



Ontario  
Energy  
Board

Commission  
de l'énergie  
de l'Ontario

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# **DECISION AND RATE ORDER**

## **EB-2021-0030**

### **HYDRO 2000 INC.**

**Application for rates and other charges to be effective May  
1, 2022**

**BY DELEGATION, BEFORE: Alex Share**  
Manager  
Incentive Rate-setting & Regulatory Accounting

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**March 24, 2022**

## 1 OVERVIEW

The Ontario Energy Board is approving changes to the rates that Hydro 2000 Inc. (Hydro 2000) charges to distribute electricity to its customers, effective May 1, 2022.

As a result of this Decision, there will be a monthly total bill increase of \$4.71 for a residential customer consuming 750 kWh, effective May 1, 2022. This change does not factor in applicable taxes or the Ontario Electricity Rebate.

## 2 CONTEXT AND PROCESS

Hydro 2000 filed its application on November 24, 2021 under section 78 of the *Ontario Energy Board Act, 1998* and in accordance with Chapter 3 of the OEB's [Filing Requirements for Incentive Rate-Setting Applications](#). The application was based on the Price Cap Incentive Rate-setting (Price Cap IR) option, with a five-year term.

The Price Cap IR option is one of three incentive rate-setting mechanisms (IRM) approved by the OEB.<sup>1</sup> It involves the setting of rates through a cost of service application in the first year and mechanistic price cap adjustments which may be approved through IRM applications in each of the ensuing four adjustment years.

The OEB follows a standardized and streamlined process for hearing IRM applications filed under Price Cap IR. In each adjustment year of a Price Cap IR term, the OEB prepares a Rate Generator Model that includes, as a placeholder, information from the distributor's past proceedings and annual reporting requirements. A distributor will then review, complete, and include the model with its application, and may update the model during the proceeding to make any necessary corrections or to incorporate new rate-setting parameters as they become available.

Hydro 2000 serves approximately 1,300 mostly residential and commercial electricity customers in the Township of Alfred and Plantagenet.

The application was supported by pre-filed written evidence and a completed Rate Generator Model and as required during the proceeding, Hydro 2000 updated and clarified the evidence.

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<sup>1</sup> Each of these options is explained in the OEB's [Handbook for Utility Rate Applications](#).

### 3 DECISION OUTLINE

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

- Annual Adjustment Mechanism
- Shared Tax Adjustments
- Retail Transmission Service Rates
- Group 1 Deferral and Variance Accounts

Instructions for implementing Hydro 2000's new rates and charges are set out in the final section of this Decision.

This Decision does not address rates and charges approved by the OEB in prior proceedings, such as specific service charges<sup>2</sup> and loss factors, which are out of scope of an IRM proceeding and for which no further approvals are required to continue to include them on the distributor's Tariff of Rates and Charges.

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<sup>2</sup> Certain service charges are subject to annual adjustments to be determined by the OEB through a generic order. For example, the Decision and Order EB-2021-0301, issued November 25, 2021 established the adjustment for energy retailer service charges, effective January 1, 2022; and the Decision and Order EB-2021-0302, issued December 16, 2021, established the 2022 Wireline Pole Attachment Charge, effective January 1, 2022.

## 4 ANNUAL ADJUSTMENT MECHANISM

Hydro 2000 has applied to change its rates, effective May 1, 2022, based on a mechanistic rate adjustment using the OEB-approved **inflation minus X-factor** formula applicable to IRM applications. The adjustment applies to distribution rates (fixed and variable) uniformly across all customer classes.<sup>3</sup>

The components of the Price Cap IR adjustment formula applicable to Hydro 2000 are set out in the table below. Inserting these components into the formula results in a 3.15% increase to Hydro 2000's rates: **3.15% = 3.30% - (0.00% + 0.15%)**.

**Table 4.1: Price Cap IR Adjustment Formula**

Components		Amount
Inflation Factor <sup>4</sup>		3.30%
X-Factor	Productivity <sup>5</sup>	0.00%
	Stretch (0.00% to 0.60%) <sup>6</sup>	0.15%

An inflation factor of 3.30% applies to all IRM applications for the 2022 rate year.

On August 6, 2021, the OEB issued a Notice on its own motion to initiate a proceeding to consider the inflation factor to be used to set rates for electricity transmitters and electricity and natural gas distributors for the year 2022. The OEB issued its Decision and Order on November 18, 2021, establishing the 2022 inflation factor.

The X-factor is the sum of the productivity factor and the stretch factor. It is a productivity offset that varies among different groupings of distributors. Subtracting the X-factor from inflation ensures that rates decline in real, constant-dollar terms, providing distributors with a tangible incentive to improve efficiency or else experience declining net income. The productivity component of the X-factor is based on industry conditions over a historical study period and applies to all IRM applications for the 2022 rate year.

<sup>3</sup> The adjustment does not apply to the following components of delivery rates: rate riders, rate adders, low voltage service charges, retail transmission service rates, wholesale market service rate, smart metering entity charge, rural or remote electricity rate protection charge, standard supply service – administrative charge, transformation and primary metering allowances, loss factors, specific service charges, microFIT charge, and retail service charges.

<sup>4</sup> EB-2021-0212, Decision and Order, November 18, 2021

<sup>5</sup> Report of the Ontario Energy Board – “Rate Setting Parameters and Benchmarking under the Renewed Regulatory Framework for Ontario’s Electricity Distributors”, EB-2010-0379, December 4, 2013

<sup>6</sup> Report to the Ontario Energy Board – “Empirical Research in Support of Incentive Rate-Setting: 2020 Benchmarking Update”, prepared by Pacific Economics Group LLC., August 2021

The stretch factor component of the X-factor is distributor specific. The OEB has established five stretch factor groupings, ranging from 0.00% to 0.60%. The stretch factor assigned to any particular distributor is based on the distributor's total cost performance as benchmarked against other distributors in Ontario. The stretch factor assigned to Hydro 2000 is 0.15%, resulting in a rate adjustment of 3.15%.

### **Findings**

Hydro 2000's request for a 3.15% rate adjustment is in accordance with the annually updated parameters set by the OEB. The adjustment is approved, and Hydro 2000's new rates shall be effective May 1, 2022.

## 5 SHARED TAX ADJUSTMENTS

In any adjustment year of an IRM term, a change in legislation may result in a change to the amount of taxes payable by a distributor. The impacts of such legislated tax changes are shared equally between shareholders and customers.<sup>7</sup> The shared tax change amount, whether in the form of a credit or a debit, will be assigned to customer rate classes in the same proportions as the OEB-approved distribution revenue by rate class from the distributor's last cost of service proceeding.

The application identifies a total tax decrease of \$52, resulting in a shared amount of \$26 to be refunded to ratepayers.

This allocated tax sharing amount does not produce a rate rider to the fourth decimal place, in one or more rate classes. In such situations where the Rate Generator Model does not compute rate riders, distributors are required to transfer the entire OEB-approved tax sharing amount into the Disposition and Recovery of Regulatory Balances Control Account (Account 1595) for disposition at a later date.

### Findings

The OEB approves the tax refund of \$26.

As the allocated tax sharing amount does not produce a rate rider in one or more rate classes, the OEB directs Hydro 2000 to record the credit amount of \$26 into Account 1595 - Sub-account Principal Balances Approved for Disposition in 2022.

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<sup>7</sup> On July 25, 2019, the OEB issued a [letter](#) providing accounting guidance with respect to changes in capital cost allowance (CCA) rules. The guidance provides that impacts from changes in CCA rules will not be assessed in IRM proceedings, and that any request for disposition of amounts related to CCA changes is to be deferred to the distributor's next cost of service rate proceeding. A distributor's request for disposition of shared tax adjustment amounts in an IRM application should, therefore, be comprised only of impacts for tax changes unrelated to CCA.

## 6 RETAIL TRANSMISSION SERVICE RATES

Hydro 2000 is fully embedded within Hydro One Networks Inc.'s distribution system.

To recover its cost of transmission services, Hydro 2000 requests approval to adjust the retail transmission service rates (RTSRs) that it charges its customers in accordance with the host distributor RTSRs currently in effect.

### Findings

Hydro 2000's proposed adjustment to its RTSRs is approved. The RTSRs were adjusted based on the current OEB-approved host-RTSRs.<sup>8</sup>

Host-RTSRs are typically approved annually by the OEB. In the event that new host-RTSRs take effect during Hydro 2000's 2022 rate year, any resulting differences (from the prior-approved host-RTSRs) are to be captured in Retail Settlement Variance Accounts 1584 (Retail Transmission Network Charge) and 1586 (Retail Transmission Connection Charge).

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<sup>8</sup> EB-2021-0032, Decision and Rate Order, December 14, 2021



## 7 GROUP 1 DEFERRAL AND VARIANCE ACCOUNTS

In each year of an IRM term, the OEB will review a distributor's Group 1 deferral and variance accounts in order to determine whether those balances should be disposed. OEB policy states that Group 1 account balances should be disposed if they exceed, on a net basis (as a debit or credit), a pre-set disposition threshold of \$0.001 per kWh, unless a distributor justifies why balances should not be disposed.<sup>9</sup> If the net balance does not exceed the threshold, a distributor may still request disposition.

The 2020 year-end net balance for Hydro 2000's Group 1 accounts eligible for disposition, including interest projected to April 30, 2022, is a debit of \$45,951, and pertains to variances accumulated during the 2020 calendar year. This amount represents a total debit claim of \$0.0022 per kWh, which exceeds the disposition threshold. Hydro 2000 has requested disposition of this amount over a one-year period.

Included in the Group 1 accounts are certain variances related to costs that are paid for by a distributor's customers on different bases, depending on their classification. Namely, "Class A" customers, who participate in the Industrial Conservation Initiative, pay for Global Adjustment (GA) charges based on their contribution to the five highest Ontario demand peaks over a 12-month period. "Class B" customers pay for GA charges based on their monthly consumption totals, either as a standalone charge or embedded in the Regulated Price Plan (RPP).<sup>10</sup> A similar mechanism applies to Class A and Class B customers for Capacity Based Recovery (CBR) charges.<sup>11</sup> The balance in the GA variance account is attributable to non-RPP Class B customers and is disposed through a separate rate rider. The balance in the CBR Class B variance account is attributable to all Class B customers.

Hydro 2000 had no Class A customers during the period in which variances accumulated so it has applied to have the balance of the CBR Class B account disposed along with Account 1580 - Wholesale Market Service Charge through the general Deferral and Variance Account rate rider.

### Findings

The balances proposed for disposition reconcile with the amounts reported as part of the OEB's *Electricity Reporting and Record-Keeping Requirements*.

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<sup>9</sup> Report of the OEB – "Electricity Distributors' Deferral and Variance Account Review Initiative (EDDVAR)", EB-2008-0046, July 31, 2009

<sup>10</sup> For additional details on the Global Adjustment charge, refer to the Independent Electricity System Operator (IESO)'s [website](#).

<sup>11</sup> All Class B customers (RPP and non-RPP) pay the CBR as a separate charge based on their monthly consumption. For additional details on the CBR for Class A customers, refer to the IESO's [website](#).

The OEB approves the disposition of a debit balance of \$45,951 as of December 31, 2020, including interest projected to April 30, 2022 for Group 1 accounts on a final basis.

Table 7.1 identifies the principal and interest amounts, which the OEB approves for disposition.

**Table 7.1: Group 1 Deferral and Variance Account Balances**

<b>Account Name</b>	<b>Account Number</b>	<b>Principal Balance (\$) A</b>	<b>Interest Balance (\$) B</b>	<b>Total Claim (\$) C=A+B</b>
LV Variance Account	1550	54,868	956	55,824
Smart Meter Entity Variance Charge	1551	38	3	41
RSVA - Wholesale Market Service Charge	1580	(14,808)	(178)	(14,986)
Variance WMS - Sub-account CBR Class B	1580	(13)	(1)	(14)
RSVA - Retail Transmission Network Charge	1584	7,495	107	7,603
RSVA - Retail Transmission Connection Charge	1586	11,733	175	11,908
RSVA - Power	1588	(11,666)	(3,600)	(15,266)
RSVA - Global Adjustment	1589	378	463	841
<b>Totals for Group 1 accounts</b>		<b>48,025</b>	<b>(2,074)</b>	<b>45,951</b>

The balance of each of the Group 1 accounts approved for disposition shall be transferred to the applicable principal and interest carrying charge sub-accounts of Account 1595. Such transfer shall be pursuant to the requirements specified in the *Accounting Procedures Handbook for Electricity Distributors*.<sup>12</sup> The date of the transfer must be the same as the effective date for the associated rates, which is generally the start of the rate year.

<sup>12</sup> Article 220, Account Descriptions, Accounting Procedures Handbook for Electricity Distributors, effective January 1, 2012

The OEB approves these balances to be disposed through final rate riders, charges, or payments, as calculated in the Rate Generator Model. The final rate riders, charges, and payments, as applicable, will be in effect over a one-year period from May 1, 2022 to April 30, 2023.<sup>13</sup>

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<sup>13</sup> 2022 IRM Rate Generator Model Tab 6.1 GA and Tab 7 Calculation of Def-Var RR

## 8 IMPLEMENTATION

This Decision is accompanied by a Rate Generator Model, applicable supporting models, and a Tariff of Rates and Charges (Schedule A). The Rate Generator Model also incorporates the rates set out in Table 8.1.

**Table 8.1: Regulatory Charges**

Rate	per kWh
Rural or Remote Electricity Rate Protection (RRRP)	\$0.0005
Wholesale Market Service (WMS) billed to Class A and B Customers	\$0.0030
Capacity Based Recovery (CBR) billed to Class B Customers	\$0.0004

Each of these rates is a component of the “Regulatory Charge” on a customer’s bill, established annually by the OEB through a separate, generic order. The RRRP, WMS and CBR rates were set by the OEB on December 16, 2021.<sup>14</sup>

The Smart Metering Entity Charge is a component of the “Distribution Charge” on a customer’s bill, established by the OEB through a separate order. The Smart Metering Entity Charge was set by the OEB on March 1, 2018.<sup>15</sup>

In the *Report of the Board: Review of Electricity Distribution Cost Allocation Policy*,<sup>16</sup> the OEB indicated that it will review the default province-wide microFIT charge annually to ensure it continues to reflect actual costs in accordance with the established methodology. On January 26, 2022, the OEB issued a letter advising electricity distributors that the microFIT charge shall remain at \$4.55 for the duration of the 2022 calendar year.

<sup>14</sup> EB-2021-0300, Decision and Order, December 16, 2021

<sup>15</sup> EB-2017-0290, Decision and Order, March 1, 2018

<sup>16</sup> EB-2010-0219, Report of the Board “Review of Electricity Distribution Cost Allocation Policy”, March 31, 2011

## **9 ORDER**

### **THE ONTARIO ENERGY BOARD ORDERS THAT:**

1. The Tariff of Rates and Charges set out in Schedule A of this Decision and Rate Order is approved effective May 1, 2022 for electricity consumed or estimated to have been consumed on and after such date. Hydro 2000 Inc. shall notify its customers of the rate changes no later than the delivery of the first bill reflecting the new rates.

**DATED** at Toronto, March 24, 2022

### **ONTARIO ENERGY BOARD**

Nancy Marconi  
Registrar

**Schedule A**

**To Decision and Rate Order**

**Tariff of Rates and Charges**

**OEB File No: EB-2021-0030**

**DATED: March 24, 2022**

**Hydro 2000 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-2021-0030

## RESIDENTIAL SERVICE CLASSIFICATION

This classification refers to an account taking electricity at 750 volts or less where the electricity is used exclusively by residential customers residing in detached, semi-detached or townhouse dwelling units. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

## APPLICATION

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

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

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

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

## MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	34.12
Rate Rider for Disposition of Deferral/Variance Accounts Group 2 - effective until June 30, 2022	\$	1.09
Rate Rider for Disposition of Account 1576 - effective until June 30, 2022	\$	(0.64)
Smart Metering Entity Charge - effective until December 31, 2022	\$	0.57
Low Voltage Service Rate	\$/kWh	0.0079
Rate Rider for Disposition of Global Adjustment Account (2022) - effective until April 30, 2023		
Applicable only for Non-RPP Customers	\$/kWh	0.0002
Rate Rider for Disposition of Deferral/Variance Accounts (2022) - effective until April 30, 2023	\$/kWh	0.0022
Rate Rider for Disposition of Deferral/Variance Accounts (2021) - effective until April 30, 2023	\$/kWh	0.0011
Rate Rider for Disposition of Deferral/Variance Accounts (2019) - effective until April 30, 2023	\$/kWh	0.0036
Rate Rider for Disposition of Deferral/Variance Accounts - effective until June 30, 2022	\$/kWh	0.0018
Rate Rider for Disposition of Deferral/Variance Accounts 1568 - effective until June 30, 2022	\$/kWh	0.0002
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0090
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0063

## 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

**Hydro 2000 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-2021-0030

## GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification refers to a non residential account taking electricity at 750 volts or less whose average monthly average peak demand is less than, or is forecast to be less than, 50 kW. This section shall include small apartment buildings, stacked townhouses, and smaller commercial, industrial and institutional developments. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

### APPLICATION

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

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

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

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

### MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	24.44
Smart Metering Entity Charge - effective until December 31, 2022	\$	0.57
Distribution Volumetric Rate	\$/kWh	0.0106
Low Voltage Service Rate	\$/kWh	0.0076
Rate Rider for Disposition of Global Adjustment Account (2022) - effective until April 30, 2023 Applicable only for Non-RPP Customers	\$/kWh	0.0002
Rate Rider for Disposition of Deferral/Variance Accounts (2022) - effective until April 30, 2023	\$/kWh	0.0022
Rate Rider for Disposition of Deferral/Variance Accounts (2021) - effective until April 30, 2023	\$/kWh	0.0011
Rate Rider for Disposition of Deferral/Variance Accounts (2019) - effective until April 30, 2023	\$/kWh	0.0036
Rate Rider for Disposition of Deferral/Variance Accounts - effective until June 30, 2022	\$/kWh	0.0018
Rate Rider for Disposition of Account 1576 - effective until June 30, 2022	\$/kWh	(0.0007)
Rate Rider for Disposition of Deferral/Variance Accounts Group 2 - effective until June 30, 2022	\$/kWh	0.0011
Rate Rider for Disposition of Deferral/Variance Accounts 1568 - effective until June 30, 2022	\$/kWh	0.0019
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0082
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0060

### 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



**Hydro 2000 Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2022**  
**This schedule supersedes and replaces all previously**  
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EB-2021-0030

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

This classification refers to a non residential account whose monthly average peak demand is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 5,000 kW. Class A and Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

### APPLICATION

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

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

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

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

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

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

### MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	88.99
Distribution Volumetric Rate	\$/kW	1.5875
Low Voltage Service Rate	\$/kW	2.9607
Rate Rider for Disposition of Global Adjustment Account (2022) - effective until April 30, 2023 Applicable only for Non-RPP Customers	\$/kWh	0.0002
Rate Rider for Disposition of Deferral/Variance Accounts (2022) - effective until April 30, 2023	\$/kW	0.8764
Rate Rider for Disposition of Deferral/Variance Accounts (2021) - effective until April 30, 2023	\$/kW	0.4280
Rate Rider for Disposition of Deferral/Variance Accounts (2019) - effective until April 30, 2023	\$/kW	1.5588

Issued - March 24, 2022

**Hydro 2000 Inc.**  
**TARIFF OF RATES AND CHARGES**  
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		<b>EB-2021-0030</b>
Rate Rider for Disposition of Deferral/Variance Accounts - effective until June 30, 2022	\$/kW	0.6697
Rate Rider for Disposition of Account 1576 - effective until June 30, 2022	\$/kW	<b>(0.2538)</b>
Rate Rider for Disposition of Deferral/Variance Accounts Group 2 - effective until June 30, 2022	\$/kW	0.4289
Rate Rider for Disposition of Deferral/Variance Accounts 1568 - effective until June 30, 2022	\$/kW	0.0210
Retail Transmission Rate - Network Service Rate	\$/kW	3.3566
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.3500

**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

**Hydro 2000 Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2022**  
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EB-2021-0030

## STREET LIGHTING SERVICE CLASSIFICATION

This classification refers to an account for roadway lighting with a Municipality, Regional Municipality, Ministry of Transportation and private roadway lighting operation, controlled by photo cells. The consumption for these customers will be based on the calculated connected load times the required lighting times established in the approved Ontario Energy Board street lighting load shape template. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

### APPLICATION

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

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

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

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

### MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	1.38
Distribution Volumetric Rate	\$/kW	8.0397
Low Voltage Service Rate	\$/kW	2.2889
Rate Rider for Disposition of Global Adjustment Account (2022) - effective until April 30, 2023 Applicable only for Non-RPP Customers	\$/kWh	0.0002
Rate Rider for Disposition of Deferral/Variance Accounts (2022) - effective until April 30, 2023	\$/kW	0.7921
Rate Rider for Disposition of Deferral/Variance Accounts (2021) - effective until April 30, 2023	\$/kW	0.3843
Rate Rider for Disposition of Deferral/Variance Accounts (2019) - effective until April 30, 2023	\$/kW	1.2398
Rate Rider for Disposition of Deferral/Variance Accounts - effective until June 30, 2022	\$/kW	0.6519
Rate Rider for Disposition of Account 1576 - effective until June 30, 2022	\$/kW	(0.2471)
Rate Rider for Disposition of Deferral/Variance Accounts Group 2 - effective until June 30, 2022	\$/kW	0.4174
Rate Rider for Disposition of Deferral/Variance Accounts 1568 - effective until June 30, 2022	\$/kW	2.2197
Retail Transmission Rate - Network Service Rate	\$/kW	2.5313
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.8168

### 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

**Hydro 2000 Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2022**  
**This schedule supersedes and replaces all previously**  
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EB-2021-0030

## UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification refers to an account taking electricity at 750 volts or less whose monthly average peak demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. Such connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The customer will provide detailed manufacturer information/ documentation with regard to electrical demand/consumption of the proposed unmetered load. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

### APPLICATION

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

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

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

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

### MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	5.04
Distribution Volumetric Rate	\$/kWh	0.0142
Low Voltage Service Rate	\$/kWh	0.0076
Rate Rider for Disposition of Deferral/Variance Accounts (2022) - effective until April 30, 2023	\$/kWh	0.0022
Rate Rider for Disposition of Deferral/Variance Accounts (2021) - effective until April 30, 2023	\$/kWh	0.0011
Rate Rider for Disposition of Deferral/Variance Accounts (2019) - effective until April 30, 2023	\$/kWh	0.0036
Rate Rider for Disposition of Deferral/Variance Accounts - effective until June 30, 2022	\$/kWh	0.0018
Rate Rider for Disposition of Account 1576 - effective until June 30, 2022	\$/kWh	(0.0007)
Rate Rider for Disposition of Deferral/Variance Accounts Group 2 - effective until June 30, 2022	\$/kWh	0.0011
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0082
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0060

### 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

**Hydro 2000 Inc.**  
**TARIFF OF RATES AND CHARGES**  
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**microFIT SERVICE CLASSIFICATION**

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

**APPLICATION**

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

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

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
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**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**

Arrears certificate	\$	15.00
Statement of account	\$	15.00
Pulling post dated cheques	\$	15.00
Duplicate invoices for previous billing	\$	15.00
Request for other billing information	\$	15.00
Easement letter	\$	15.00
Income tax letter	\$	15.00
Notification charge	\$	15.00
Account history	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	25.00
Returned cheque (plus bank charges)	\$	15.00
Charge to certify cheque	\$	15.00
Legal letter charge	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	15.00
Special meter reads	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00

**Non-Payment of Account**

Late payment - per month (effective annual rate 19.56% per annum or 0.04896% compounded daily rate)	%	1.50
Reconnection at meter - during regular hours	\$	25.00
Reconnection at meter - after regular hours	\$	50.00
Reconnection at pole - during regular hours	\$	185.00
Reconnection at pole - after regular hours	\$	415.00

**Other**

Service call - customer owned equipment	\$	30.00
Service call - after regular hours	\$	165.00
Temporary service - install & remove - overhead - no transformer	\$	500.00
Temporary service - install & remove - underground - no transformer	\$	300.00
Temporary service - install & remove - overhead - with transformer	\$	1,000.00
Specific charge for access to the power poles - \$/pole/year (with the exception of wireless attachments)	\$	34.76

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## 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	1.0772
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0664