VECC, CCC, LPMA, CKSPFN-Southwind

#### **Parties Taking No Position**

- Environmental Defence

## **4.2 Are London Hydro's proposals for deferral and variance accounts, including the balances in the existing accounts and their disposition, requests for discontinuation of accounts, and the continuation of existing accounts, appropriate?**

### **Full Settlement**

The Parties agree that LH's proposals for deferral and variance accounts are appropriate, including the proposed disposition of those accounts as shown in Table 19, subject to the following revisions:

- a) LH agrees to forego recovery of \$233,271 recorded in account 1509 with respect to OEB cost assessment differences for the year 2016. The Parties note that there are no principal entries in the account beyond 2016.
- b) As noted under issue 5.2 the Parties have agreed to the true-up of amounts recorded in account 1508 in relation to LH's ACM projects and rider revenue during its last IRM period, subject to the disallowance of any rider revenue recovery for the incremental \$590,000 of capital costs associated with the JD Edwards Project.
- c) The Parties have agreed that LH will defer disposition of the 2020 amounts recorded in Account 1509 -COVID-19 Impacts, until LH's next rebasing application after it is apparent there are no further impacts related to COVID to be tracked in the account, so that all impacts in all years will be cleared at the same time.
- d) The Parties have agreed to a revised calculation for the amounts to be recovered by LH from ratepayers in Account 1508 Other Regulatory Assets, Subaccount – OPEB Forecast Cash versus Forecast Accrual Differential Deferral Account, as set out in Clarification Response 4-Staff-104 tab a), which reflects the difference between the forecast cash amount embedded in LH's 2017 Test Year rates and the forecast accrual amount for 2017 as set out in LH's EB-2016-0091 Settlement Agreement. . The Parties note that the original calculation resulted in a recovery of \$891,000, whereas the revised calculation results in a recovery of \$1,267,938.

**Table 19: DVA Balances for Disposition**

Particulars	USoA	Application		IRR	Variance over Original Filing	Settlement Proposal December 2, 2021	Variance over IRs
		August 27, 2021	November 19, 2021				
Smart Metering Entity Charge Variance Account	1551	\$ (15,653)	\$ (15,653)	\$ -	\$ (15,653)	\$ -	
RSVA - Wholesale Market Service Charge	1580	\$ (1,512,939)	\$ (1,512,939)	\$ -	\$ (1,512,939)	\$ -	
RSVA - Wholesale Market Service Charge – Sub-account CBR Class B	1580	\$ (73,125)	\$ (73,125)	\$ -	\$ (73,125)	\$ -	
RSVA - Retail Transmission Network Charge	1584	\$ 1,409,699	\$ 1,409,699	\$ -	\$ 1,409,699	\$ -	
RSVA - Retail Transmission Connection Charge	1586	\$ 258,846	\$ 258,846	\$ -	\$ 258,846	\$ -	
RSVA - Power (excluding Global Adjustment)	1588	\$ 740,642	\$ 811,204	\$ 70,562	\$ 740,642	\$ (70,562)	
RSVA - Global Adjustment	1589	\$ 1,404,774	\$ 1,334,212	\$ (70,562)	\$ 1,334,212	\$ -	
Disposition and Recovery/Refund of Regulatory Balances (2017)	1595	\$ (190,361)	\$ (190,361)	\$ -	\$ (190,361)	\$ -	
<b>Group 1 Accounts Sub-Total</b>		<b>\$ 2,021,883</b>	<b>\$ 2,021,883</b>	<b>\$ -</b>	<b>\$ 1,951,322</b>	<b>\$ (70,562)</b>	
Pole Attachment Revenue Variance	1508	\$ (1,410,937)	\$ (1,410,937)	\$ -	\$ (1,273,662)	\$ 137,275	
Other Regulatory Assets - Sub-Account OEB Cost Assessment	1508	\$ 233,271	\$ 233,271	\$ -	\$ -	\$ (233,271)	
Other Regulatory Assets - Sub-Account OPEB Forecast Cash versus Forecast Accrual Differential Deferral Account	1508	\$ 891,000	\$ 891,000	\$ -	\$ 1,267,938	\$ 376,938	
Other Regulatory Assets - Sub-Account ACM Recovery Requirement True-up upon Disposition and Transfer of Asset into Rate Base	1508	\$ 113,295	\$ 74,469	\$ (38,827)	\$ (342,629)	\$ (417,098)	
Retail Cost Variance Account - Retail	1518	\$ 348,861	\$ 348,861	\$ -	\$ 348,861	\$ -	
Retail Cost Variance Account - STR	1548	\$ 15,071	\$ 15,071	\$ -	\$ 15,071	\$ -	
PLs and Tax Variance for 2006 and Subsequent Years- Sub-account CCA Changes	1592	\$ (3,019,536)	\$ (3,019,536)	\$ -	\$ (3,019,536)	\$ -	
LRAM Variance Account	1568	\$ 1,537,236	\$ 1,537,236	\$ -	\$ 1,537,236	\$ -	
COVID-19 Impacts - Postponing Rate Implementation	1509	\$ 13,455	\$ -	\$ (13,455)	\$ -	\$ -	
COVID-19 Impacts - Government/OEB Initiated Customer Relief Impacts	1509	\$ 690,814	\$ 690,814	\$ -	\$ -	\$ (690,814)	
COVID-19 Impacts - Bad Debts	1509	\$ 427,459	\$ 427,459	\$ -	\$ -	\$ (427,459)	
COVID-19 Impacts - Other Costs	1509	\$ 201,929	\$ 201,929	\$ -	\$ -	\$ (201,929)	
<b>Group 2 and Other Accounts Sub-Total</b>		<b>\$ 41,918</b>	<b>\$ (10,364)</b>	<b>\$ (52,282)</b>	<b>\$ (1,466,722)</b>	<b>\$ (1,456,358)</b>	
<b>TOTAL Deferral and Variance Accounts</b>		<b>\$ 2,063,801</b>	<b>\$ 2,011,519</b>	<b>\$ (52,282)</b>	<b>\$ 484,600</b>	<b>\$ (1,526,919)</b>	

**Table 20: DVA and LRAMVA Rate Riders**

Rate Class	Allocated Group 1 Balance	Rate Rider for Group 1 Deferral / Variance Accounts Balances (excluding Global Adj.)		
		\$/kWh	\$/kW	\$/Month/Customer
RESIDENTIAL SERVICE	\$ 230,262	\$ 0.0002		
GENERAL SERVICE LESS THAN 50 KW	\$ 88,917	\$ 0.0002		
GENERAL SERVICE 50 TO 4,999 KW	\$ 658,964		\$ 0.1796	
GENERAL SERVICE 1,000 TO 4,999 KW (CO-GENERATION)	\$ (273)		\$ (0.0135)	
STANDBY POWER	\$ 7,165		\$ 0.0415	
LARGE USE SERVICE	\$ 17,151		\$ 0.0961	
STREET LIGHTING	\$ 1,537		\$ 0.0428	
SENTINEL LIGHTING	\$ 54		\$ 0.0468	
UNMETERED SCATTERED LOAD	\$ 945	\$ 0.0002		
<b>Total</b>	<b>\$ 1,004,720</b>			

Rate Class	Allocated G1 Balance Non-WMP	Rate Rider for Group 1 Deferral / Variance Accounts Balances (excluding Global Adj.) - NON-WMP		
		\$/kWh	\$/kW	\$/Month/Customer
GENERAL SERVICE 50 TO 4,999 KW	\$ (387,611)		\$ (0.1064)	
<b>Total</b>	<b>\$ (387,611)</b>			



Rate Class	Allocated GA Balance	Rate Rider for RSVA - Global Adjustment		
		\$/kWh	\$/kW	\$/Month/Customer
RESIDENTIAL SERVICE	\$ 31,247	\$ 0.0014		
GENERAL SERVICE LESS THAN 50 KW	\$ 88,437	\$ 0.0014		
GENERAL SERVICE 50 TO 4,999 KW	\$ 1,134,532	\$ 0.0014		
GENERAL SERVICE 1,000 TO 4,999 KW (CO-GENERATION)	\$ 2,785	\$ 0.0014		
STANDBY POWER	\$ 23,891	\$ 0.0014		
LARGE USE SERVICE	\$ 4,481	\$ 0.0014		
STREET LIGHTING	\$ 17,894	\$ 0.0014		
SENTINEL LIGHTING	\$ 6	\$ 0.0014		
UNMETERED SCATTERED LOAD	\$ -	\$ -		
<b>Total</b>	<b>\$ 1,303,273</b>			

Rate Class	Allocated Group 2 Balance	Rate Rider for Group 2 Accounts		
		\$/kWh	\$/kW	\$/Month/Customer
RESIDENTIAL SERVICE	\$ (1,309,121)			\$ (0.73)
GENERAL SERVICE LESS THAN 50 KW	\$ (419,825)	\$ (0.0010)		
GENERAL SERVICE 50 TO 4,999 KW	\$ (1,201,036)		\$ (0.3273)	
GENERAL SERVICE 1,000 TO 4,999 KW (CO-GENERATION)	\$ (5,113)		\$ (0.2532)	
STANDBY POWER	\$ (28,296)		\$ (0.1637)	
LARGE USE SERVICE	\$ (75,385)		\$ (0.4222)	
STREET LIGHTING	\$ 38,970		\$ 1.0841	
SENTINEL LIGHTING	\$ (288)		\$ (0.2479)	
UNMETERED SCATTERED LOAD	\$ (3,863)	\$ (0.0007)		
<b>Total</b>	<b>\$ (3,003,957)</b>			

Rate Class	Allocated Account 1568 Balance	Rate Rider for Account 1568 LRAMVA		
		\$/kWh	\$/kW	\$/Month/Customer
RESIDENTIAL SERVICE	\$ 389,756	\$ 0.0003		
GENERAL SERVICE LESS THAN 50 KW	\$ 297,149	\$ 0.0007		
GENERAL SERVICE 50 TO 4,999 KW	\$ 1,225,373		\$ 0.3339	
GENERAL SERVICE 1,000 TO 4,999 KW (CO-GENERATION)	\$ 5,975		\$ 0.2958	
STANDBY POWER	\$ 51,120		\$ 0.2958	
LARGE USE SERVICE	\$ (157,634)		\$ (0.8829)	
STREET LIGHTING	\$ (274,504)		\$ (7.6368)	
SENTINEL LIGHTING	\$ -		\$ -	
UNMETERED SCATTERED LOAD	\$ -	\$ -		
<b>Total</b>	<b>\$ 1,537,236</b>			

Allocation of GA Balances to Class A/B Transition Customers		
Transition Customer	Allocated RSVA GA Balance	Monthly Equal Payments
Customer 1	\$ 1,702	\$ 142
Customer 2	\$ 6,381	\$ 532
Customer 3	\$ 7,494	\$ 624
Customer 4	\$ 3,812	\$ 318
Customer 5	\$ 2,182	\$ 182
Customer 6	\$ 5,257	\$ 438
Customer 7	\$ 2,606	\$ 217
Customer 8	\$ 1,198	\$ 100
Customer 9	\$ 309	\$ 26
<b>Total</b>	<b>\$ 30,940</b>	

## Evidence References

- EXHIBIT 1 - ADMINISTRATION
- EXHIBIT 1.8.7 DEFERRAL AND VARIANCE ACCOUNTS

- EXHIBIT 9 - DEFERRAL AND VARIANCE ACCOUNTS
- EXHIBIT 9.1 OVERVIEW
- EXHIBIT 9.2 DEFERRAL AND VARIANCE ACCOUNT BALANCES
- EXHIBIT 9.3 GROUP 1 DEFERRAL AND VARIANCE ACCOUNTS
- EXHIBIT 9.4 GROUP 2 DEFERRAL AND VARIANCE ACCOUNTS
- EXHIBIT 9.5 ACCOUNTS NOT SUBMITTED FOR RECOVERY
- EXHIBIT 9.6 ACCOUNTS SUBMITTED FOR RECOVERY
- EXHIBIT 9.7 METHODS OF DISPOSITION OF DVA BALANCES
- EXHIBIT 9.8 PROPOSED RATE RIDERS
- EXHIBIT 9.9 REQUEST FOR APPROVAL OF THE USE OF NEW VARIANCE ACCOUNTS
- EXHIBIT 9.10 ENERGY SALES AND COST OF POWER
- EXHIBIT 9.11 APPENDICES LISTING

### **IR Responses**

9.0-VECC-63	9-CCC-51	9-CCC-52	9-LPMA-49
9-SEC-53	9-SEC-54	9-Staff-86	9-Staff-87
9-Staff-88	9-Staff-89	9-Staff-90	9-Staff-91
9-Staff-92	9-Staff-93	9-Staff-94	9-Staff-96
Supplementary 7-SEC	Supplementary 9-Staff-106	Supplementary 9-Staff-107	

### **Supporting Parties**

- SEC, VECC, CCC, LPMA, CKSPFN-Southwind

### **Parties Taking No Position**

- Environmental Defence

### **4.3 Is London Hydro' proposal for a new deferral and variance account for impacts resulting from Ontario's Broadband and Cellular Action Plan appropriate?**

#### **Full Settlement**

For the purpose of settlement, the Parties have agreed that LH will withdraw its request for a new deferral and variance account for impacts resulting from Ontario's Broadband and Cellular Action Plan. The Parties acknowledge that to the extent the OEB makes a deferral and variance account or other regulatory mechanisms available to LDCs as a result of the impact of the Broadband and Cellular Action Plan that LH will be at liberty to apply for such mechanisms in the normal course.

#### **Evidence References**

- EXHIBIT 9 - DEFERRAL AND VARIANCE ACCOUNTS
- EXHIBIT 9.9 REQUEST FOR APPROVAL OF THE USE OF NEW VARIANCE ACCOUNTS

#### **IR Responses**

9-CCC-53

9-Staff-97

#### **Supporting Parties**

- SEC, VECC, CCC, LPMA, CKSPFN-Southwind

#### **Parties Taking No Position**

- Environmental Defence

## **5.0 OTHER**

### **5.1 Is the proposed effective date (i.e. May 1, 2022) for 2022 rates appropriate?**

#### **Full Settlement**

The Parties agree that LH's new rates should be effective on May 1, 2022. The Parties note that, in the event the OEB accepts this Settlement Proposal, LH has indicated that it can implement new rates effective May 1, 2022 if it receives an approved Rate Order on or before April 21, 2022. In the event the Settlement Proposal is approved but the Rate Order is not issued in time for May 1, 2022 implementation, the Parties agree that rates should be made interim as of May 1, 2022 and LH should be permitted to track foregone revenue from the proposed effective date of May 1, 2022 until rates are implemented.

#### **Evidence References**

- EXHIBIT 1 - ADMINISTRATION
- EXHIBIT 1.6.7 RATE ORDER REQUIREMENT FOR IMPLEMENTATION

#### **IR Responses**

- None

#### **Supporting Parties**

- SEC, VECC, CCC, LPMA, CKSPFN-Southwind

#### **Parties Taking No Position**

- Environmental Defence

## 5.2 Are the amounts proposed for inclusion in rate base for the Advanced Capital Modules approved in EB-2017-0059 and the proposed treatment of the associated true-up appropriate?

### Full Settlement

For the purposes of settlement, the Parties have agreed that the calculation of the proposed true-up for the Advanced Capital Modules (ACM) is appropriate subject to the following adjustment:

- The Parties have agreed that the incremental spending of \$590,000 on the JD Edwards Project for new functionality relative to the total project budget approved when the ACM was approved is not eligible ACM related funding; as a result, the net impact of the true-up for all the ACMs is a net credit to ratepayers of \$342,629 rather than the proposed debit of \$113,295.

The Parties note that while the incremental spending of \$590,000 is not eligible for ACM related funding, the undepreciated costs shall be included as an addition to the 2022 opening rate base.

ACM Projects - Net Revenue Requirement True-Up	Nelson TS Capital Contribution	JD Edwards	HONI CCRA True- up's Talbot and Buchanan	TOTAL
Actual Revenue Requirement	\$ 1,709,848	\$ 1,416,964		\$ 3,126,812
Rate Rider Revenues incl. interest (actual and forecast)	\$ (2,164,823)	\$ (1,153,562)	\$ (151,056)	\$ (3,469,442)
Over/Under recovery	\$ (454,975)	\$ 263,402	\$ (151,056)	\$ (342,629)

### Evidence References

- EXHIBIT 2 - RATEBASE
- EXHIBIT 2.7 ADDITION OF PREVIOUSLY APPROVED ACM AND ICM PROJECT ASSETS TO RATE
- EXHIBIT 9 - DEFERRAL AND VARIANCE ACCOUNTS
- EXHIBIT 9.6 ACCOUNTS SUBMITTED FOR RECOVERY

### IR Responses

2.0-VECC-14	2-SEC-12	2-SEC-13	2-SEC-14
2-Staff-31	2-Staff-35	9-Staff-92	9-Staff-93
9-Staff-95			

### Supporting Parties

- SEC, VECC, CCC, LPMA, CKSPFN-Southwind

**Parties Taking No Position**

- Environmental Defence

### **5.3 Is the proposal for an Advanced Capital Module for an upgraded customer information system appropriate, and does the proposal include sufficient justification and cost estimates to show need and prudence?**

#### **Full Settlement**

The Parties have agreed for the purposes of settlement that the proposed ACM for an upgraded customer information system is appropriate, subject to a cap on the total project costs of \$18.5M (the current forecast total cost of the project) that are eligible for ACM related funding during the IRM period.

To the extent that LH exceeds the approved \$18.5M capital budget when completing the project, LH will be at liberty to explain and justify the prudence of the overspend if it seeks to include the full undepreciated capital costs in rate base upon rebasing for rate-setting on a going forward basis.

In a future proceeding LH will populate the OEB's most current ACM/ICM model as required to determine the actual incremental revenue requirement associated with the project, subject to entering a maximum project cost of \$18.5 million in that model. The Parties further agree that when completing that model, LH will set the Distribution System Plan CAPEX number at that year's net in-service addition forecast amount.

An updated ACM Model reflecting the above changes, and the OEB's updated inflation factor for 2022 of 3.3% has been provided.

#### **Evidence References**

- EXHIBIT 2 - RATEBASE
- EXHIBIT 2.7 ADDITION OF PREVIOUSLY APPROVED ACM AND ICM PROJECT ASSETS TO RATE
- EXHIBIT 9 - DEFERRAL AND VARIANCE ACCOUNTS
- EXHIBIT 9.9 REQUEST FOR APPROVAL OF THE USE OF NEW VARIANCE ACCOUNTS

#### **IR Responses**

2-SEC-12

2-Staff-32

2-Staff-33

2-Staff-34

2-Staff-36

Supplementary 2-Staff-101

Supplementary 9-Staff-108

#### **Supporting Parties**

- SEC, VECC, CCC, LPMA, CKSPFN-Southwind

#### **Parties Taking No Position**

- Environmental Defence

## **5.4 Is London Hydro's request for an extension to the exception granted to it under section 71(4) of the OEB Act to carry out certain Green Button related services that are non-distribution related activities appropriate?**

### **Full Settlement**

For the purposes of settlement the Parties have agreed to a 3-year extension of the exemption previously granted to LH under s. 71(4) of the OEB Act, from May 1, 2022 to April 30, 2025, to allow it to carry out certain Green Button related services that are non-distribution related activities, on similar terms as set out in the OEB's Decision and Order in EB-2018-0118, dated September 6 2018. The Parties have agreed to the extension in recognition of LH's unique role in Green Button related development in Ontario, LH's desire to continue to directly assist in that development, and the delay in the implementation of the province-wide Green Button requirements until November 1, 2023.

As a condition of the extension of the exemption, the Parties agree that:

- a) LH shall not seek a further exemption relating to carrying out Green Button related services that are non-distribution related activities under s. 71(4) of the OEB Act beyond April 30, 2025.
- b) LH will track all direct and indirect associated with the Green Button program, including those related to the provision of Green Button services provided to customers, recognizing that the tracking of indirect costs will only be possible once the cost allocation study referred to in part c) is finalized.
- c) LH will undertake a cost allocation study of the appropriate allocation of costs for LH's provision of Green Button services and file it in its next cost of service application.
- d) In recognition that development of Green Button related services that have been offered to non-LH distributors customers has taken place within the distribution company in the absence of a cost allocation study such as the one required under part c), LH will credit up-front to customers an additional \$89,960 in 2022 Other Revenue (See Issue 2.1) which represents 50% of the amortized forecast Green Button services profits over the 2022 to 2026 period (See 1-Staff-9(c)). The appropriate amount to be credited to customers will be revised in LH's next cost of service application once the cost allocation study results are available.

### **Evidence References**

- EXHIBIT 1 - ADMINISTRATION
- EXHIBIT 1.1.3.7 INNOVATION
- EXHIBIT 1.9.1.8 GREEN BUTTON DATA



## **IR Responses**

1.0-VECC-3	1-CCC-7	1-SEC-7	1-Staff-10
1-Staff-11	1-Staff-6	1-Staff-7	1-Staff-8
1-Staff-9	4.0-VECC-43	4-SEC-40	4-SEC-49
4-Staff-57	Supplementary 1-Staff-98		

## **Supporting Parties**

- SEC, VECC, CCC, LPMA, CKSPFN-Southwind

## **Parties Taking No Position**

- Environmental Defence

## 6 ATTACHMENTS

Appendix A	Proposed May 1, 2022 Tariff of Rates and Charges
Appendix B	Bill Impacts
Appendix C	Revenue Requirement Work Form
Appendix D	In-Service Additions with Non-Discretionary Adjustments

**A Proposed May 1, 2022 Tariff of Rates and Charges**

**London Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2022**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2022-0041

**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. Separately metered dwellings within a town house complex or apartment building also qualify as residential customers. Multi-unit residential establishments such as apartment buildings supplied through one service (bulk meter) shall be classified as General Service. Where electricity service is provided to combined residential and business (including agricultural) usage and the wiring does not provide for separate metering, the classification shall be at the discretion of London Hydro and should be based on such considerations as the estimated predominant consumption. Non IESO generation accounts, primarily net-metered accounts taking electricity at 750 volts or less where the electricity is used exclusively in a separate metered living accommodation shall be classified as residential. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in London Hydro's Conditions of Service.

**APPLICATION**

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

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

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

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

**MONTHLY RATES AND CHARGES - Delivery Component**

Service Charge	\$	27.46
Rate Rider for Disposition of Group 2 Deferral/Variance Accounts (2022) - effective until April 30, 2023	\$	(0.73)
Rate Rider for Smart Metering Entity Charge - effective until December 31, 2022	\$	0.57
Rate Rider for Disposition of Deferral/Variance Accounts (2022) - effective until April 30, 2023	\$/kWh	0.0002
Rate Rider for Disposition of Global Adjustment Account (2022) - effective until April 30, 2023	\$/kWh	0.0014
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2022) - effective until April 30, 2023	\$/kWh	0.0003
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0091
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0066

**MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

**London Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2022**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2022-0041

**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. Multi-unit residential establishments such as apartment buildings supplied through one service (bulk meter) shall be classified as General Service. Where electricity service is provided to combined residential and business (including agricultural) usage and the wiring does not provide for separate metering, the classification shall be at the discretion of London Hydro and should be based on such considerations as the estimated predominant consumption. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in London Hydro's Conditions of Service.

**APPLICATION**

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

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

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

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

**MONTHLY RATES AND CHARGES - Delivery Component**

Service Charge	\$	31.45
Rate Rider for Smart Metering Entity Charge - effective until December 31, 2022	\$	0.57
Distribution Volumetric Rate	\$/kWh	0.0135
Rate Rider for Disposition of Group 2 Deferral/Variance Accounts (2022) - effective until April 30, 2023	\$/kWh	(0.0010)
Rate Rider for Disposition of Deferral/Variance Accounts (2022) - effective until April 30, 2023	\$/kWh	0.0002
Rate Rider for Disposition of Global Adjustment Account (2022) - effective until April 30, 2023	\$/kWh	0.0014
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2022) - effective until April 30, 2023	\$/kWh	0.0007
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0085
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0059

**MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

**London Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2022**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2022-0041

## **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. Note that for the determination of the billing demand and 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 199 kW non-interval metered

General Service 50 to 4,999 kW interval metered.

Class A and Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in London Hydro's Conditions of Service.

### **APPLICATION**

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

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

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

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

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

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

### **MONTHLY RATES AND CHARGES - Delivery Component**

Service Charge	\$	153.60
Distribution Volumetric Rate	\$/kW	3.2356
Rate Rider for Disposition of Group 2 Deferral/Variance Accounts (2022) - effective until April 30, 2023	\$/kW	(0.3273)
Rate Rider for Disposition of Deferral/Variance Accounts (2022) - effective until April 30, 2023	\$/kW	0.1796
Rate Rider for Disposition of Deferral/Variance Accounts (2022) Applicable only for Non-Wholesale Market Participants - effective until April 30, 2023	\$/kW	(0.1064)

**London Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2022**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

**EB-2022-0041**

Rate Rider for Disposition of Global Adjustment Account (2022) - effective until April 30, 2023	\$/kWh	0.0014
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2022) - effective until April 30, 2023	\$/kW	0.3339
Retail Transmission Rate - Network Service Rate	\$/kW	3.8253
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.9759

**MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

**London Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2022**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2022-0041

**GENERAL SERVICE 1,000 TO 4,999 KW (CO-GENERATION) SERVICE**

Embedded generation, co-generation or load displacement customers have the option to reserve demand capacity on the London Hydro distribution system for import load through mutual agreement/contract. For the embedded generation customers with a gross peak demand annual average of less than 1,000 kW and equal to or greater than 50 kW per month, the General Service 50 to 4,999 kW distribution rates will be applied, as long as there is no requirement for reserve capacity from the customer. For the embedded generation customers with a gross peak demand annual average of less than 50 kW per month, the General Service Less Than 50 kW distribution rates will be applied, as long as there is no requirement for reserve capacity from the customer. Class A and Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in London Hydro's Conditions of Service.

**APPLICATION**

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

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

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

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

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

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

**MONTHLY RATES AND CHARGES - Delivery Component**

Service Charge	\$	902.50
Distribution Volumetric Rate is applied to billed demand in excess of contracted amount (e.g. nameplate rating of the generation facility)	\$/kW	2.1662
Rate Rider for Disposition of Group 2 Deferral/Variance Accounts (2022) - effective until April 30, 2023	\$/kW	<b>(0.2532)</b>



**London Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2022**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

**EB-2022-0041**

Rate Rider for Disposition of Deferral/Variance Accounts (2022) - effective until April 30, 2023	\$/kW	(0.0135)
Rate Rider for Disposition of Global Adjustment Account (2022) - effective until April 30, 2023	\$/kWh	0.0014
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2022) - effective until April 30, 2023	\$/kW	0.2958
Retail Transmission Rate - Network Service Rate	\$/kW	4.4160
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	3.1479
<b>MONTHLY RATES AND CHARGES - Regulatory Component</b>		
Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

**London Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2022**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2022-0041

## STANDBY POWER SERVICE CLASSIFICATION

This classification refers to an account that has Load Displacement Generation and requires London Hydro to provide backup service. The distribution Standby Power rate will be applied to all monthly kW's reserved. Further servicing details are available in London Hydro'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.

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

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

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

### MONTHLY RATES AND CHARGES - Delivery Component

Standby Charge is applied to the contracted amount (e.g. nameplate rating of the generation facility).	\$/kW	3.5111
Rate Rider for Disposition of Group 2 Deferral/Variance Accounts (2022) - effective until April 30, 2023	\$/kW	(0.1637)
Rate Rider for Disposition of Deferral/Variance Accounts (2022) - effective until April 30, 2023	\$/kW	0.0415
Rate Rider for Disposition of Global Adjustment Account (2022) - effective until April 30, 2023	\$/kWh	0.0014
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2022) - effective until April 30, 2023	\$/kW	0.2958

## 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 London Hydro's Conditions of Service.

# London Hydro Inc.

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date May 1, 2022

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

EB-2022-0041

#### APPLICATION

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

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

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

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

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

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

#### MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	19,799.26
Distribution Volumetric Rate	\$/kW	2.7329
Rate Rider for Disposition of Group 2 Deferral/Variance Accounts (2022) - effective until April 30, 2023	\$/kW	(0.4222)
Rate Rider for Disposition of Deferral/Variance Accounts (2022) - effective until April 30, 2023	\$/kW	0.0961
Rate Rider for Disposition of Global Adjustment Account (2022) - effective until April 30, 2023	\$/kWh	0.0014
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2022) - effective until April 30, 2023	\$/kW	(0.8829)
Retail Transmission Rate - Network Service Rate - Interval Metered	\$/kW	3.9186
Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered	\$/kW	2.9759

#### MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0005

**London Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2022**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

**EB-2022-0041**  
0.25

Standard Supply Service - Administrative Charge (if applicable)

\$

**London Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2022**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2022-0041

**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. Further servicing details are available in London Hydro's Conditions of Service.

**APPLICATION**

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

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

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

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

**MONTHLY RATES AND CHARGES - Delivery Component**

Service Charge (per connection)	\$	1.74
Distribution Volumetric Rate	\$/kW	10.4370
Rate Rider for Disposition of Group 2 Deferral/Variance Accounts (2022) - effective until April 30, 2023	\$/kW	1.0841
Rate Rider for Disposition of Deferral/Variance Accounts (2022) - effective until April 30, 2023	\$/kW	0.0428
Rate Rider for Disposition of Global Adjustment Account (2022) - effective until April 30, 2023	\$/kWh	0.0014
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2022) - effective until April 30, 2023	\$/kW	(7.6368)
Retail Transmission Rate - Network Service Rate	\$/kW	2.6265
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.8804

**MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

**London Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2022**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2022-0041

**SENTINEL LIGHTING SERVICE CLASSIFICATION**

This classification refers to accounts that are an unmetered lighting load supplied to a sentinel light. Further servicing details are available in London Hydro's Conditions of Service.

**APPLICATION**

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

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

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

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

**MONTHLY RATES AND CHARGES - Delivery Component**

Service Charge (per connection)	\$	4.90
Distribution Volumetric Rate	\$/kW	19.1677
Rate Rider for Disposition of Group 2 Deferral/Variance Accounts (2022) - effective until April 30, 2023	\$/kW	(0.2479)
Rate Rider for Disposition of Deferral/Variance Accounts (2022) - effective until April 30, 2023	\$/kW	0.0468
Rate Rider for Disposition of Global Adjustment Account (2022) - effective until April 30, 2023	\$/kWh	0.0014
Retail Transmission Rate - Network Service Rate	\$/kW	2.6299
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.8830

**MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

**London Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2022**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2022-0041

**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 London Hydro's Conditions of Service.

**APPLICATION**

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

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

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

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

**MONTHLY RATES AND CHARGES - Delivery Component**

Service Charge (per connection)	\$	2.46
Distribution Volumetric Rate	\$/kWh	0.0258
Rate Rider for Disposition of Group 2 Deferral/Variance Accounts (2022) - effective until April 30, 2023	\$/kWh	(0.0007)
Rate Rider for Disposition of Deferral/Variance Accounts (2022) - effective until April 30, 2023	\$/kWh	0.0002

Retail Transmission Rate - Network Service Rate	\$/kWh	0.0085
---	--------	--------

Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0059
--	--------	--------

**MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

**London Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2022**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2022-0041

### 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 London Hydro's Conditions of Service.

### APPLICATION

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

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

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

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

### MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	4.55
----------------	----	------

### 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

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

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

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

### CUSTOMER ADMINISTRATION

Easement letter	\$	15.00
Special meter reads	\$	30.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Returned cheque (plus bank charges)	\$	15.00
Cellular meter read charge	\$	15.00

### NON-PAYMENT OF ACCOUNT

Late payment - per month (effective annual rate 19.56% per annum or 0.04896% compounded daily rate)	%	1.50
Reconnection at meter - during regular hours	\$	35.00



**London Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2022**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

**EB-2022-0041**

Reconnection at meter - after regular hours	\$	185.00
Reconnection at pole - during regular hours	\$	185.00
Reconnection at pole - after regular hours	\$	415.00

**OTHER**

Meter interrogation charge	\$	5.50
Temporary service - install & remove - overhead - no transformer	\$	500.00
Temporary service - install & remove - underground - no transformer	\$	300.00
Service call - after regular hours	\$	165.00
Specific charge for access to the power poles - \$/pole/year (with the exception of wireless attachments) - Approved on an Interim Basis	\$	34.76

**RETAIL SERVICE CHARGES (if applicable)**

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

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

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

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

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

One-time charge, per retailer, to establish the service agreement between the distributor and the retailer	\$	107.68
Monthly Fixed Charge, per retailer	\$	43.08
Monthly Variable Charge, per customer, per retailer	\$/cust.	1.07
Distributor-consolidated billing monthly charge, per customer, per retailer	\$/cust.	0.64
Retailer-consolidated billing monthly credit, per customer, per retailer	\$/cust.	(0.64)
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	\$	0.54
Processing fee, per request, applied to the requesting party	\$	1.07
Request for customer information as outlined in Section 10.6.3 and Chapter 11 of the Retail Settlement Code directly to retailers and customers, if not delivered electronically through the Electronic Business Transaction (EBT) system, applied to the requesting party		
Up to twice a year	\$	no charge
More than twice a year, per request (plus incremental delivery costs)	\$	4.31
Notice of switch letter charge, per letter (unless the distributor has opted out of applying the charge as per the Ontario Energy Board's Decision and Order EB-2015-0304, issued on February 14, 2019)	\$	2.15

**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 1.0288

**London Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2022**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

**EB-2022-0041**

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

1.0119

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

1.0185

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

1.0016

## **B Bill Impacts**





Customer Class:	RESIDENTIAL SERVICE CLASSIFICATION	
RPP / Non-RPP:	RPP	
Consumption	750	kWh
Demand	-	kW
Current Loss Factor	1.0315	
Proposed/Approved Loss Factor	1.0288	

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 25.98	1	\$ 25.98	\$ 27.46	1	\$ 27.46	\$ 1.48	5.70%
Distribution Volumetric Rate	\$ -	750	\$ -	\$ -	750	\$ -	\$ -	-
Fixed Rate Riders	\$ 0.31	1	\$ 0.31	\$ (0.73)	1	\$ (0.73)	\$ (1.04)	-335.48%
Volumetric Rate Riders	\$ 0.0005	750	\$ 0.38	\$ 0.0003	750	\$ 0.23	\$ (0.15)	-40.00%
<b>Sub-Total A (excluding pass through)</b>			<b>\$ 26.67</b>			<b>\$ 26.96</b>	<b>\$ 0.29</b>	<b>1.09%</b>
Line Losses on Cost of Power	\$ 0.1031	24	\$ 2.44	\$ 0.1031	22	\$ 2.23	\$ (0.21)	-8.57%
Total Deferral/Variance Account Rate Riders	\$ (0.0005)	750	\$ (0.38)	\$ 0.0002	750	\$ 0.15	\$ 0.53	-140.00%
CBR Class B Rate Riders	\$ (0.0002)	750	\$ (0.15)	\$ -	750	\$ -	\$ 0.15	-100.00%
GA Rate Riders	\$ -	750	\$ -	\$ -	750	\$ -	\$ -	-
Low Voltage Service Charge	\$ -	750	\$ -	\$ -	750	\$ -	\$ -	-
Smart Meter Entity Charge (if applicable)	\$ 0.57	1	\$ 0.57	\$ 0.57	1	\$ 0.57	\$ -	0.00%
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-
Additional Volumetric Rate Riders	\$ -	750	\$ -	\$ -	750	\$ -	\$ -	-
<b>Sub-Total B - Distribution (includes Sub-Total A)</b>			<b>\$ 29.15</b>			<b>\$ 29.90</b>	<b>\$ 0.76</b>	<b>2.59%</b>
RTSR - Network	\$ 0.0085	774	\$ 6.58	\$ 0.0091	772	\$ 7.02	\$ 0.45	6.78%
RTSR - Connection and/or Line and Transformation Connection	\$ 0.0063	774	\$ 4.87	\$ 0.0066	772	\$ 5.09	\$ 0.22	4.49%
<b>Sub-Total C - Delivery (including Sub-Total B)</b>			<b>\$ 40.60</b>			<b>\$ 42.02</b>	<b>\$ 1.42</b>	<b>3.50%</b>
Wholesale Market Service Charge (WMSC)	\$ 0.0034	774	\$ 2.63	\$ 0.0034	772	\$ 2.62	\$ (0.01)	-0.26%
Rural and Remote Rate Protection (RRRP)	\$ 0.0005	774	\$ 0.39	\$ 0.0005	772	\$ 0.39	\$ (0.00)	-0.26%
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
TOU - Off Peak	\$ 0.0820	488	\$ 39.98	\$ 0.0820	488	\$ 39.98	\$ -	0.00%
TOU - Mid Peak	\$ 0.1130	128	\$ 14.41	\$ 0.1130	128	\$ 14.41	\$ -	0.00%
TOU - On Peak	\$ 0.1700	135	\$ 22.95	\$ 0.1700	135	\$ 22.95	\$ -	0.00%
<b>Total Bill on TOU (before Taxes)</b>			<b>\$ 121.20</b>			<b>\$ 122.61</b>	<b>\$ 1.41</b>	<b>1.17%</b>
HST	13%		\$ 15.76	13%		\$ 15.94	\$ 0.18	1.17%
Ontario Electricity Rebate	18.9%		\$ (22.91)	18.9%		\$ (23.17)	\$ (0.27)	-
<b>Total Bill on TOU</b>			<b>\$ 114.04</b>			<b>\$ 115.37</b>	<b>\$ 1.33</b>	<b>1.17%</b>

In the manager's summary, discuss the reason for the change.

In the manager's summary, discuss the reason for the change.

Customer Class: **GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION**

RPP / Non-RPP: **RPP**

Consumption	2,000	kWh
Demand	-	kW
Current Loss Factor	1.0315	
Proposed/Approved Loss Factor	1.0288	

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 34.18	1	\$ 34.18	\$ 31.45	1	\$ 31.45	\$ (2.73)	-7.99%
Distribution Volumetric Rate	\$ 0.0114	2000	\$ 22.80	\$ 0.0135	2000	\$ 27.00	\$ 4.20	18.42%
Fixed Rate Riders	\$ 0.41	1	\$ 0.41	\$ -	1	\$ -	\$ (0.41)	-100.00%
Volumetric Rate Riders	\$ 0.0003	2000	\$ 0.60	\$ (0.0003)	2000	\$ (0.60)	\$ (1.20)	-200.00%
<b>Sub-Total A (excluding pass through)</b>			<b>\$ 57.99</b>			<b>\$ 57.85</b>	<b>\$ (0.14)</b>	<b>-0.24%</b>
Line Losses on Cost of Power	\$ 0.1031	63	\$ 6.50	\$ 0.1031	58	\$ 5.94	\$ (0.56)	-8.57%
Total Deferral/Variance Account Rate Riders	\$ (0.0004)	2,000	\$ (0.80)	\$ 0.0002	2,000	\$ 0.40	\$ 1.20	-150.00%
CBR Class B Rate Riders	\$ (0.0002)	2,000	\$ (0.40)	\$ -	2,000	\$ -	\$ 0.40	-100.00%
GA Rate Riders	\$ -	2,000	\$ -	\$ -	2,000	\$ -	\$ -	
Low Voltage Service Charge	\$ -	2,000	\$ -	\$ -	2,000	\$ -	\$ -	
Smart Meter Entity Charge (if applicable)	\$ 0.57	1	\$ 0.57	\$ 0.57	1	\$ 0.57	\$ -	0.00%
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Additional Volumetric Rate Riders	\$ -	2,000	\$ -	\$ -	2,000	\$ -	\$ -	
<b>Sub-Total B - Distribution (includes Sub-Total A)</b>			<b>\$ 63.86</b>			<b>\$ 64.76</b>	<b>\$ 0.90</b>	<b>1.41%</b>
RTSR - Network	\$ 0.0080	2,063	\$ 16.50	\$ 0.0085	2,058	\$ 17.49	\$ 0.99	5.97%
RTSR - Connection and/or Line and Transformation Connection	\$ 0.0056	2,063	\$ 11.55	\$ 0.0059	2,058	\$ 12.14	\$ 0.59	5.08%
<b>Sub-Total C - Delivery (including Sub-Total B)</b>			<b>\$ 91.91</b>			<b>\$ 94.39</b>	<b>\$ 2.48</b>	<b>2.69%</b>
Wholesale Market Service Charge (WMSC)	\$ 0.0034	2,063	\$ 7.01	\$ 0.0034	2,058	\$ 7.00	\$ (0.02)	-0.26%
Rural and Remote Rate Protection (RRRP)	\$ 0.0005	2,063	\$ 1.03	\$ 0.0005	2,058	\$ 1.03	\$ (0.00)	-0.26%
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
TOU - Off Peak	\$ 0.0820	1,300	\$ 106.60	\$ 0.0820	1,300	\$ 106.60	\$ -	0.00%
TOU - Mid Peak	\$ 0.1130	340	\$ 38.42	\$ 0.1130	340	\$ 38.42	\$ -	0.00%
TOU - On Peak	\$ 0.1700	360	\$ 61.20	\$ 0.1700	360	\$ 61.20	\$ -	0.00%
<b>Total Bill on TOU (before Taxes)</b>			<b>\$ 306.43</b>			<b>\$ 308.88</b>	<b>\$ 2.45</b>	<b>0.80%</b>
HST	13%		\$ 39.84	13%		\$ 40.15	\$ 0.32	0.80%
Ontario Electricity Rebate	18.9%		\$ (57.91)	18.9%		\$ (58.38)	\$ (0.46)	
<b>Total Bill on TOU</b>			<b>\$ 288.35</b>			<b>\$ 290.66</b>	<b>\$ 2.31</b>	<b>0.80%</b>

In the manager's summary, discuss the reason for the change.

In the manager's summary, discuss the reason for the change.

Customer Class:	GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION	
RPP / Non-RPP:	Non-RPP (Other)	
Consumption	73,689	kWh
Demand	186	kW
Current Loss Factor	1.0315	
Proposed/Approved Loss Factor	1.0288	

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 166.96	1	\$ 166.96	\$ 153.60	1	\$ 153.60	\$ (13.36)	-8.00%
Distribution Volumetric Rate	\$ 2.8829	186	\$ 536.22	\$ 3.2356	186	\$ 601.82	\$ 65.60	12.23%
Fixed Rate Riders	\$ 2.01	1	\$ 2.01	\$ -	1	\$ -	\$ (2.01)	-100.00%
Volumetric Rate Riders	\$ 0.1672	186	\$ 31.10	\$ 0.0066	186	\$ 1.23	\$ (29.87)	-96.05%
<b>Sub-Total A (excluding pass through)</b>			<b>\$ 736.29</b>			<b>\$ 756.65</b>	<b>\$ 20.36</b>	<b>2.77%</b>
Line Losses on Cost of Power	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	
Total Deferral/Variance Account Rate Riders	\$ (0.1873)	186	\$ (34.84)	\$ 0.0732	186	\$ 13.62	\$ 48.45	-139.08%
CBR Class B Rate Riders	\$ (0.0629)	186	\$ (11.70)	\$ -	186	\$ -	\$ 11.70	-100.00%
GA Rate Riders	\$ 0.0045	73,689	\$ 331.60	\$ 0.0014	73,689	\$ 103.17	\$ (228.44)	-68.89%
Low Voltage Service Charge	\$ -	186	\$ -	\$ -	186	\$ -	\$ -	
Smart Meter Entity Charge (if applicable)	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Additional Volumetric Rate Riders	\$ -	186	\$ -	\$ -	186	\$ -	\$ -	
<b>Sub-Total B - Distribution (includes Sub-Total A)</b>			<b>\$ 1,021.35</b>			<b>\$ 873.43</b>	<b>\$ (147.92)</b>	<b>-14.48%</b>
RTSR - Network	\$ 2.7915	186	\$ 519.22	\$ 3.8253	186	\$ 711.51	\$ 192.29	37.03%
RTSR - Connection and/or Line and Transformation Connection	\$ 2.0376	186	\$ 378.99	\$ 2.9759	186	\$ 553.52	\$ 174.52	46.05%
<b>Sub-Total C - Delivery (including Sub-Total B)</b>			<b>\$ 1,919.57</b>			<b>\$ 2,138.45</b>	<b>\$ 218.89</b>	<b>11.40%</b>
Wholesale Market Service Charge (WMSC)	\$ 0.0034	76,011	\$ 258.44	\$ 0.0034	75,812	\$ 257.76	\$ (0.68)	-0.26%
Rural and Remote Rate Protection (RRRP)	\$ 0.0005	76,011	\$ 38.01	\$ 0.0005	75,812	\$ 37.91	\$ (0.10)	-0.26%
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
Average IESO Wholesale Market Price	\$ 0.1101	76,011	\$ 8,368.76	\$ 0.1101	75,812	\$ 8,346.85	\$ (21.91)	-0.26%
<b>Total Bill on Average IESO Wholesale Market Price</b>			<b>\$ 10,585.01</b>			<b>\$ 10,781.22</b>	<b>\$ 196.21</b>	<b>1.85%</b>
HST	13%		\$ 1,376.05	13%		\$ 1,401.56	\$ 25.51	1.85%
Ontario Electricity Rebate	18.9%		\$ -	18.9%		\$ -	\$ -	
<b>Total Bill on Average IESO Wholesale Market Price</b>			<b>\$ 11,961.07</b>			<b>\$ 12,182.78</b>	<b>\$ 221.71</b>	<b>1.85%</b>

In the manager's summary, discuss the reason for the change in the RTSR - Network and RTSR - Connection and/or Line and Transformation Connection rows.



Customer Class: **GENERAL SERVICE 1,000 TO 4,999 KW (CO-GENERATION) SERVICE CLASSIFICATION**

RPP / Non-RPP: **Non-RPP (Other)**

Consumption **280,115** kWh

Demand **670** kW

Current Loss Factor **1.0315**

Proposed/Approved Loss Factor **1.0288**

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 2,279.47	1	\$ 2,279.47	\$ 902.50	1	\$ 902.50	\$ (1,376.97)	-60.41%
Distribution Volumetric Rate	\$ 3.9819	669.7241	\$ 2,666.77	\$ 2.1662	669.7240972	\$ 1,450.76	\$ (1,216.02)	-45.60%
Fixed Rate Riders	\$ 27.46	1	\$ 27.46	\$ -	1	\$ -	\$ (27.46)	-100.00%
Volumetric Rate Riders	\$ 0.1690	669.7241	\$ 113.18	\$ 0.0426	669.7240972	\$ 28.53	\$ (84.65)	-74.79%
<b>Sub-Total A (excluding pass through)</b>			<b>\$ 5,086.89</b>			<b>\$ 2,381.79</b>	<b>\$ (2,705.10)</b>	<b>-53.18%</b>
Line Losses on Cost of Power	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	
Total Deferral/Variance Account Rate Riders	\$ (0.0613)	670	\$ (41.05)	\$ (0.0135)	670	\$ (9.04)	\$ 32.01	-77.98%
CBR Class B Rate Riders	\$ (0.0274)	670	\$ (18.35)	\$ -	670	\$ -	\$ 18.35	-100.00%
GA Rate Riders	\$ 0.0045	280,115	\$ 1,260.52	\$ 0.0014	280,115	\$ 392.16	\$ (868.36)	-68.89%
Low Voltage Service Charge	\$ -	670	\$ -	\$ -	670	\$ -	\$ -	
Smart Meter Entity Charge (if applicable)	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Additional Volumetric Rate Riders	\$ -	670	\$ -	\$ -	670	\$ -	\$ -	
<b>Sub-Total B - Distribution (includes Sub-Total A)</b>			<b>\$ 6,288.00</b>			<b>\$ 2,764.91</b>	<b>\$ (3,523.09)</b>	<b>-56.03%</b>
RTSR - Network	\$ 4.1324	670	\$ 2,767.57	\$ 4.4160	670	\$ 2,957.50	\$ 189.93	6.86%
RTSR - Connection and/or Line and Transformation Connection	\$ 3.0034	670	\$ 2,011.45	\$ 3.1479	670	\$ 2,108.22	\$ 96.78	4.81%
<b>Sub-Total C - Delivery (including Sub-Total B)</b>			<b>\$ 11,067.02</b>			<b>\$ 7,830.63</b>	<b>\$ (3,236.39)</b>	<b>-29.24%</b>
Wholesale Market Service Charge (WMSC)	\$ 0.0034	288,939	\$ 982.39	\$ 0.0034	288,182	\$ 979.82	\$ (2.57)	-0.26%
Rural and Remote Rate Protection (RRRP)	\$ 0.0005	288,939	\$ 144.47	\$ 0.0005	288,182	\$ 144.09	\$ (0.38)	-0.26%
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
Average IESO Wholesale Market Price	\$ 0.1101	288,939	\$ 31,812.15	\$ 0.1101	288,182	\$ 31,728.88	\$ (83.27)	-0.26%
<b>Total Bill on Average IESO Wholesale Market Price</b>			<b>\$ 44,006.28</b>			<b>\$ 40,683.67</b>	<b>\$ (3,322.61)</b>	<b>-7.55%</b>
HST	13%		\$ 5,720.82	13%		\$ 5,288.88	\$ (431.94)	-7.55%
Ontario Electricity Rebate	18.9%		\$ -	18.9%		\$ -	\$ -	
<b>Total Bill on Average IESO Wholesale Market Price</b>			<b>\$ 49,727.09</b>			<b>\$ 45,972.55</b>	<b>\$ (3,754.54)</b>	<b>-7.55%</b>

In the manager's summary, discuss the reason for the change.

In the manager's summary, discuss the reason for the change.

Customer Class: **STANDBY POWER SERVICE CLASSIFICATION**

RPP / Non-RPP: **Non-RPP (Other)**

Consumption - kWh

Demand 2,500 kW

Current Loss Factor 1.0315

Proposed/Approved Loss Factor 1.0288

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Distribution Volumetric Rate	\$ 3.2889	2500	\$ 8,222.25	\$ 3.5111	2500	\$ 8,777.75	\$ 555.50	6.76%
Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Volumetric Rate Riders	\$ 0.1606	2500	\$ 401.50	\$ 0.1321	2500	\$ 330.25	\$ (71.25)	-17.75%
<b>Sub-Total A (excluding pass through)</b>			<b>\$ 8,623.75</b>			<b>\$ 9,108.00</b>	<b>\$ 484.25</b>	<b>5.62%</b>
Line Losses on Cost of Power	\$ 0.1101	-	\$ -	\$ 0.1101	-	\$ -	\$ -	
Total Deferral/Variance Account Rate Riders	\$ (0.0716)	2,500	\$ (179.00)	\$ 0.0415	2,500	\$ 103.75	\$ 282.75	-157.96%
CBR Class B Rate Riders	\$ (0.0434)	2,500	\$ (108.50)	\$ -	2,500	\$ -	\$ 108.50	-100.00%
GA Rate Riders	\$ 0.0045	-	\$ -	\$ 0.0014	-	\$ -	\$ -	
Low Voltage Service Charge	\$ -	2,500	\$ -	\$ -	2,500	\$ -	\$ -	
Smart Meter Entity Charge (if applicable)	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Additional Volumetric Rate Riders	\$ -	2,500	\$ -	\$ -	2,500	\$ -	\$ -	
<b>Sub-Total B - Distribution (includes Sub-Total A)</b>			<b>\$ 8,336.25</b>			<b>\$ 9,211.75</b>	<b>\$ 875.50</b>	<b>10.50%</b>
RTSR - Network	\$ -	2,500	\$ -	\$ -	2,500	\$ -	\$ -	
RTSR - Connection and/or Line and Transformation Connection	\$ -	2,500	\$ -	\$ -	2,500	\$ -	\$ -	
<b>Sub-Total C - Delivery (including Sub-Total B)</b>			<b>\$ 8,336.25</b>			<b>\$ 9,211.75</b>	<b>\$ 875.50</b>	<b>10.50%</b>
Wholesale Market Service Charge (WMSC)	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	
Rural and Remote Rate Protection (RRRP)	\$ 0.0005	-	\$ -	\$ -	-	\$ -	\$ -	
Standard Supply Service Charge	\$ -	1	\$ -	\$ 0.25	1	\$ 0.25	\$ 0.25	
Average IESO Wholesale Market Price	\$ 0.1101	-	\$ -	\$ 0.1101	-	\$ -	\$ -	
<b>Total Bill on Average IESO Wholesale Market Price</b>			<b>\$ 8,336.25</b>			<b>\$ 9,212.00</b>	<b>\$ 875.75</b>	<b>10.51%</b>
HST	13%		\$ 1,083.71	13%		\$ 1,197.56	\$ 113.85	10.51%
Ontario Electricity Rebate	18.9%		\$ -	18.9%		\$ -	\$ -	
<b>Total Bill on Average IESO Wholesale Market Price</b>			<b>\$ 9,419.96</b>			<b>\$ 10,409.56</b>	<b>\$ 989.60</b>	<b>10.51%</b>

Customer Class:	<b>LARGE USE SERVICE CLASSIFICATION</b>	
RPP / Non-RPP:	Non-RPP (Other)	
Consumption	7,562,627	kWh
Demand	14,369	kW
Current Loss Factor	1.0212	
Proposed/Approved Loss Factor	1.0212	

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 21,499.20	1	\$ 21,499.20	\$ 19,799.26	1	\$ 19,799.26	\$ (1,699.94)	-7.91%
Distribution Volumetric Rate	\$ 2.3992	14369	\$ 34,474.10	\$ 2.7329	14369	\$ 39,269.04	\$ 4,794.94	13.91%
Fixed Rate Riders	\$ 258.98	1	\$ 258.98	\$ -	1	\$ -	\$ (258.98)	-100.00%
Volumetric Rate Riders	\$ (0.4663)	14369	\$ (6,700.26)	\$ (1.3051)	14369	\$ (18,752.98)	\$ (12,052.72)	179.88%
<b>Sub-Total A (excluding pass through)</b>			<b>\$ 49,532.02</b>			<b>\$ 40,315.32</b>	<b>\$ (9,216.70)</b>	<b>-18.61%</b>
Line Losses on Cost of Power	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	
Total Deferral/Variance Account Rate Riders	\$ (0.1846)	14,369	\$ (2,652.52)	\$ 0.0961	14,369	\$ 1,380.86	\$ 4,033.38	-152.06%
CBR Class B Rate Riders	\$ -	14,369	\$ -	\$ -	14,369	\$ -	\$ -	
GA Rate Riders	\$ -	7,562,627	\$ -	\$ 0.0014	7,562,627	\$ 10,587.68	\$ 10,587.68	
Low Voltage Service Charge	\$ -	14,369	\$ -	\$ -	14,369	\$ -	\$ -	
Smart Meter Entity Charge (if applicable)	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Additional Volumetric Rate Riders	\$ -	14,369	\$ -	\$ -	14,369	\$ -	\$ -	
<b>Sub-Total B - Distribution (includes Sub-Total A)</b>			<b>\$ 46,879.50</b>			<b>\$ 52,283.86</b>	<b>\$ 5,404.35</b>	<b>11.53%</b>
RTSR - Network	\$ -	14,369	\$ -	\$ -	14,369	\$ -	\$ -	
RTSR - Connection and/or Line and Transformation Connection	\$ -	14,369	\$ -	\$ -	14,369	\$ -	\$ -	
<b>Sub-Total C - Delivery (including Sub-Total B)</b>			<b>\$ 46,879.50</b>			<b>\$ 52,283.86</b>	<b>\$ 5,404.35</b>	<b>11.53%</b>
Wholesale Market Service Charge (WMSC)	\$ 0.0034	7,722,955	\$ 26,258.05	\$ 0.0034	7,722,955	\$ 26,258.05	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	\$ 0.0005	7,722,955	\$ 3,861.48	\$ 0.0005	7,722,955	\$ 3,861.48	\$ -	0.00%
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
Average IESO Wholesale Market Price	\$ 0.1101	7,722,955	\$ 850,297.37	\$ 0.1101	7,722,955	\$ 850,297.37	\$ -	0.00%
<b>Total Bill on Average IESO Wholesale Market Price</b>			<b>\$ 927,296.64</b>			<b>\$ 932,701.00</b>	<b>\$ 5,404.35</b>	<b>0.58%</b>
HST	13%		\$ 120,548.56	13%		\$ 121,251.13	\$ 702.57	0.58%
Ontario Electricity Rebate	18.9%		\$ -	18.9%		\$ -	\$ -	
<b>Total Bill on Average IESO Wholesale Market Price</b>			<b>\$ 1,047,845.21</b>			<b>\$ 1,053,952.13</b>	<b>\$ 6,106.92</b>	<b>0.58%</b>

Customer Class:	<b>STREET LIGHTING SERVICE CLASSIFICATION</b>
RPP / Non-RPP:	Non-RPP (Other)
Consumption	32 kWh
Demand	0 kW
Current Loss Factor	1.0315
Proposed/Approved Loss Factor	1.0288

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 1.74		\$ -	\$ 1.74	0	\$ -	\$ -	
Distribution Volumetric Rate	\$ 8.6979	0.0895997	\$ 0.78	\$ 10.4370	0.089599722	\$ 0.94	\$ 0.16	19.99%
Fixed Rate Riders	\$ 0.02	1	\$ 0.02	\$ -	1	\$ -	\$ (0.02)	-100.00%
Volumetric Rate Riders	\$ (2.8660)	0.0895997	\$ (0.26)	\$ (6.5527)	0.089599722	\$ (0.59)	\$ (0.33)	128.64%
<b>Sub-Total A (excluding pass through)</b>			\$ 0.54			\$ 0.35	\$ (0.19)	-35.85%
Line Losses on Cost of Power	\$ 0.1101	1	\$ 0.11	\$ 0.1101	1	\$ 0.10	\$ (0.01)	-8.57%
Total Deferral/Variance Account Rate Riders	\$ (0.1809)	0	\$ (0.02)	\$ 0.0428	0	\$ 0.00	\$ 0.02	-123.66%
CBR Class B Rate Riders	\$ (0.0589)	0	\$ (0.01)	\$ -	0	\$ -	\$ 0.01	-100.00%
GA Rate Riders	\$ 0.0045	32	\$ 0.14	\$ 0.0014	32	\$ 0.04	\$ (0.10)	-68.89%
Low Voltage Service Charge	\$ -	0	\$ -	\$ -	0	\$ -	\$ -	
Smart Meter Entity Charge (if applicable)	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Additional Volumetric Rate Riders	\$ -	0	\$ -	\$ -	0	\$ -	\$ -	
<b>Sub-Total B - Distribution (includes Sub-Total A)</b>			\$ 0.78			\$ 0.50	\$ (0.28)	-35.81%
RTSR - Network	\$ 2.4578	0	\$ 0.22	\$ 2.6265	0	\$ 0.24	\$ 0.02	6.86%
RTSR - Connection and/or Line and Transformation Connection	\$ 1.7941	0	\$ 0.16	\$ 1.8804	0	\$ 0.17	\$ 0.01	4.81%
<b>Sub-Total C - Delivery (including Sub-Total B)</b>			\$ 1.16			\$ 0.90	\$ (0.26)	-22.04%
Wholesale Market Service Charge (WMSC)	\$ 0.0034	33	\$ 0.11	\$ 0.0034	33	\$ 0.11	\$ (0.00)	-0.26%
Rural and Remote Rate Protection (RRRP)	\$ 0.0005	33	\$ 0.02	\$ 0.0005	33	\$ 0.02	\$ (0.00)	-0.26%
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
Average IESO Wholesale Market Price	\$ 0.1101	32	\$ 3.52	\$ 0.1101	32	\$ 3.52	\$ -	0.00%
<b>Total Bill on Average IESO Wholesale Market Price</b>			\$ 5.06			\$ 4.80	\$ (0.26)	-5.05%
HST	13%		\$ 0.66	13%		\$ 0.62	\$ (0.03)	-5.05%
Ontario Electricity Rebate	18.9%		\$ -	18.9%		\$ -	\$ -	
<b>Total Bill on Average IESO Wholesale Market Price</b>			\$ 5.72			\$ 5.43	\$ (0.29)	-5.05%

In the manager's summary, discuss the reason for the change in the distribution sub-total.

In the manager's summary, discuss the reason for the change in the delivery sub-total.

Customer Class:	SENTINEL LIGHTING SERVICE CLASSIFICATION		
RPP / Non-RPP:	Non-RPP (Other)		
Consumption	81	kWh	
Demand	0	kW	
Current Loss Factor	1.0315		
Proposed/Approved Loss Factor	1.0288		

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 4.90		\$ -	\$ 4.90	0	\$ -	\$ -	
Distribution Volumetric Rate	\$ 16.1272	0.2184874	\$ 3.52	\$ 19.1677	0.218487395	\$ 4.19	\$ 0.66	18.85%
Fixed Rate Riders	\$ 0.06	1	\$ 0.06	\$ -	1	\$ -	\$ (0.06)	-100.00%
Volumetric Rate Riders	\$ 0.1943	0.2184874	\$ 0.04	\$ (0.2479)	0.218487395	\$ (0.05)	\$ (0.10)	-227.59%
<b>Sub-Total A (excluding pass through)</b>			\$ 3.63			\$ 4.13	\$ 0.51	14.00%
Line Losses on Cost of Power	\$ 0.1101	3	\$ 0.28	\$ 0.1101	2	\$ 0.26	\$ (0.02)	-8.57%
Total Deferral/Variance Account Rate Riders	\$ (0.1474)	0	\$ (0.03)	\$ 0.0468	0	\$ 0.01	\$ 0.04	-131.75%
CBR Class B Rate Riders	\$ (0.0611)	0	\$ (0.01)	\$ -	0	\$ -	\$ 0.01	-100.00%
GA Rate Riders	\$ 0.0045	81	\$ 0.36	\$ 0.0014	81	\$ 0.11	\$ (0.25)	-68.89%
Low Voltage Service Charge	\$ -	0	\$ -	\$ -	0	\$ -	\$ -	
Smart Meter Entity Charge (if applicable)	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Additional Volumetric Rate Riders	\$ -	0	\$ -	\$ -	0	\$ -	\$ -	
<b>Sub-Total B - Distribution (includes Sub-Total A)</b>			\$ 4.23			\$ 4.51	\$ 0.29	6.83%
RTSR - Network	\$ 2.4610	0	\$ 0.54	\$ 2.6299	0	\$ 0.57	\$ 0.04	6.86%
RTSR - Connection and/or Line and Transformation Connection	\$ 1.7966	0	\$ 0.39	\$ 1.8830	0	\$ 0.41	\$ 0.02	4.81%
<b>Sub-Total C - Delivery (including Sub-Total B)</b>			\$ 5.16			\$ 5.50	\$ 0.34	6.68%
Wholesale Market Service Charge (WMSC)	\$ 0.0034	83	\$ 0.28	\$ 0.0034	83	\$ 0.28	\$ (0.00)	-0.26%
Rural and Remote Rate Protection (RRRP)	\$ 0.0005	83	\$ 0.04	\$ 0.0005	83	\$ 0.04	\$ (0.00)	-0.26%
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
Average IESO Wholesale Market Price	\$ 0.1101	81	\$ 8.91	\$ 0.1101	81	\$ 8.91	\$ -	0.00%
<b>Total Bill on Average IESO Wholesale Market Price</b>			\$ 14.64			\$ 14.98	\$ 0.34	2.35%
HST	13%		\$ 1.90	13%		\$ 1.95	\$ 0.04	2.35%
Ontario Electricity Rebate	18.9%		\$ (2.77)	18.9%		\$ (2.83)	\$ (0.06)	-2.16%
<b>Total Bill on Average IESO Wholesale Market Price</b>			\$ 13.78			\$ 14.10	\$ 0.32	2.35%

In the manager's summary, discuss the reason for the change in the distribution sub-total B.

In the manager's summary, discuss the reason for the change in the distribution sub-total C.

Customer Class: **UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION**

RPP / Non-RPP: **RPP**

Consumption	288	kWh
Demand	-	kW
Current Loss Factor	1.0315	
Proposed/Approved Loss Factor	1.0288	

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 2.46		\$ -	\$ 2.46	0	\$ -	\$ -	
Distribution Volumetric Rate	\$ 0.0211	288	\$ 6.08	\$ 0.0258	288	\$ 7.43	\$ 1.35	22.27%
Fixed Rate Riders	\$ 0.03	1	\$ 0.03	\$ -	1	\$ -	\$ (0.03)	-100.00%
Volumetric Rate Riders	\$ 0.0003	288	\$ 0.09	\$ (0.0007)	288	\$ (0.20)	\$ (0.29)	-333.33%
<b>Sub-Total A (excluding pass through)</b>			\$ <b>6.19</b>			\$ <b>7.23</b>	\$ <b>1.04</b>	<b>16.72%</b>
Line Losses on Cost of Power	\$ 0.1031	9	\$ 0.94	\$ 0.1031	8	\$ 0.86	\$ (0.08)	-8.57%
Total Deferral/Variance Account Rate Riders	\$ (0.0004)	288	\$ (0.12)	\$ 0.0002	288	\$ 0.06	\$ 0.17	-150.00%
CBR Class B Rate Riders	\$ (0.0002)	288	\$ (0.06)	\$ -	288	\$ -	\$ 0.06	-100.00%
GA Rate Riders	\$ -	288	\$ -	\$ -	288	\$ -	\$ -	
Low Voltage Service Charge	\$ -	288	\$ -	\$ -	288	\$ -	\$ -	
Smart Meter Entity Charge (if applicable)	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Additional Volumetric Rate Riders	\$ -	288	\$ -	\$ -	288	\$ -	\$ -	
<b>Sub-Total B - Distribution (includes Sub-Total A)</b>			\$ <b>6.96</b>			\$ <b>8.14</b>	\$ <b>1.19</b>	<b>17.05%</b>
RTSR - Network	\$ 0.0080	297	\$ 2.38	\$ 0.0085	296	\$ 2.52	\$ 0.14	5.97%
RTSR - Connection and/or Line and Transformation Connection	\$ 0.0056	297	\$ 1.66	\$ 0.0059	296	\$ 1.75	\$ 0.08	5.08%
<b>Sub-Total C - Delivery (including Sub-Total B)</b>			\$ <b>11.00</b>			\$ <b>12.41</b>	\$ <b>1.41</b>	<b>12.84%</b>
Wholesale Market Service Charge (WMSC)	\$ 0.0034	297	\$ 1.01	\$ 0.0034	296	\$ 1.01	\$ (0.00)	-0.26%
Rural and Remote Rate Protection (RRRP)	\$ 0.0005	297	\$ 0.15	\$ 0.0005	296	\$ 0.15	\$ (0.00)	-0.26%
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
TOU - Off Peak	\$ 0.0820	187	\$ 15.35	\$ 0.0820	187	\$ 15.35	\$ -	0.00%
TOU - Mid Peak	\$ 0.1130	49	\$ 5.53	\$ 0.1130	49	\$ 5.53	\$ -	0.00%
TOU - On Peak	\$ 0.1700	52	\$ 8.81	\$ 0.1700	52	\$ 8.81	\$ -	0.00%
<b>Total Bill on TOU (before Taxes)</b>			\$ <b>42.10</b>			\$ <b>43.51</b>	\$ <b>1.41</b>	<b>3.35%</b>
HST	13%		\$ 5.47	13%		\$ 5.66	\$ 0.18	3.35%
Ontario Electricity Rebate	18.9%		\$ (7.96)	18.9%		\$ (8.22)	\$ (0.27)	
<b>Total Bill on TOU</b>			\$ <b>39.62</b>			\$ <b>40.94</b>	\$ <b>1.33</b>	<b>3.35%</b>

In the manager's summary, discuss the reason for the change.

In the manager's summary, discuss the reason for the change.

Customer Class: **RESIDENTIAL SERVICE CLASSIFICATION**

RPP / Non-RPP: **RPP**

Consumption **254** kWh

Demand **-** kW

Current Loss Factor **1.0315**

Proposed/Approved Loss Factor **1.0288**

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 25.98	1	\$ 25.98	\$ 27.46	1	\$ 27.46	\$ 1.48	5.70%
Distribution Volumetric Rate	\$ -	254	\$ -	\$ -	254	\$ -	\$ -	-
Fixed Rate Riders	\$ 0.31	1	\$ 0.31	\$ (0.73)	1	\$ (0.73)	\$ (1.04)	-335.48%
Volumetric Rate Riders	\$ 0.0005	254	\$ 0.13	\$ 0.0003	254	\$ 0.08	\$ (0.05)	-40.00%
<b>Sub-Total A (excluding pass through)</b>			<b>\$ 26.42</b>			<b>\$ 26.81</b>	<b>\$ 0.39</b>	<b>1.47%</b>
Line Losses on Cost of Power	\$ 0.1031	8	\$ 0.82	\$ 0.1031	7	\$ 0.75	\$ (0.07)	-8.57%
Total Deferral/Variance Account Rate Riders	\$ (0.0005)	254	\$ (0.13)	\$ 0.0002	254	\$ 0.05	\$ 0.18	-140.00%
CBR Class B Rate Riders	\$ (0.0002)	254	\$ (0.05)	\$ -	254	\$ -	\$ 0.05	-100.00%
GA Rate Riders	\$ -	254	\$ -	\$ -	254	\$ -	\$ -	-
Low Voltage Service Charge	\$ -	254	\$ -	\$ -	254	\$ -	\$ -	-
Smart Meter Entity Charge (if applicable)	\$ 0.57	1	\$ 0.57	\$ 0.57	1	\$ 0.57	\$ -	0.00%
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-
Additional Volumetric Rate Riders	\$ -	254	\$ -	\$ -	254	\$ -	\$ -	-
<b>Sub-Total B - Distribution (includes Sub-Total A)</b>			<b>\$ 27.63</b>			<b>\$ 28.18</b>	<b>\$ 0.55</b>	<b>1.98%</b>
RTSR - Network	\$ 0.0085	262	\$ 2.23	\$ 0.0091	261	\$ 2.38	\$ 0.15	6.78%
RTSR - Connection and/or Line and Transformation Connection	\$ 0.0063	262	\$ 1.65	\$ 0.0066	261	\$ 1.72	\$ 0.07	4.49%
<b>Sub-Total C - Delivery (including Sub-Total B)</b>			<b>\$ 31.51</b>			<b>\$ 32.28</b>	<b>\$ 0.77</b>	<b>2.45%</b>
Wholesale Market Service Charge (WMSC)	\$ 0.0034	262	\$ 0.89	\$ 0.0034	261	\$ 0.89	\$ (0.00)	-0.26%
Rural and Remote Rate Protection (RRRP)	\$ 0.0005	262	\$ 0.13	\$ 0.0005	261	\$ 0.13	\$ (0.00)	-0.26%
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
TOU - Off Peak	\$ 0.0820	165	\$ 13.54	\$ 0.0820	165	\$ 13.54	\$ -	0.00%
TOU - Mid Peak	\$ 0.1130	43	\$ 4.88	\$ 0.1130	43	\$ 4.88	\$ -	0.00%
TOU - On Peak	\$ 0.1700	46	\$ 7.77	\$ 0.1700	46	\$ 7.77	\$ -	0.00%
<b>Total Bill on TOU (before Taxes)</b>			<b>\$ 58.97</b>			<b>\$ 59.74</b>	<b>\$ 0.77</b>	<b>1.30%</b>
HST	13%		\$ 7.67	13%		\$ 7.77	\$ 0.10	1.30%
Ontario Electricity Rebate	18.9%		\$ (11.15)	18.9%		\$ (11.29)	\$ (0.15)	-1.30%
<b>Total Bill on TOU</b>			<b>\$ 55.49</b>			<b>\$ 56.22</b>	<b>\$ 0.72</b>	<b>1.30%</b>

In the manager's summary, discuss the reason for the change.

In the manager's summary, discuss the reason for the change.

## **C Revenue Requirement Work Form**





# Revenue Requirement Workform (RRWF) for 2022 Filers

Data Input <sup>(1)</sup>

	Initial Application <sup>(2)</sup>				Per Board Decision	
<b>1 Rate Base</b>						
Gross Fixed Assets (average)	\$591,248,298		\$ 591,248,298		\$584,676,115	
Accumulated Depreciation (average)	(\$234,637,862) <sup>(5)</sup>		(\$234,637,862)		(\$232,897,992)	
<b>Allowance for Working Capital:</b>						
Controllable Expenses	\$44,295,600		\$ 44,295,600		\$42,939,800	
Cost of Power	\$313,751,116		\$ 313,751,116		\$327,514,989	
Working Capital Rate (%)	7.50% <sup>(9)</sup>	0.00%	7.50% <sup>(9)</sup>	0.00%	7.50% <sup>(9)</sup>	
<b>2 Utility Income</b>						
<b>Operating Revenues:</b>						
Distribution Revenue at Current Rates	\$71,530,217	\$0	\$71,530,217	\$1,206,584	\$72,736,802	
Distribution Revenue at Proposed Rates	\$79,330,946	\$578,838	\$79,909,784	(\$3,020,339)	\$76,889,445	
<b>Other Revenue:</b>						
Specific Service Charges	\$1,070,100	\$0	\$1,070,100	\$0	\$1,070,100	
Late Payment Charges	\$1,635,400	\$0	\$1,635,400	\$100,000	\$1,735,400	
Other Distribution Revenue	\$2,370,100	\$0	\$2,370,100	(\$84,000)	\$2,286,100	
Other Income and Deductions	\$923,488	\$0	\$923,488	\$633,960	\$1,557,448	
Total Revenue Offsets	\$5,999,088 <sup>(7)</sup>	\$0	\$5,999,088	\$649,960	\$6,649,048	
<b>Operating Expenses:</b>						
OM+A Expenses	\$44,168,800		\$ 44,168,800	(\$1,375,000)	\$42,793,800	
Depreciation/Amortization	\$22,148,800		\$ 22,148,800	(\$623,000)	\$21,525,800	
Property taxes	\$609,200		\$ 609,200		\$609,200	
Other expenses						
<b>3 Taxes/PILs</b>						
<b>Taxable Income:</b>						
Adjustments required to arrive at taxable income	(\$9,383,056) <sup>(3)</sup>	\$0	(\$9,383,056)	(\$378,323)	(\$9,761,379)	
<b>Utility Income Taxes and Rates:</b>						
Income taxes (not grossed up)	\$296,526	\$130,071	\$426,597	(\$136,081)	\$290,516	
Income taxes (grossed up)	\$403,436		\$580,404		\$395,260	
Federal tax (%)	15.00%	0.00%	15.00%	0.00%	15.00%	
Provincial tax (%)	11.50%	0.00%	11.50%	0.00%	11.50%	
Income Tax Credits	(\$606,939)	\$0	(\$606,939)	\$0	(\$606,939)	
<b>4 Capitalization/Cost of Capital</b>						
<b>Capital Structure:</b>						
Long-term debt Capitalization Ratio (%)	56.0%	0.00%	56.0%	0.00%	56.0%	
Short-term debt Capitalization Ratio (%)	4.0% <sup>(8)</sup>	0.00%	4.0% <sup>(8)</sup>	0.00%	4.0% <sup>(8)</sup>	
Common Equity Capitalization Ratio (%)	40.0%	0.00%	40.0%	0.00%	40.0%	
Preferred Shares Capitalization Ratio (%)						
	100.0%		100.0%		100.0%	
<b>Cost of Capital</b>						
Long-term debt Cost Rate (%)	2.30%	0.00%	2.30%	0.00%	2.30%	
Short-term debt Cost Rate (%)	1.75%	(0.58%)	1.17%	0.00%	1.17%	
Common Equity Cost Rate (%)	8.34%	0.32%	8.66%	0.00%	8.66%	
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 M12. 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, a WCA factor based on lead-lag study, with supporting rationale could be provided.



# Revenue Requirement Workform (RRWF) for 2022 Filers

## Rate Base and Working Capital

Line No.	Rate Base Particulars	Initial Application				Per Board Decision
1	Gross Fixed Assets (average) <sup>(2)</sup>	\$591,248,298	\$ -	\$591,248,298	(\$6,572,184)	\$584,676,115
2	Accumulated Depreciation (average) <sup>(2)</sup>	(\$234,637,862)	\$ -	(\$234,637,862)	\$1,739,870	(\$232,897,992)
3	Net Fixed Assets (average) <sup>(2)</sup>	\$356,610,436	\$ -	\$356,610,436	(\$4,832,314)	\$351,778,123
4	Allowance for Working Capital <sup>(1)</sup>	\$26,853,504	\$ -	\$26,853,504	\$930,606	\$27,784,109
5	<b>Total Rate Base</b>	<b>\$383,463,940</b>	<b>\$ -</b>	<b>\$383,463,940</b>	<b>(\$3,901,708)</b>	<b>\$379,562,232</b>

### (1) Allowance for Working Capital - Derivation

6	Controllable Expenses	\$44,295,600	\$ -	\$44,295,600	(\$1,355,800)	\$42,939,800
7	Cost of Power	\$313,751,116	\$ -	\$313,751,116	\$13,763,873	\$327,514,989
8	Working Capital Base	\$358,046,716	\$ -	\$358,046,716	\$12,408,073	\$370,454,789
9	Working Capital Rate % <sup>(1)</sup>	7.50%	0.00%	7.50%	0.00%	7.50%
10	Working Capital Allowance	\$26,853,504	\$ -	\$26,853,504	\$930,606	\$27,784,109

### Notes

(1) Some Applicants may have a unique rate as a result of a lead-lag study. The default rate for 2021 cost of service applications is 7.5%, per the letter issued by the Board on June 3, 2015.

(2) Average of opening and closing balances for the year.





# Revenue Requirement Workform (RRWF) for 2022 Filers

## Utility Income

Line No.	Particulars	Initial Application				Per Board Decision
<b>Operating Revenues:</b>						
1	Distribution Revenue (at Proposed Rates)	\$79,330,946	\$578,838	\$79,909,784	(\$3,020,339)	\$76,889,445
2	Other Revenue <sup>(1)</sup>	\$5,999,088	\$ -	\$5,999,088	\$649,960	\$6,649,048
3	<b>Total Operating Revenues</b>	<b>\$85,330,034</b>	<b>\$578,838</b>	<b>\$85,908,872</b>	<b>(\$2,370,379)</b>	<b>\$83,538,492</b>
<b>Operating Expenses:</b>						
4	OM+A Expenses	\$44,168,800	\$ -	\$44,168,800	(\$1,375,000)	\$42,793,800
5	Depreciation/Amortization	\$22,148,800	\$ -	\$22,148,800	(\$623,000)	\$21,525,800
6	Property taxes	\$609,200	\$ -	\$609,200	\$ -	\$609,200
7	Capital taxes	\$ -	\$ -	\$ -	\$ -	\$ -
8	Other expense	\$ -	\$ -	\$ -	\$ -	\$ -
9	<b>Subtotal (lines 4 to 8)</b>	<b>\$66,926,800</b>	<b>\$ -</b>	<b>\$66,926,800</b>	<b>(\$1,998,000)</b>	<b>\$64,928,800</b>
10	Deemed Interest Expense	\$5,207,440	(\$88,964)	\$5,118,477	(\$52,080)	\$5,066,397
11	<b>Total Expenses (lines 9 to 10)</b>	<b>\$72,134,240</b>	<b>(\$88,964)</b>	<b>\$72,045,277</b>	<b>(\$2,050,080)</b>	<b>\$69,995,197</b>
12	<b>Utility income before income taxes</b>	<b>\$13,195,793</b>	<b>\$667,801</b>	<b>\$13,863,595</b>	<b>(\$320,299)</b>	<b>\$13,543,296</b>
13	Income taxes (grossed-up)	\$403,436	\$176,968	\$580,404	(\$185,144)	\$395,260
14	<b>Utility net income</b>	<b>\$12,792,357</b>	<b>\$490,834</b>	<b>\$13,283,191</b>	<b>(\$135,155)</b>	<b>\$13,148,036</b>

### Notes

#### Other Revenues / Revenue Offsets

<sup>(1)</sup>	Specific Service Charges	\$1,070,100	\$ -	\$1,070,100	\$ -	\$1,070,100
	Late Payment Charges	\$1,635,400	\$ -	\$1,635,400	\$100,000	\$1,735,400
	Other Distribution Revenue	\$2,370,100	\$ -	\$2,370,100	(\$84,000)	\$2,286,100
	Other Income and Deductions	\$923,488	\$ -	\$923,488	\$633,960	\$1,557,448
	<b>Total Revenue Offsets</b>	<b>\$5,999,088</b>	<b>\$ -</b>	<b>\$5,999,088</b>	<b>\$649,960</b>	<b>\$6,649,048</b>



# Revenue Requirement Workform (RRWF) for 2022 Filers

## Taxes/PILs

Line No.	Particulars	Application		Per Board Decision
<b><u>Determination of Taxable Income</u></b>				
1	Utility net income before taxes	\$12,792,357	\$13,283,191	\$13,148,036
2	Adjustments required to arrive at taxable utility income	(\$9,383,056)	(\$9,383,056)	(\$9,761,379)
3	Taxable income	<u>\$3,409,301</u>	<u>\$3,900,135</u>	<u>\$3,386,657</u>
<b><u>Calculation of Utility income Taxes</u></b>				
4	Income taxes	<u>\$296,526</u>	<u>\$426,597</u>	<u>\$290,516</u>
6	Total taxes	<u>\$296,526</u>	<u>\$426,597</u>	<u>\$290,516</u>
7	Gross-up of Income Taxes	<u>\$106,911</u>	<u>\$153,807</u>	<u>\$104,744</u>
8	Grossed-up Income Taxes	<u>\$403,436</u>	<u>\$580,404</u>	<u>\$395,260</u>
9	PILs / tax Allowance (Grossed-up Income taxes + Capital taxes)	<u>\$403,436</u>	<u>\$580,404</u>	<u>\$395,260</u>
10	Other tax Credits	(\$606,939)	(\$606,939)	(\$606,939)
<b><u>Tax Rates</u></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 2022 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%	\$214,739,806	2.30%	\$4,939,016
2	Short-term Debt	4.00%	\$15,338,558	1.75%	\$268,425
3	<b>Total Debt</b>	<b>60.00%</b>	<b>\$230,078,364</b>	<b>2.26%</b>	<b>\$5,207,440</b>
	<b>Equity</b>				
4	Common Equity	40.00%	\$153,385,576	8.34%	\$12,792,357
5	Preferred Shares	0.00%	\$ -	0.00%	\$ -
6	<b>Total Equity</b>	<b>40.00%</b>	<b>\$153,385,576</b>	<b>8.34%</b>	<b>\$12,792,357</b>
7	<b>Total</b>	<b>100.00%</b>	<b>\$383,463,940</b>	<b>4.69%</b>	<b>\$17,999,797</b>
<b>Per Board Decision</b>					
		(%)	(\$)	(%)	(\$)
	<b>Debt</b>				
1	Long-term Debt	56.00%	\$214,739,806	2.30%	\$4,939,016
2	Short-term Debt	4.00%	\$15,338,558	1.17%	\$179,461
3	<b>Total Debt</b>	<b>60.00%</b>	<b>\$230,078,364</b>	<b>2.22%</b>	<b>\$5,118,477</b>
	<b>Equity</b>				
4	Common Equity	40.00%	\$153,385,576	8.66%	\$13,283,191
5	Preferred Shares	0.00%	\$ -	0.00%	\$ -
6	<b>Total Equity</b>	<b>40.00%</b>	<b>\$153,385,576</b>	<b>8.66%</b>	<b>\$13,283,191</b>
7	<b>Total</b>	<b>100.00%</b>	<b>\$383,463,940</b>	<b>4.80%</b>	<b>\$18,401,668</b>
		(%)	(\$)	(%)	(\$)
	<b>Debt</b>				
8	Long-term Debt	56.00%	\$212,554,850	2.30%	\$4,888,762
9	Short-term Debt	4.00%	\$15,182,489	1.17%	\$177,635
10	<b>Total Debt</b>	<b>60.00%</b>	<b>\$227,737,339</b>	<b>2.22%</b>	<b>\$5,066,397</b>
	<b>Equity</b>				
11	Common Equity	40.00%	\$151,824,893	8.66%	\$13,148,036
12	Preferred Shares	0.00%	\$ -	0.00%	\$ -
13	<b>Total Equity</b>	<b>40.00%</b>	<b>\$151,824,893</b>	<b>8.66%</b>	<b>\$13,148,036</b>
14	<b>Total</b>	<b>100.00%</b>	<b>\$379,562,232</b>	<b>4.80%</b>	<b>\$18,214,432</b>

### Notes



# Revenue Requirement Workform (RRWF) for 2022 Filers

## Revenue Deficiency/Sufficiency

Line No.	Particulars	Initial Application		Per Board Decision		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		\$9,238,576		\$9,785,338		\$4,286,318
2	Distribution Revenue	\$71,530,217	\$70,092,370	\$71,530,217	\$70,124,446	\$72,736,802	\$72,603,127
3	Other Operating Revenue Offsets - net	\$5,999,088	\$5,999,088	\$5,999,088	\$5,999,088	\$6,649,048	\$6,649,048
4	<b>Total Revenue</b>	<b>\$77,529,305</b>	<b>\$85,330,034</b>	<b>\$77,529,305</b>	<b>\$85,908,872</b>	<b>\$79,385,850</b>	<b>\$83,538,492</b>
5	Operating Expenses	\$66,926,800	\$66,926,800	\$66,926,800	\$66,926,800	\$64,928,800	\$64,928,800
6	Deemed Interest Expense	\$5,207,440	\$5,207,440	\$5,118,477	\$5,118,477	\$5,066,397	\$5,066,397
8	<b>Total Cost and Expenses</b>	<b>\$72,134,240</b>	<b>\$72,134,240</b>	<b>\$72,045,277</b>	<b>\$72,045,277</b>	<b>\$69,995,197</b>	<b>\$69,995,197</b>
9	<b>Utility Income Before Income Taxes</b>	\$5,395,065	\$13,195,793	\$5,484,028	\$13,863,595	\$9,390,653	\$13,543,296
10	Tax Adjustments to Accounting Income per 2013 PILs model	(\$9,383,056)	(\$9,383,056)	(\$9,383,056)	(\$9,383,056)	(\$9,761,379)	(\$9,761,379)
11	<b>Taxable Income</b>	<b>(\$3,987,991)</b>	<b>\$3,812,737</b>	<b>(\$3,899,028)</b>	<b>\$4,480,539</b>	<b>(\$370,726)</b>	<b>\$3,781,917</b>
12	Income Tax Rate	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%
13	<b>Income Tax on Taxable Income</b>	\$ -	\$1,010,375	\$ -	\$1,187,343	\$ -	\$1,002,208
14	<b>Income Tax Credits</b>	<b>(\$606,939)</b>	<b>(\$606,939)</b>	<b>(\$606,939)</b>	<b>(\$606,939)</b>	<b>(\$606,939)</b>	<b>(\$606,939)</b>
15	<b>Utility Net Income</b>	<b>\$6,002,004</b>	<b>\$12,792,357</b>	<b>\$6,090,967</b>	<b>\$13,283,191</b>	<b>\$9,997,592</b>	<b>\$13,148,036</b>
16	<b>Utility Rate Base</b>	<b>\$383,463,940</b>	<b>\$383,463,940</b>	<b>\$383,463,940</b>	<b>\$383,463,940</b>	<b>\$379,562,232</b>	<b>\$379,562,232</b>
17	Deemed Equity Portion of Rate Base	\$153,385,576	\$153,385,576	\$153,385,576	\$153,385,576	\$151,824,893	\$151,824,893
18	Income/(Equity Portion of Rate Base)	3.91%	8.34%	3.97%	8.66%	6.58%	8.66%
19	Target Return - Equity on Rate Base	8.34%	8.34%	8.66%	8.66%	8.66%	8.66%
20	Deficiency/Sufficiency in Return on Equity	-4.43%	0.00%	-4.69%	0.00%	-2.08%	0.00%
21	Indicated Rate of Return	2.92%	4.69%	2.92%	4.80%	3.97%	4.80%
22	Requested Rate of Return on Rate Base	4.69%	4.69%	4.80%	4.80%	4.80%	4.80%
23	Deficiency/Sufficiency in Rate of Return	-1.77%	0.00%	-1.88%	0.00%	-0.83%	0.00%
24	Target Return on Equity	\$12,792,357	\$12,792,357	\$13,283,191	\$13,283,191	\$13,148,036	\$13,148,036
25	Revenue Deficiency/(Sufficiency)	\$6,790,353	\$0	\$7,192,223	\$ -	\$3,150,444	\$ -
26	<b>Gross Revenue Deficiency/(Sufficiency)</b>	<b>\$9,238,576 <sup>(1)</sup></b>		<b>\$9,785,338 <sup>(1)</sup></b>		<b>\$4,286,318 <sup>(1)</sup></b>	

## Notes:

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



# Revenue Requirement Workform (RRWF) for 2022 Filers

## Revenue Requirement

Line No.	Particulars	Application		Per Board Decision	
1	OM&A Expenses	\$44,168,800		\$44,168,800	\$42,793,800
2	Amortization/Depreciation	\$22,148,800		\$22,148,800	\$21,525,800
3	Property Taxes	\$609,200		\$609,200	\$609,200
5	Income Taxes (Grossed up)	\$403,436		\$580,404	\$395,260
6	Other Expenses	\$ -			
7	Return				
	Deemed Interest Expense	\$5,207,440		\$5,118,477	\$5,066,397
	Return on Deemed Equity	\$12,792,357		\$13,283,191	\$13,148,036
8	<b>Service Revenue Requirement (before Revenues)</b>	<u>\$85,330,034</u>		<u>\$85,908,872</u>	<u>\$83,538,492</u>
9	Revenue Offsets	\$5,999,088		\$5,999,088	\$6,649,048
10	<b>Base Revenue Requirement (excluding Transformer Ownership Allowance credit adjustment)</b>	<u>\$79,330,946</u>		<u>\$79,909,784</u>	<u>\$76,889,445</u>
11	Distribution revenue	\$79,330,946		\$79,909,784	\$76,889,445
12	Other revenue	\$5,999,088		\$5,999,088	\$6,649,048
13	<b>Total revenue</b>	<u>\$85,330,034</u>		<u>\$85,908,872</u>	<u>\$83,538,492</u>
14	<b>Difference (Total Revenue Less Distribution Revenue Requirement before Revenues)</b>	<u>\$0</u>	<sup>(1)</sup>	<u>\$ -</u>	<sup>(1)</sup> <u>\$ -</u>

### Summary Table of Revenue Requirement and Revenue Deficiency/Sufficiency

	Application		Δ% <sup>(2)</sup>	Per Board Decision	Δ% (2)
<b>Service Revenue Requirement</b>	\$85,330,034	\$85,908,872	<b>0.68%</b>	\$83,538,492	<b>####</b>
<b>Grossed-Up Revenue Deficiency/(Sufficiency)</b>	\$9,238,576	\$9,785,338	<b>5.92%</b>	\$4,286,318	<b>####</b>
<b>Base Revenue Requirement (to be recovered from Distribution Rates)</b>	\$79,330,946	\$79,909,784	<b>0.73%</b>	\$76,889,445	<b>####</b>
<b>Revenue Deficiency/(Sufficiency) Associated with Base Revenue Requirement</b>	\$7,800,729	\$8,379,566	<b>7.42%</b>	\$4,152,643	<b>####</b>

#### Notes

<sup>(1)</sup> Line 11 - Line 8

<sup>(2)</sup> Percentage Change Relative to Initial Application





# Revenue Requirement Workform (RRWF) for 2022 Filers

## Load Forecast Summary

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

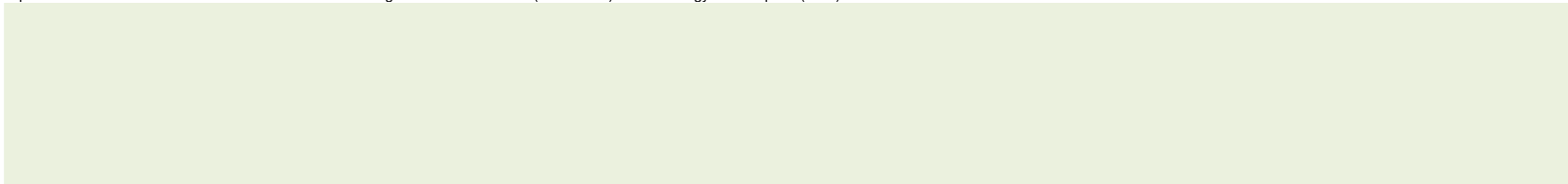
The information to be input is inclusive of any adjustments to kWh and kW to reflect the impacts of CDM programs up to and including CDM programs planned to be executed in the test year. i.e., the load forecast adjustments determined in **Appendix 2-I** should be incorporated into the entries. The inputs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

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

Stage in Process:		Per Board Decision			Per Board Decision			Per Board Decision		
Customer Class		Initial Application			Customer / Connections			Customer / Connections		
Input the name of each customer class.		Customer / Connections	kWh	kW/kVA <sup>(1)</sup>	Customer / Connections	kWh	kW/kVA <sup>(1)</sup>	Customer / Connections	kWh	kW/kVA <sup>(1)</sup>
		Test Year average or mid-year	Annual	Annual	Test Year average or mid-year	Annual	Annual	Test Year average or mid-year	Annual	Annual
1	Residential	150,243	1,219,995,338	-	150,243	#####	-	150,337	#####	-
2	General Service Less Than 50 kW	13,071	365,492,042	-	13,071	365,492,042	-	13,050	413,182,553	-
3	General Service 50 to 4,999 kW	1,511	1,336,134,398	3,363,562	1,511	#####	3,363,562	1,526	#####	3,669,928
4	General Service 1,000 To 4,999 kW (co-generat	9	30,252,424	72,330	9	30,252,424	72,330	9	29,242,525	20,197
5	Standby Power			172,800			172,800			172,800
6	Large Use	1	90,751,530	172,428	1	90,751,530	172,428	1	93,966,041	178,535
7	Street Lighting	38,898	14,936,832	41,823	38,898	14,936,832	41,823	38,784	12,837,504	35,945
8	Sentinel Lighting	476	462,196	1,248	476	462,196	1,248	465	430,125	1,161
9	Unmetered Scattered Load	1,539	5,323,401	-	1,539	5,323,401	-	1,548	5,335,956	-
10										
11										
12										
13										
14										
15										
16										
17										
18										
19										
20										
<b>Total</b>			<b>3,063,348,161</b>	<b>3,824,191</b>		<b>#####</b>	<b>3,824,191</b>		<b>#####</b>	<b>4,078,566</b>

**Notes:**

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





# Revenue Requirement Workform (RRWF) for 2022 Filers

## Cost Allocation and Rate Design

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

Stage in Application Process: *Per Board Decision*

### A) Allocated Costs

Name of Customer Class <sup>(3)</sup>	Costs Allocated from Previous Study <sup>(1)</sup>	%	Allocated Class Revenue Requirement <sup>(1)</sup>	%
<i>From Sheet 10. Load Forecast</i>				
(7A)				
1 Residential	\$ 45,669,060	64.01%	\$ 51,027,434	61.08%
2 General Service Less Than 50 kW	\$ 9,075,447	12.72%	\$ 9,563,135	11.45%
3 General Service 50 to 4,999 kW	\$ 13,928,003	19.52%	\$ 19,326,423	23.13%
4 General Service 1,000 To 4,999 kW (co	\$ 282,766	0.40%	\$ 113,165	0.14%
5 Standby Power	\$ 401,694	0.56%	\$ 671,665	0.80%
6 Large Use	\$ 622,123	0.87%	\$ 842,223	1.01%
7 Street Lighting	\$ 1,083,750	1.52%	\$ 1,674,171	2.00%
8 Sentinel Lighting	\$ 83,063	0.12%	\$ 67,800	0.08%
9 Unmetered Scattered Load	\$ 200,507	0.28%	\$ 252,477	0.30%
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
<b>Total</b>	<b>\$ 71,346,413</b>	<b>100.00%</b>	<b>\$ 83,538,492</b>	<b>100.00%</b>
<b>Service Revenue Requirement (from Sheet 9)</b>			<b>\$ 83,538,492.38</b>	

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

**B) Calculated Class Revenues**

	<b>Name of Customer Class</b>	<b>Load Forecast (LF) X current approved rates (7B)</b>	<b>LF X current approved rates X (1+d) (7C)</b>	<b>LF X Proposed Rates (7D)</b>	<b>Miscellaneous Revenues (7E)</b>
1	Residential	\$ 46,869,063	\$ 49,544,882	\$ 49,544,924	\$ 4,214,239
2	General Service Less Than 50 kW	\$ 10,062,869	\$ 10,637,372	\$ 10,508,618	\$ 752,130
3	General Service 50 to 4,999 kW	\$ 13,011,743	\$ 13,754,602	\$ 14,061,648	\$ 1,399,491
4	General Service 1,000 To 4,999 kW (co	\$ 315,345	\$ 333,349	\$ 129,961	\$ 5,837
5	Standby Power	\$ 464,642	\$ 491,169	\$ 503,033	\$ 34,299
6	Large Use	\$ 686,332	\$ 725,515	\$ 725,504	\$ 43,416
7	Street Lighting	\$ 1,122,456	\$ 1,186,538	\$ 1,186,623	\$ 176,552
8	Sentinel Lighting	\$ 46,066	\$ 48,696	\$ 49,584	\$ 4,658
9	Unmetered Scattered Load	\$ 158,286	\$ 167,322	\$ 183,551	\$ 18,427
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
	<b>Total</b>	\$ 72,736,802	\$ 76,889,445	\$ 76,893,445	\$ 6,649,048

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

C) Rebalancing Revenue-to-Cost Ratios

Name of Customer Class	Previously Approved Ratios	Status Quo Ratios	Proposed Ratios	Policy Range
	Most Recent Year: 2017 %	(7C + 7E) / (7A) %	(7D + 7E) / (7A) %	
1 Residential	99.25%	105.35%	105.35%	85 - 115
2 General Service Less Than 50 kW	107.59%	119.10%	117.75%	80 - 120
3 General Service 50 to 4,999 kW	95.54%	78.41%	80.00%	80 - 120
4 General Service 1,000 To 4,999 kW (co	120.20%	299.73%	120.00%	80 - 120
5 Standby Power	99.25%	78.23%	80.00%	80 - 120
6 Large Use	110.15%	91.30%	91.30%	85 - 115
7 Street Lighting	119.98%	81.42%	81.42%	80 - 120
8 Sentinel Lighting	79.98%	78.69%	80.00%	80 - 120
9 Unmetered Scattered Load	79.98%	73.57%	80.00%	80 - 120
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				

- (8) Previously Approved Revenue-to-Cost (R/C) Ratios - For most applicants, the most recent year would be the third year (at the latest) of the Price Cap IR period. For example, if the applicant, rebased in 2012 with further adjustments to move within the range over two years, the Most Recent Year would be 2015. However, the ratios in 2015 would be equal to those after the adjustment in 2014.
- (9) Status Quo Ratios - The OEB-issued cost allocation model provides the Status Quo Ratios on Worksheet O-1. The Status Quo means "Before Rebalancing".
- (10) Ratios shown in red are outside of the allowed range. Applies to both Tables C and D.

(D) Proposed Revenue-to-Cost Ratios <sup>(1)</sup>

Name of Customer Class	Proposed Revenue-to-Cost Ratio			Policy Range
	Test Year	Price Cap IR Period		
	2022	2023	2024	
1 Residential	105.35%	105.35%	105.35%	85 - 115
2 General Service Less Than 50 kW	117.75%	117.75%	117.75%	80 - 120
3 General Service 50 to 4,999 kW	80.00%	80.00%	80.00%	80 - 120
4 General Service 1,000 To 4,999 kW (co	120.00%	120.00%	120.00%	80 - 120
5 Standby Power	80.00%	80.00%	80.00%	80 - 120
6 Large Use	91.30%	91.30%	91.30%	85 - 115
7 Street Lighting	81.42%	81.42%	81.42%	80 - 120
8 Sentinel Lighting	80.00%	80.00%	80.00%	80 - 120
9 Unmetered Scattered Load	80.00%	80.00%	80.00%	80 - 120
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				

(1) The applicant should complete Table D if it is applying for approval of a revenue-to-cost ratio in 2021 that is outside of the OEB's policy range for any customer class. Table D will show that the distributor is likely to enter into the 2022 and 2023 Price Cap IR models, as necessary. For 2022 and 2023, enter the planned revenue-to-cost ratios that will be "Change" or "No Change" in 2019 (in the current Revenue/Cost Ratio Adjustment Workform, Worksheet C1.1 'Decision - Cost Revenue Adjustment, column d), and enter TBD for class(es) that will be entered as 'Rebalance'.



# Revenue Requirement Workform (RRWF) for 2022 Filers

## Tracking Form

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

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

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

<sup>(2)</sup> Short description of change, issue, etc.

### 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			
		Regulated Return on Capital	Regulated Rate of Return	Rate Base	Working Capital	Working Capital Allowance (\$)	Amortization / Depreciation	Taxes/PILs	OM&A	Service Revenue Requirement	Other Revenues	Base Revenue Requirement	Grossed up Revenue Deficiency / Sufficiency
	<b>Original Application</b>	\$ 17,999,797	4.69%	\$ 383,463,940	\$ 358,046,716	\$ 26,853,504	\$ 22,148,800	\$ 403,436	\$ 44,168,800	\$ 85,330,034	\$ 5,999,088	\$ 79,330,946	\$ 9,238,576
1	Reduction of STD Rate to	\$ 18,401,668	4.80%	\$ 383,463,940	\$ 358,046,716	\$ 26,853,504	\$ 22,148,800	\$ 580,404	\$ 44,168,800	\$ 85,908,872	\$ 5,999,088	\$ 79,909,784	\$ 9,785,338

## **D In-Service Additions with Non-Discretionary Adjustments**



Appendix 2-AB

Table 2 - Capital Additions Summary from Chapter 5 Consolidated

First year of Forecast Period:

2022

CATEGORY	Historical Period (previous plan <sup>1</sup> & actual)															5 Year Variance	Forecast Period (planned)				
	2017			2018			2019			2020			2021				2022	2023	2024	2025	2026
	Plan	Actual	Var	Plan	Actual	Var	Plan	Actual	Var	Plan	Actual	Var	Plan	Forecast*	Var						
	\$ '000		%	\$ '000		%	\$ '000		%	\$ '000		%	\$ '000		%		\$ '000				
System Access	8,412	13,688	62.7%	7,716	10,520	36.3%	8,220	11,819	43.8%	8,617	12,989	50.7%	7,080	12,937	82.7%	21,908	17,987	13,705	14,191	12,056	12,197
System Renewal	14,278	11,193	-21.6%	16,702	19,969	19.6%	16,757	19,572	16.8%	16,213	21,729	34.0%	16,384	17,746	8.3%	9,875	17,493	15,514	15,670	15,825	15,984
System Service	893	985	10.3%	715	739	3.4%	545	645	18.4%	545	1,136	108.4%	546	1,354	148.0%	1,616	1,135	858	867	874	882
General Plant	6,518	6,656	2.1%	7,249	9,283	28.1%	7,187	10,099	40.5%	8,518	9,531	11.9%	8,347	7,542	-9.6%	5,294	9,685	9,167	9,402	9,583	9,057
<b>TOTAL ADDITIONS</b>	30,100	32,522	8.0%	32,382	40,512	25.1%	32,709	42,136	28.8%	33,893	45,385	33.9%	32,357	39,579	22.3%	38,693	46,300	39,244	40,130	38,338	38,120
Capital Contributions	- 3,101	- 5,206	67.9%	- 4,795	- 4,795	0.0%	- 4,359	- 4,359	0.0%	- 6,839	- 6,839	0.0%	- 6,293	- 6,293	0.0%	(2,105)	- 4,558	- 4,859	- 4,789	- 4,768	- 4,774
<b>Net Capital Additions</b>	26,999	27,316	1.2%	27,587	35,717	29.5%	28,351	37,777	33.3%	27,054	38,547	42.5%	26,064	33,286	27.7%	36,588	41,742	34,385	35,341	33,570	33,346
<b>Adjustments to Remove Non-Discretionary Spending:</b>																					
System Access	- 8,412	- 13,688		- 7,716	- 10,520		- 8,220	- 11,819		- 8,617	- 12,989		- 7,080	- 12,937		(21,908)	- 17,987	- 13,705	- 14,191	- 12,056	- 12,197
System Renewal associated with City of London Projects	-	688		-	5,193		-	8,551		-	2,524		-	1,082		(18,038)	-	-	-	-	-
General Plant ROU Land Lease	-	-		-	2,319		-	-		-	-		-	-		(2,319)	-	-	-	-	-
Less Capital Contributions associated with System Access	3,101	5,206		4,795	4,795		4,359	4,359		6,839	6,839		6,293	6,293		2,105	4,558	4,859	4,789	4,768	4,774
<b>Revised Net Capital Additions after the removal of Non-Discretionary</b>	21,688	18,146	-16.3%	24,666	22,480	-8.9%	24,489	21,765	-11.1%	25,276	29,873	18.2%	25,277	25,560	1.1%	(3,572)	28,313	25,539	25,939	26,282	25,923
		3,542		2,186			2,724			4,597			282								

Appendix 2-AB

Table 2 - Capital Additions Summary with Non-Discretionary Spending Removed

Category Spending Revisions after backing out Non Discretionary Spending	Historical Period (previous plan <sup>1</sup> & actual)															5 Year Variance	Forecast Period (planned)				
	2017			2018			2019			2020			2021				2022	2023	2024	2025	2026
	Plan	Actual	Var	Plan	Actual	Var	Plan	Actual	Var	Plan	Actual	Var	Plan	Actual	Var						
	\$ '000		%	\$ '000		%	\$ '000		%	\$ '000		%	\$ '000		%		\$ '000				
System Access	-	-	--	-	-	--	-	-	--	-	-	--	-	-	--	-	-	-	-	-	-
System Renewal	14,278	10,505	-26.4%	16,702	14,777	-11.5%	16,757	11,021	-34.2%	16,213	19,206	18.5%	16,384	16,664	1.7%	(8,162)	17,493	15,514	15,670	15,825	15,984
System Service	893	985	10.3%	715	739	3.4%	545	645	18.4%	545	1,136	108.4%	546	1,354	148.0%	1,616	1,135	858	867	874	882
General Plant	6,518	6,656	2.1%	7,249	6,964	-3.9%	7,187	10,099	40.5%	8,518	9,531	11.9%	8,347	7,542	-9.6%	2,975	9,685	9,167	9,402	9,583	9,057
<b>TOTAL ADDITIONS</b>	21,688	18,146	-16.3%	24,666	22,480	-8.9%	24,489	21,765	-11.1%	25,276	29,873	18.2%	25,277	25,560	1.1%	(3,572)	28,313	25,539	25,939	26,282	25,923
Capital Contributions	-	-	--	-	-	--	-	-	--	-	-	--	-	-	--	-	-	-	-	-	-
<b>Net Capital Additions</b>	21,688	18,146	-16.3%	24,666	22,480	-8.9%	24,489	21,765	-11.1%	25,276	29,873	18.2%	25,277	25,560	1.1%	(3,572)	28,313	25,539	25,939	26,282	25,923