



Ontario  
Energy  
Board

Commission  
de l'énergie  
de l'Ontario

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# DECISION AND ORDER

**EB-2022-0049**

## MILTON HYDRO DISTRIBUTION INC.

Application for electricity distribution rates beginning January 1,  
2023

**BEFORE: Anthony Zlahtic**  
Presiding Commissioner

**Allison Duff**  
Commissioner

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**October 13, 2022**



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# 1 OVERVIEW

This is a Decision and Order of the OEB on an application filed by Milton Hydro Distribution Inc. (Milton Hydro) for approval to change its electricity distribution rates to be effective January 1, 2023.

Milton Hydro applied for approval of its proposed electricity distribution rates for five years, using the Price Cap Incentive rate-setting (IR) option. With an approved 2023 test year, Milton Hydro would be able to apply to have its rates adjusted mechanistically in each of the years 2024-2027, based on inflation and the OEB's assessment of Milton Hydro's efficiency.

Milton Hydro provides electricity distribution services to approximately 43,000 residential, commercial, and industrial customers in the Town of Milton.

On August 26, 2022, Milton Hydro filed a settlement proposal. The settlement proposal represented a full settlement agreed to by Milton Hydro and the parties in this proceeding. OEB staff supported approval of the settlement proposal.

Having considered the settlement proposal and the submissions of OEB staff, the OEB approves the settlement proposal as filed.

As a result of this Decision and Order, it is estimated that for a typical residential customer with a monthly consumption of 750 kWh, the total distribution charge impact will be an increase of \$1.40, or 4.59%. A typical residential customer would see a total bill impact of \$4.54, or 3.57% per month for 2023 before taxes and the Ontario Electricity Rebate.

## 2 PROCESS

The OEB's *Renewed Regulatory Framework for Electricity*<sup>1</sup> and *Handbook for Utility Rate Applications*<sup>2</sup> provide distributors with performance-based rate application options that support the cost-effective planning and efficient operation of a distribution network. This framework provides an appropriate alignment between a sustainable, financially viable electricity sector and the expectations of customers for reliable service at a reasonable price.

Milton Hydro filed an application on April 18, 2022 for 2023 rates under the Price-Cap IR option of the *Renewed Regulatory Framework for Electricity*. The application was accepted by the OEB as complete on May 2, 2022. The OEB issued a Notice of Hearing on May 3, 2022, inviting parties to apply for intervenor status. The Consumers Council of Canada (CCC), the School Energy Coalition (SEC), the Vulnerable Energy Consumers Coalition (VECC) and J.O.L. Shewchun were granted intervenor status. CCC, SEC and VECC applied for, and were granted, cost award eligibility. OEB staff also participated in this proceeding.

The OEB received 38 letters of comment about this proceeding. Most customers have concerns about a further rate increase at a time when inflation, cost of living, and gas prices are high.

The OEB issued Procedural Order No. 1 on June 6, 2022. This order established, among other things, the timetable for a written interrogatory discovery process and a settlement conference.

The OEB issued its approved Issues List on June 29, 2022. Milton Hydro responded to the interrogatories and follow-up questions submitted by OEB staff and intervenors.

A settlement conference took place on August 2, 3 and 5, 2022. Milton Hydro and the four intervenors participated in the settlement conference. OEB staff also attended the conference but was not a party to the settlement.

Milton Hydro filed a settlement proposal with the OEB on August 26, 2022. OEB staff filed its submission regarding the settlement proposal on September 2, 2022. On

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<sup>1</sup> *Renewed Regulatory Framework for Electricity Distributors: A Performance-Based Approach*, October 18, 2012

<sup>2</sup> *Handbook for Utility Rate Applications*, October 13, 2016

September 6, 2022, OEB staff filed a revised submission which corrected some minor errors in the original submission.

### 3 DECISION

#### 3.1 Settlement Proposal

The settlement proposal addresses all issues on the OEB's approved Issues List for this proceeding and represents a full settlement on all the issues.

The settlement proposal contains further explanation and rationale on specific issues for the OEB to consider.

Key features of the settlement proposal included:

- Agreement to bring the previously disallowed capital and OM&A costs associated with the office building at 200 Chisholm Drive into the determination of the 2023 revenue requirement excluding the capital additions related to the proposed control room in determining the 2023 rate base
- Reduction of 2022 bridge year capital additions by \$1.0 million resulting in a revised budget of \$10.9 million
- Reduction of 2023 test year capital expenditures by \$1.0 million resulting in a revised budget of \$8.9 million
- Reduction of 2023 test year Operations, Maintenance & Administration by \$1.9 million resulting in a revised budget of \$13.3 million
- Using the OEB's allowed 2022 return on equity of 8.66% for setting rates for the 2023 test year
- Reduction of 2023 test year base revenue requirement by \$1.8 million resulting in a revised revenue requirement of \$22.9 million
- Increase of 2023 test year load forecast by 21,129 MWh and 45,775 kW, resulting in a revised load of 924,940 MWh, 1,141,196 kW and 46,809 customers and connections
- Disposition of Group 1 and Group 2 deferral and variance accounts (DVA) and Lost Revenue Adjustment Mechanism Variance Account (LRAMVA)
  - Group 1 DVA debit balance of \$1,860,501, including the Global Adjustment credit balance of \$536,362, over a 24-month period
  - Group 2 DVA credit balance of \$891,030 over a 12-month period (excluding the OEB Cost Assessment Variance Account and the Accounting Changes under CGAAP Account, which will be disposed over a 24-month period)

- LRAMVA debit balance of \$537,702 over a 24-month period
- A commitment by Milton Hydro to undertake an independent third-party review of its methodology to allocate common costs among its affiliates and produce a report as part of its next rebasing application. The intent of the study is to ensure that Milton Hydro's methodology to allocate costs between its affiliates is reasonable and complies with relevant provisions of the OEB's *Affiliate Relationship Code for Electricity Distributors and Transmitters*<sup>3</sup>
- A commitment by Milton Hydro to prepare a load profile study for each customer class to be used in its next rebasing application<sup>4</sup>

## Findings

The OEB accepts the settlement proposal as filed. The OEB finds that it is in the public interest and will result in just and reasonable rates.

The OEB has considered the application and the key features of the settlement proposal. The OEB finds the adjustments agreed to in the settlement proposal, as compared to Milton Hydro's original requests in its application, are reasonable and supported by the evidence referenced. The OEB commends Milton Hydro and the parties for reaching a complete settlement and the commitments made by Milton Hydro to be included in its next rebasing application.

## 3.2 Confidentiality Request

As part of its responses to interrogatories, Milton Hydro requested confidential treatment for certain information contained in the 2020 and 2021 business plan and budget documents. These documents are included in interrogatory responses as attachments to one interrogatory<sup>5</sup> from SEC.

In accordance with the OEB's [Practice Direction on Confidential Filings](#), Milton Hydro filed redacted copies of the documents. Copies of the un-redacted documents were filed separately in confidence.

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<sup>3</sup> Settlement Proposal, page 22 of 45.

<sup>4</sup> Settlement Proposal, page 29 of 45.

<sup>5</sup> 1-SEC-14.

Milton Hydro stated that portions of the documents for which it requested confidential treatment fall into two categories:

1. Personal Information
2. Information Not Relevant to the Proceeding

With respect to personal information, Milton Hydro noted that the 2020 business plan and budget document contains personal information such as the names of the directors of Milton Hydro's Board of Directors and their compensations. Milton Hydro stated that public disclosure of the information would be contrary to the *Freedom of Information and Protection of Privacy Act*.

Regarding information not relevant to the proceeding, Milton Hydro pointed out that both the 2020 and 2021 business plan documents include financial and non-financial information that relates to Milton Hydro's non-rate regulated business. Milton Hydro stated that such information is not relevant and would not assist the OEB in deciding the matters at issue in this application.

## Findings

The OEB approves Milton Hydro's confidentiality request. The information in question will remain redacted from the public record.

While the names of Milton Hydro's directors would not be considered personal information in isolation, in this instance, the names must be considered in conjunction with the director compensation information provided in the 2020 business plan and budget. Given the information Milton Hydro chose to redact in filing its request for confidential treatment, if the director names were disclosed, it would also disclose each of the directors' compensation.



## 4 IMPLEMENTATION

The approved effective date for new rates is January 1, 2023 as proposed by parties.

A draft Tariff of Rates and Charges has been included with the settlement proposal for rates effective on January 1, 2023. As noted in the settlement proposal, prior to finalizing its rate order, Milton Hydro will make the following updates:

- Cost of Power when the OEB issues its Regulated Price Plan Price Report for November 1, 2022 to October 31, 2023, expected in October 2022<sup>6</sup>
- Retail Service Charges and Pole Attachment Charge when the OEB issues its decisions on these charges. Milton Hydro will also update its other revenue accordingly<sup>7</sup>

The parties have agreed to use the existing OEB-approved values as placeholders for these elements in the settlement proposal. Milton Hydro shall file its draft rate order with detailed supporting material showing the impact of any required adjustments. As part of the draft rate order, Milton Hydro will update the placeholder values with the approved 2023 values.

The OEB will make provision for the filing of cost claims when the rate order is finalized.

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<sup>6</sup> Settlement Proposal, page 20 of 45.

<sup>7</sup> Settlement Proposal, page 36 of 45.

## 5 ORDER

### THE ONTARIO ENERGY BOARD ORDERS THAT:

1. The Settlement Proposal in Schedule A is approved.
2. Milton Hydro Distribution Inc. shall file with the OEB and forward to intervenors a draft rate order with a proposed Tariff of Rates and Charges no later than **10 days** after the OEB issues its decisions on Retail Service Charges and Pole Attachment Charge, and updated Regulated Price Plan pricing, whichever comes later. Milton Hydro Distribution Inc. shall also include customer rate impacts and detailed information in support of the calculation of final rates in the draft rate order.
3. Intervenors and OEB staff may file any comments on the draft rate order with the OEB no later than **seven days** after the draft rate order is filed.
4. Milton Hydro Distribution Inc. may file with the OEB and forward to intervenors, responses to any comments on its draft rate order no later than **seven days** after comments are filed.
5. Milton Hydro Distribution Inc. shall undertake an independent third-party review of its methodology to allocate common costs among its affiliates and produce a report as part of its next rebasing application.
6. Milton Hydro Distribution Inc. shall prepare a load profile study for each customer class to be used in its next rebasing application.

Parties are responsible for ensuring that any documents they file with the OEB, such as applicant and intervenor evidence, interrogatories and responses to interrogatories or any other type of document, **do not include personal information** (as that phrase is defined in the *Freedom of Information and Protection of Privacy Act*), unless filed in accordance with rule 9A of the OEB's [Rules of Practice and Procedure](#).

Please quote file number, **EB-2022-0049** for all materials filed and submit them in searchable/unrestricted PDF format with a digital signature through the [OEB's online filing portal](#).

- Filings should clearly state the sender's name, postal address, telephone number and e-mail address.

- Please use the document naming conventions and document submission standards outlined in the [Regulatory Electronic Submission System \(RESS\) Document Guidelines](#) found at the [File documents online page](#) on the OEB's website.
- Parties are encouraged to use RESS. Those who have not yet [set up an account](#), or require assistance using the online filing portal can contact [registrar@oeb.ca](mailto:registrar@oeb.ca) for assistance.
- Cost claims are filed through the OEB's online filing portal. Please visit the [File documents online page](#) of the OEB's website for more information. All participants shall download a copy of their submitted cost claim and serve it on all required parties as per the [Practice Direction on Cost Awards](#).

All communications should be directed to the attention of the Registrar and be received by end of business, 4:45 p.m., on the required date.

With respect to distribution lists for all electronic correspondence and materials related to this proceeding, parties must include the Case Manager, Shuo Zhang at [Shuo.Zhang@oeb.ca](mailto:Shuo.Zhang@oeb.ca) and OEB staff counsel, Lawren Murray at [Lawren.Murray@oeb.ca](mailto:Lawren.Murray@oeb.ca).

Email: [registrar@oeb.ca](mailto:registrar@oeb.ca)

Tel: 1-877-632-2727 (Toll free)

**DATED** at Toronto October 13, 2022

**ONTARIO ENERGY BOARD**

Nancy Marconi  
Registrar

**SCHEDULE A**  
**DECISION AND ORDER**  
**SETTLEMENT PROPOSAL**  
**MILTON HYDRO DISTRIBUTION INC.**  
**EB-2022-0049**  
**OCTOBER 13, 2022**



## **MILTON HYDRO DISTRIBUTION INC.**

200 Chisholm Drive, Milton, Ontario, L9T 3G9  
Telephone (905) 876-4611 • Fax (905) 876-2044

August 26, 2022

### **EMAIL & RESS**

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

Attention: Nancy Marconi, Registrar

Dear Ms. Marconi:

**Re: Milton Hydro Distribution Inc. ("Milton Hydro")  
EB-2022-0049: Cost of Service Rate Application for 2023 Electricity Distribution Rates  
– Settlement Proposal**

Pursuant to Procedural Order #1 in the above referenced proceeding, Milton Hydro submits the attached Settlement Proposal along with the updated live Excel models for the OEB's review and consideration. The Parties have worked diligently to reach and document a full settlement of all issues in the proceeding.

Milton Hydro also files its responses to the Pre-Settlement Conference Clarification Questions to supplement the evidentiary record in this proceeding.

Please contact the undersigned if any questions.

Yours truly,

Dan Gopic, CPA, CMA  
Director, Regulatory Affairs  
Milton Hydro Distribution Inc.

cc: Tim Pavlov, Torys LLP  
All Parties

**ONTARIO ENERGY BOARD**

**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 Milton Hydro Distribution Inc. for an order approving just and reasonable rates and other charges for electricity distribution beginning January 1, 2023.

**EB-2022-0049**

**MILTON HYDRO DISTRIBUTION INC.**

**SETTLEMENT PROPOSAL**

**AUGUST 26, 2022**

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Appendix E – 2023 Proposed Tariff of Rates and Charges

## **LIVE EXCEL MODELS**

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

MHDI\_2023\_Load\_Forecast\_Settlement\_20220826  
MHDI\_2023\_Cost\_Allocation\_Settlement\_20220826  
MHDI\_2023\_Rate\_Design\_Settlement\_20220826  
MHDI\_2023\_DVA\_Continuity\_Settlement\_20220826  
MHDI\_2023\_Rev\_Reqt\_Workform\_Settlement\_20220826  
MHDI\_2023\_Tariff\_and\_Bill\_Impact\_Settlement\_20220826  
MHDI\_2023\_Test\_year\_Income\_Tax\_Settlement\_20220826  
MHDI\_2023\_Ch2\_Appendices\_Settlement\_20220826  
MHDI\_2023\_LRAMVA\_Settlement\_20220826  
MHDI\_2023\_RTZR\_Workform\_Settlement\_20220826  
MHDI\_2023\_GA\_Analysis\_Workform\_Settlement\_20220826  
MHDI\_2023\_1595\_Analysis\_Workform\_Settlement\_20220826  
MHDI\_2023\_Benchmarking\_Forecast\_Settlement\_20220826

## A. BACKGROUND

Milton Hydro filed a Cost of Service application with the OEB on April 14, 2022 under section 78 of the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, (Schedule B) (the “Act”), and is seeking approval for changes to the rates that Milton Hydro charges for electricity distribution and other charges, to be effective January 1, 2023 (OEB Docket Number EB-2022-0049) (the “Application”).

The OEB issued and published a Notice of Hearing dated May 3, 2022, and Procedural Order No. 1 on June 6, 2022, the latter of which, among other things, required the parties to the proceeding to develop a proposed issues list and scheduled a Settlement Conference to take place on August 2, August 3 and if needed on August 5, 2022.

On May 20, 2022, OEB Staff sent a set of clarification questions (OEB Staff Clarification Questions) to Milton Hydro and Milton Hydro responded on May 26, 2022.

On June 17, 2022, pursuant to Procedural Order No. 1, OEB Staff submitted a proposed issues list as agreed to by the parties and on June 29, 2022, the OEB approved the issues list for the purposes of this proceeding (the “Approved Issues List”).

Milton Hydro filed its responses to interrogatories with the OEB on July 25, 2022. As part of its Interrogatory Responses, Milton Hydro updated certain evidence and several spreadsheet models.

A Settlement Conference was convened on August 2, 2022, August 3, 2022, and August 5, 2022 in accordance with the OEB’s *Rules of Practice and Procedure* (the “Rules”) and the OEB’s *Practice Direction on Settlement Conferences* (the “Practice Direction”).

Andrew Pride of Andrew Pride Consulting acted as facilitator for the Settlement Conference which lasted for three days.

Milton Hydro and the following intervenors participated in the Settlement Conference:

- Consumers Council of Canada (CCC);
- School Energy Coalition (SEC);
- Vulnerable Energy Consumers Coalition (VECC); and
- An independent intervenor, JOL Shewchun (collectively referred to as the “Intervenors”).

Milton Hydro and the Intervenors are collectively referred to as the “Parties”.

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

## **B. SETTLEMENT PROPOSAL PREAMBLE**

This document comprises the Settlement Proposal and is presented jointly to the OEB by the Parties. This document is called a “Settlement Proposal” because it is a proposal by the Parties to the OEB to settle the issues in this proceeding, identified as settled in this Settlement Proposal. However, as between the Parties, and subject only to the OEB’s approval of this Settlement Proposal, this document is intended to be a legal agreement, creating mutual obligations, and binding and enforceable in accordance with its terms. As set forth later in this Preamble, this Settlement Proposal is subject to a condition subsequent, that if it is not accepted by the OEB in its entirety, then unless amended by the Parties, it is null and void and of no further effect. In entering into this 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, including any settlement information related thereto, is privileged and confidential in accordance with the Practice Direction. The Parties understand that confidentiality in that context does not have the same meaning as confidentiality in the OEB’s *Practice Direction on Confidential Filings* and the rules of that latter document do not apply. Instead, in the Settlement Conference, and in this Settlement Proposal, the Parties have interpreted “confidential” to mean that the documents and other information provided during the course of the Settlement Conference, the discussion of each issue, the offers and counter-offers, and the negotiations leading to the settlement – or not – of each issue during the Settlement Conference and during the preparation of this Settlement Proposal are strictly privileged and without prejudice. None of the foregoing is admissible as evidence in this proceeding, or otherwise, with one exception, the need to resolve a subsequent dispute over the interpretation of any provision of this Settlement Proposal. Further, the Parties shall not disclose those documents or other information to persons who were not attendees at the Settlement Conference. However, the Parties agree that “attendees” is deemed to include, in this context, persons who were not in attendance via video conference at the Settlement Conference but were a) any persons or entities that the Parties engage to assist them with the Settlement Conference, and b) any persons or entities from whom they seek instructions with respect to the negotiations; in each case provided that any such persons or entities have agreed to be bound by the same confidentiality provisions as the Parties.

This Settlement Proposal is organized in accordance with the Approved Issues List. This Settlement Proposal provides a brief description of each of the settled issues, together with references to the evidence submitted for the record in this proceeding. 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 written responses to interrogatories and other components of the record up to and including the date hereof, (a) additional information included by the Parties in this Settlement Proposal; (b) the Appendices to this document; and (c) the evidence filed concurrently with this Settlement Proposal titled “Responses to Pre-Settlement Clarification Questions” (Clarification Responses).

The Parties for each settled issue agree that the evidence in respect of each settled issue is sufficient in the context of the overall settlement to support the proposed settlement, and the sum of the evidence in this proceeding provides an appropriate evidentiary record to support acceptance by the OEB of this Settlement Proposal.

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

The Parties have reached a complete agreement on all issues in this proceeding. Specifically:

**“Complete Settlement”** means an issue for which complete settlement was reached by all Parties, and if this Settlement Proposal is accepted by the OEB, none of the Parties (including Parties who take no position on that issue) will adduce any evidence or argument during an oral hearing, if applicable, in respect of the specific issue. # issues settled: **ALL**

**“Partial Settlement”** means an issue for which there is partial settlement, as Milton Hydro and the Intervenors who take any position on the issue were able to agree on some, but not all, aspects of the particular issue. If this Settlement Proposal is accepted by the OEB, the Parties (including Parties who take no position on the Partial Settlement) will only adduce evidence and argument during an oral hearing on the portions of the issue for which no agreement has been reached. # issues partially settled: **None**

**“No Settlement”** means an issue for which no settlement was reached. Milton Hydro and the Intervenors who take a position on the issue will adduce evidence and/or argument at an oral hearing on the issue. # issues not settled: **None**

The final agreements of the Parties following the Settlement Conference are set out below. The Parties explicitly request that the OEB consider and accept this Settlement Proposal as a package. None of the matters in respect of which a settlement has been reached is severable. Numerous compromises were made by the Parties with respect to various matters to arrive at this Settlement Proposal. If the OEB does not accept this Settlement Proposal in its entirety, then there is no agreement, unless the Parties agree, in writing, that the balance of this Settlement Proposal may continue as valid settlement subject to any revisions that may be agreed upon by the Parties.

It is further acknowledged and agreed that none of the Parties will withdraw from this Settlement Proposal under any circumstances, except as provided under Rule 30.05 of the Rules.

In the event that the OEB directs the Parties to make reasonable efforts to revise the Settlement Proposal, the Parties agree to use reasonable efforts to discuss any potential revisions, but no Party

will be obligated to accept any proposed revision. The Parties agree that all of the Parties who took a position on a particular issue must agree with any revised Settlement Proposal as it relates to that issue, or decide to take no position on the issue, prior to its resubmission to the OEB for its review and consideration as a basis for making a decision.

Unless otherwise expressly stated in this Settlement Proposal, 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 Milton Hydro is a party to such proceeding.

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

## C. SUMMARY

In reaching complete settlement, the Parties have been guided by the Filing Requirements For Electricity Distribution Rate Applications - 2021 Edition for 2022 Rate Applications, dated June 24, 2021, the Approved Issues List and the Report of the OEB titled *Renewed Regulatory Framework for Electricity Distributors: A Performance-Based Approach* dated October 18, 2012 (RRFE).

This Settlement Proposal reflects a complete settlement of the issues in this proceeding. The Parties, through negotiations, have agreed, on certain modifications to Milton Hydro's proposed revenue requirement and associated rates and charges, as well as on other aspects proposed in this Application. In particular, the agreed upon modifications resulting from the Settlement Proposal are as follow:

- Envelope reduction to the opening rate base in 2023 and in-service capital additions in 2023, as further discussed in Issue 1.1;
- Removal of control room related capital expenditures and in-service capital additions from the opening rate base in 2023, as further discussed in Issue 1.1;
- Envelope reduction to operating expenses in 2023 Test Year, as further discussed in Issue 1.2;
- Certain adjustments to cost of capital parameters, as further discussed in Issue 2.1;
- Certain adjustments to Payments in Lieu of Taxes (PILs) income taxes, as further discussed in Issue 2.1;
- Certain adjustments to load forecast, as further discussed in Issue 3.1;
- Certain adjustments to cost allocation, as further discussed in Issue 3.2;
- Certain adjustments to rate design, as further discussed in Issue 3.3;
- Withdrawal of the request to dispose of Account 1509: Impacts Arising from the COVID-19 Emergency, as further discussed in Issue 4.2;
- Bringing the respective disallowed capital costs and OM&A costs associated with the building at 200 Chisholm Drive, back into the determination of 2023 revenue requirement, as further discussed in Issue 5.2

The outcome of this Settlement Proposal is an update to the Revenue Requirement as depicted in Table A below.

**Table A: Revenue Requirement Summary**

| Component                  | Item Description                      | Original Application | Updates with IRRs | Change       | Settlement Proposal | Change        | Total Change  |
|----------------------------|---------------------------------------|----------------------|-------------------|--------------|---------------------|---------------|---------------|
| <b>Cost of Capital</b>     | Regulated Return on Rate Base         | \$ 6,238,100         | \$ 6,246,778      | \$ 8,678     | \$ 6,282,235        | \$ 35,457     | \$ 44,135     |
|                            | Regulated Rate of Return              | 5.49%                | 5.49%             | 0.00%        | 5.59%               | 0.10%         | 0.10%         |
| <b>Rate Base</b>           | 2023 Net Capital In-Service Additions | \$ 11,683,975        | \$ 11,683,975     | \$ -         | \$ 10,683,975       | -\$ 1,000,000 | -\$ 1,000,000 |
|                            | 2023 Average Net Fixed Assets         | \$ 105,024,328       | \$ 105,024,328    | \$ -         | \$ 103,577,453      | -\$ 1,446,875 | -\$ 1,446,875 |
|                            | Cost of Power                         | \$ 98,955,674        | \$ 101,035,704    | \$ 2,080,030 | \$ 103,003,596      | \$ 1,967,892  | \$ 4,047,922  |
|                            | Controllable Expenses                 | \$ 15,133,537        | \$ 15,160,337     | \$ 26,800    | \$ 13,260,337       | -\$ 1,900,000 | -\$ 1,873,200 |
|                            | Working Capital                       | \$ 114,089,211       | \$ 116,196,041    | \$ 2,106,830 | \$ 116,263,933      | \$ 67,892     | \$ 2,174,722  |
|                            | Working Capital Allowance Rate        | 7.50%                | 7.50%             | 0.00%        | 7.50%               | 0.00%         | 0.00%         |
|                            | Working Capital Allowance             | \$ 8,556,691         | \$ 8,714,703      | \$ 158,012   | \$ 8,719,795        | \$ 5,092      | \$ 163,104    |
|                            | Rate Base                             | \$ 113,581,019       | \$ 113,739,031    | \$ 158,012   | \$ 112,297,248      | -\$ 1,441,783 | -\$ 1,283,771 |
| <b>Operating Expenses</b>  | Amortization Expense                  | \$ 4,916,957         | \$ 4,916,957      | \$ -         | \$ 4,853,207        | -\$ 63,750    | -\$ 63,750    |
|                            | Grossed-Up PILS                       | \$ 684,115           | \$ 686,089        | \$ 1,973     | \$ 742,926          | \$ 56,837     | \$ 58,811     |
|                            | OM&A                                  | \$ 15,133,537        | \$ 15,160,337     | \$ 26,800    | \$ 13,260,337       | -\$ 1,900,000 | -\$ 1,873,200 |
| <b>Revenue Requirement</b> | Service Revenue Requirement           | \$ 26,972,710        | \$ 27,010,161     | \$ 37,452    | \$ 25,138,705       | -\$ 1,871,456 | -\$ 1,834,004 |
|                            | Less: Other Revenues                  | \$ 2,201,364         | \$ 2,201,364      | \$ -         | \$ 2,210,052        | \$ 8,688      | \$ 8,688      |
|                            | Base Revenue Requirement              | \$ 24,771,346        | \$ 24,808,797     | \$ 37,452    | \$ 22,928,653       | -\$ 1,880,144 | -\$ 1,842,692 |
|                            | Revenue at Existing Rates             | \$ 20,420,991        | \$ 20,412,730     | -\$ 8,261    | \$ 20,575,746       | \$ 163,016    | \$ 154,755    |
|                            | Revenue Deficiency/(Sufficiency)      | \$ 4,350,354         | \$ 4,396,067      | \$ 45,713    | \$ 2,352,907        | -\$ 2,043,160 | -\$ 1,997,447 |

The Bill Impacts, as a result of the updates to the Revenue Requirement, are summarized in Table B below. Table B below presents the summary of bill impacts from each of the “bill impact sub-totals” as per Table 2 of Tab 6 of the Tariff and Bill Impact spreadsheet model. None of the rate classes have a total bill impact exceeding 10%.

**Table B: Summary of Bill Impacts**

| Rate Class                              | kWh/kW UOM | Variable Units | Sub-Total    |        |             |       |             |       | Total       |      |
|-----------------------------------------|------------|----------------|--------------|--------|-------------|-------|-------------|-------|-------------|------|
|                                         |            |                | A            |        | B           |       | C           |       | Total Bill  |      |
|                                         |            |                | \$           | %      | \$          | %     | \$          | %     | \$          | %    |
| <b>Residential</b>                      | kWh        | 750            | \$ 1.40      | 4.6%   | \$ 3.20     | 9.3%  | \$ 4.54     | 9.8%  | \$ 4.36     | 3.6% |
| <b>General Service &lt; 50 kW</b>       | kWh        | 2000           | -\$ 3.90     | -5.8%  | \$ 0.71     | 0.9%  | \$ 3.85     | 3.6%  | \$ 3.70     | 1.2% |
| <b>General Service 50 - 999 kW</b>      | kW         | 150            | -\$ 29.82    | -4.6%  | \$ 90.38    | 14.5% | \$ 192.29   | 12.2% | \$ 223.49   | 2.7% |
| <b>General Service 1,000 - 4,999 kW</b> | kW         | 1800           | -\$ 618.66   | -11.3% | \$ 1,037.52 | 23.1% | \$ 2,240.28 | 14.2% | \$ 2,688.61 | 1.5% |
| <b>Large User</b>                       | kW         | 5400           | -\$ 2,453.22 | -18.5% | \$ 3,015.36 | 19.8% | \$ 3,015.36 | 19.8% | \$ 3,705.41 | 1.1% |
| <b>Unmetered and Scattered Load</b>     | kWh        | 405            | \$ 1.08      | 6.6%   | \$ 2.05     | 11.4% | \$ 2.69     | 11.2% | \$ 2.58     | 4.0% |
| <b>Sentinel Lighting</b>                | kW         | 0.15           | \$ 1.33      | 11.0%  | \$ 1.45     | 11.8% | \$ 1.52     | 11.8% | \$ 1.46     | 8.1% |
| <b>Street Lighting</b>                  | kW         | 1185           | -\$ 126.56   | -0.5%  | \$ 674.86   | 2.5%  | \$ 1,218.77 | 3.8%  | \$ 1,431.93 | 1.5% |

The impact of the Settlement Proposal with regards to 2023 capital expenditures and OM&A expenses results in an estimated efficiency assessment of 29.59% below predicted costs using the PEG Benchmarking model provided by the OEB, as can be seen in Table C below. Milton Hydro is expected to be assessed in Group 1 of the Stretch Factor Cohort rankings. See live excel model:

MHDI\_2023\_Benchmarking\_Forecast\_Settlement\_20220826.

**Table C: Cost Benchmarking Summary**

| Description                                    | 2020<br>Historical | 2021<br>Historical | 2022<br>Bridge | 2023<br>Test Year | 2024<br>Projected | 2025<br>Projected |
|------------------------------------------------|--------------------|--------------------|----------------|-------------------|-------------------|-------------------|
| Actual Total Cost                              | \$ 28,104,237      | \$ 29,573,773      | \$ 32,205,424  | \$ 33,489,777     | \$ 34,745,859     | \$ 35,886,963     |
| Predicted Total Cost                           | \$ 35,615,113      | \$ 37,747,719      | \$ 41,866,014  | \$ 45,019,547     | \$ 48,086,064     | \$ 51,306,304     |
| Actual Cost Greater/(Less Than) Predicted Cost | \$ (7,510,876)     | \$ (8,173,947)     | \$ (9,660,590) | \$ (11,529,770)   | \$ (13,340,204)   | \$ (15,419,341)   |
| Percentage Difference (Cost Performance)       | -21.09%            | -21.65%            | -23.08%        | -25.61%           | -27.74%           | -30.05%           |
| Performance Difference (Logarithmic)           | -23.68%            | -24.40%            | -26.23%        | -29.59%           | -32.49%           | -35.74%           |
| Three-Year Average Performance                 |                    |                    | -24.77%        | -26.74%           | -29.44%           | -32.61%           |
| Stretch Factor Cohort                          |                    |                    |                |                   |                   |                   |
| Annual Result                                  | 2                  | 2                  | 1              | 1                 | 1                 | 1                 |
| Three-Year Average                             |                    |                    | 2              | 1                 | 1                 | 1                 |

This Settlement Proposal is the culmination of extensive discussion and consideration by the Parties which represent an array of interests affected by Milton Hydro’s Application for electricity distribution rates. Based on the impacts of the settlement described above, together with the evidence and rationale provided below, the Parties agree that this Settlement Proposal is in the public interest and the Parties recommend its acceptance by the OEB.



## D. SETTLEMENT BY ISSUE

The subsections below summarize the key components of the comprehensive settlement reached by the Parties, including details on how each of the issues in the Approved Issues List has been addressed either through the Application or through the modifications to Milton Hydro's proposals which have been agreed upon in this Settlement Proposal.

### 1.0 Planning

#### 1.1 Capital

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

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

**Complete Settlement:** The Parties agree that Milton Hydro will reduce its (i) proposed in-service gross and net capital additions in the 2022 Bridge Year by \$1,000,000, to \$13,961,074 (in-service gross capital additions), and (ii) the proposed in-service gross and net capital additions in the 2023 Test Year by \$1,000,000, to \$10,699,225<sup>1</sup> (in service gross capital additions). While the aforementioned reductions are made on an “envelope approach” basis, the Parties agree that Milton Hydro will not include the proposed control room related in service capital additions and capital expenditures in 2022. For further clarity, the Parties agree that control room related capital in-service additions will not form part of the 2023 Rate Base, and Milton Hydro will manage and execute its capital budget, subject to the aforementioned reductions, as it sees fit.

Milton Hydro notes that although it has applied the reductions to its General Ledger Accounts in order to model the impacts of the adjustments; however, no specific adjustments to Milton Hydro's capital plans have been considered at this time and, as a result may change in the future.

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<sup>1</sup> Milton Hydro's reductions to in-service capital additions have no impact to capital contributions as there are no reductions to the System Access Investment Category.

The reductions to 2022 and 2023 in service capital additions are summarized in Table 1.1A below. Appendix C of this Settlement Proposal provides an updated Appendix 2-BA: 2023 Fixed Asset Continuity Schedule.

**Table 1.1A: Reductions to In-Service Capital Additions for 2022 and 2023**

| CCA Class | OEB Account | Description                                                 | 2022 Capital Additions |                     |               | 2023 Capital Additions |                     |               |
|-----------|-------------|-------------------------------------------------------------|------------------------|---------------------|---------------|------------------------|---------------------|---------------|
|           |             |                                                             | IRR Version            | Settlement Proposal | Difference    | IRR Version            | Settlement Proposal | Difference    |
| 47        | 1609        | Capital Contributions Paid (Other Intangible Assets)        | \$ -                   | \$ -                | \$ -          | \$ -                   | \$ -                | \$ -          |
| 5         | 1611        | Computer Software                                           | \$ 547,060             | \$ 447,060          | \$ 100,000    | \$ 551,440             | \$ 451,440          | \$ 100,000    |
| 0         | 1725        | Poles, Towers and Fixtures                                  | \$ -                   | \$ -                | \$ -          | \$ -                   | \$ -                | \$ -          |
| 0         | 1730        | Overhead Conductors and Devices                             | \$ -                   | \$ -                | \$ -          | \$ -                   | \$ -                | \$ -          |
| N/A       | 1805        | Land                                                        | \$ -                   | \$ -                | \$ -          | \$ -                   | \$ -                | \$ -          |
| 47        | 1820        | Distribution Station Equipment Normally Primary below 50 kV | \$ -                   | \$ -                | \$ -          | \$ 200,000             | \$ 200,000          | \$ -          |
| 47        | 1830        | Poles, Towers and Fixtures                                  | \$ 2,123,772           | \$ 2,123,772        | \$ -          | \$ 2,130,999           | \$ 2,130,999        | \$ -          |
| 47        | 1835        | Overhead Conductors and Devices                             | \$ 1,959,548           | \$ 1,959,548        | \$ -          | \$ 1,187,072           | \$ 1,187,072        | \$ -          |
| 47        | 1840        | Underground Conduit                                         | \$ 1,667,581           | \$ 1,667,581        | \$ -          | \$ 245,000             | \$ 245,000          | \$ -          |
| 47        | 1845        | Underground Conductors and Devices                          | \$ 1,115,865           | \$ 1,115,865        | \$ -          | \$ 837,913             | \$ 837,913          | \$ -          |
| 47        | 1850        | Line Transformers                                           | \$ 2,187,208           | \$ 1,287,208        | \$ 900,000    | \$ 2,183,080           | \$ 1,283,080        | \$ 900,000    |
| 47        | 1855        | Services                                                    | \$ 776,762             | \$ 776,762          | \$ -          | \$ 371,654             | \$ 371,654          | \$ -          |
| 47        | 1860        | Meters                                                      | \$ 2,820,676           | \$ 2,820,676        | \$ -          | \$ 2,439,924           | \$ 2,439,924        | \$ -          |
| N/A       | 1905        | Land                                                        | \$ -                   | \$ -                | \$ -          | \$ -                   | \$ -                | \$ -          |
| 1b        | 1908        | Buildings and Fixtures                                      | \$ 593,000             | \$ 593,000          | \$ -          | \$ 519,000             | \$ 519,000          | \$ -          |
| 13        | 1910        | Leasehold Improvements                                      | \$ -                   | \$ -                | \$ -          | \$ -                   | \$ -                | \$ -          |
| 8         | 1915        | Office Furniture and Equipment                              | \$ -                   | \$ -                | \$ -          | \$ -                   | \$ -                | \$ -          |
| 50        | 1920        | Computer Equipment Hardware                                 | \$ 117,500             | \$ 117,500          | \$ -          | \$ 94,500              | \$ 94,500           | \$ -          |
| 12        | 1925        | Computer Software                                           | \$ -                   | \$ -                | \$ -          | \$ -                   | \$ -                | \$ -          |
| 10        | 1930        | Transportation Equipment                                    | \$ 751,500             | \$ 751,500          | \$ -          | \$ 451,000             | \$ 451,000          | \$ -          |
| 8         | 1935        | Stores Equipment                                            | \$ 20,000              | \$ 20,000           | \$ -          | \$ 30,000              | \$ 30,000           | \$ -          |
| 8         | 1940        | Tools, Shop and Garage Equipment                            | \$ 30,000              | \$ 30,000           | \$ -          | \$ 45,000              | \$ 45,000           | \$ -          |
| 8         | 1945        | Measurement and Testing Equipment                           | \$ -                   | \$ -                | \$ -          | \$ -                   | \$ -                | \$ -          |
| 8         | 1955        | Communication Equipment                                     | \$ -                   | \$ -                | \$ -          | \$ -                   | \$ -                | \$ -          |
| 8         | 1980        | System Supervisory Equipment                                | \$ 235,352             | \$ 235,352          | \$ -          | \$ 397,393             | \$ 397,393          | \$ -          |
| 47        | 1990        | Other Tangible Property                                     | \$ -                   | \$ -                | \$ -          | \$ -                   | \$ -                | \$ -          |
| 0         | 1995        | Contributions and Grants                                    | \$ -                   | \$ -                | \$ -          | \$ -                   | \$ -                | \$ -          |
|           | various     | Major Spare Parts                                           | \$ 15,250              | \$ 15,250           | \$ -          | \$ 15,250              | \$ 15,250           | \$ -          |
|           |             | <b>Sub-Total</b>                                            | \$ 14,961,074          | \$ 13,961,074       | \$ 1,000,000  | \$ 11,699,225          | \$ 10,699,225       | \$ 1,000,000  |
|           | 2440        | Capital contributions - Distribution                        | -\$ 3,024,069          | -\$ 3,024,069       | \$ -          | -\$ 2,539,386          | -\$ 2,539,386       | \$ -          |
|           |             | <b>Total</b>                                                | \$ 11,937,005          | \$ 10,937,005       | -\$ 1,000,000 | \$ 9,159,839           | \$ 8,159,839        | -\$ 1,000,000 |

Milton Hydro has made corresponding reductions to its Capital Expenditures (spending) for 2022 and 2023 as well, as per Table 1.1B below. Milton Hydro provides Appendix B of this Agreement an updated Appendix 2-AB: Capital Expenditures Summary.

**Table 1.1B: Reductions to Capital Expenditures for 2022 and 2023**

| Investment Category   | 2022 Capital Expenditures |                     |               | 2023 Capital Expenditures |                     |               |
|-----------------------|---------------------------|---------------------|---------------|---------------------------|---------------------|---------------|
|                       | IRR Version               | Settlement Proposal | Difference    | IRR Version               | Settlement Proposal | Difference    |
| System Access         | \$ 5,977,232              | \$ 5,977,232        | \$ -          | \$ 5,611,786              | \$ 5,611,786        | \$ -          |
| System Renewal        | \$ 3,461,761              | \$ 2,561,761        | -\$ 900,000   | \$ 2,669,958              | \$ 1,769,958        | -\$ 900,000   |
| System Service        | \$ 1,417,772              | \$ 1,417,772        | \$ 0          | \$ 1,711,292              | \$ 1,711,292        | -\$ 0         |
| General Plant         | \$ 2,328,875              | \$ 2,228,875        | -\$ 100,000   | \$ 2,412,533              | \$ 2,312,533        | -\$ 100,000   |
| Gross CAPEX           | \$ 13,185,640             | \$ 12,185,640       | -\$ 1,000,000 | \$ 12,405,569             | \$ 11,405,569       | -\$ 1,000,000 |
| Capital Contributions | -\$ 3,024,069             | -\$ 3,024,069       | \$ -          | -\$ 2,539,386             | -\$ 2,539,386       | \$ -          |
| Net CAPEX             | \$ 10,161,571             | \$ 9,161,571        | -\$ 1,000,000 | \$ 9,866,183              | \$ 8,866,183        | -\$ 1,000,000 |

Based on the foregoing and the evidence filed by Milton Hydro, the Parties agree that the planned level of in-service capital and capital expenditures, as modified in this Settlement

Proposal, and the rationale for planning and pacing choices are appropriate and adequately explained, giving due consideration to the following evidence in the Application<sup>2</sup>:

- The customer feedback and preferences as more fully detailed in Exhibit 1 at Section 1.2.6.1 Summary of Milton Hydro Business Planning Objectives; Section 1.2.6.2 Overview of Budget Process and Methodology; Section 1.7 Customer Engagement; Section 1.8.1 Customer Focus; Exhibit 2, Attachment 2-2 Distribution System Plan page 18 of 132 (Addressing Customer Preferences and Expectations), page 23 of 132 (Customer Consultation), page 102 of 132 (Prioritization and Pacing of Investments); Exhibit 2, Attachment 2-2 Distribution System Plan, Appendix D Asset Management Plan page 7 (Addressing Customer Preferences for Distribution System Development); Exhibit 2, Attachment 2-2 Distribution System Plan, Appendix I Customer Engagement Summary Report on Milton Hydro's Investment Planning (Direct Consultation on the DSP);
- Milton Hydro's productivity initiatives as more fully detailed in Exhibit 1 Sections 1.2.5; 1.9 Facilitating Innovation; Section 4.4.2.6 Productivity & Continuous Improvement;
- Milton Hydro's benchmarking performance as more fully detailed in Exhibit 1 Section 1.8.6, 1.8.7, and 1.8.8;
- Milton Hydro's past performance and target performance related to reliability and service quality as more fully detailed in Exhibit 1 Section 1.8.2, Exhibit 2 Section 2.18 pages 83 to 85 of 86; Exhibit 2 Attachment 2-2 Distribution System Plan pages 40 and 41 of 132 (Summary of 2023 – 2027 Performance Targets);
- The total impact on distribution rates as more fully detailed in Appendix D, of this Agreement, – 2023 Bill Impacts, to this Settlement Proposal;
- Milton Hydro's performance meeting government-mandated obligations as more fully detailed in Exhibit 1 Section 1.2.7, 1.8.3; Exhibit 2 Attachment 2-2 Distribution System Plan page 59 to 61 of 132 (Asset Management Objectives);
- Milton Hydro's objectives and those of its customers as more fully detailed in Exhibit 1 Sections 1.2.4 to 1.2.7, and Exhibit 2, Attachment 2-2 Distribution System Plan, Appendix I Customer Engagement Summary Report on Milton Hydro's Investment Planning;

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<sup>2</sup> While this Settlement Proposal is being submitted to the OEB as a package, the Intervenor's take no position with respect to the quality, thoroughness, or implications of any specific part of Milton Hydro's evidence. While the Intervenor's have concerns about some components, such as the customer engagement and feedback materials, in the opinion of the Intervenor's this Settlement Proposal weighs the inputs, good and bad, from the evidence to reach an appropriately balanced result that is the public interest.

- Milton Hydro's Distribution System Plan as fully detailed in Exhibit 2 Attachment 2-2 Distribution System Plan; and
- Milton Hydro's business plan as fully detailed in Exhibit 1 Section 1.2.6, and Exhibit 1, Attachment 1-2 2023 Budget and 2024-2027 Forecast.

**Evidence:**

***Application:*** Exhibit 2, Section 2.2, Section 2.10: Exhibit 2 Attachment 2-2 Distribution System Plan, Sections 5.4.1, 5.4.2, 5.4.3;

***OEB Staff Clarification Questions:*** Question 4; Question 5;

***IRRs:*** 1-Staff-9; 1-CCC-4; 1-SEC-9; 1-SEC-021; 1-SEC-028; 1-VECC-2; 1-JOL Shewchun-2; 2-Staff-11 through 2-Staff-49; 2-SEC-029 through 2-SEC-031; 2-VECC-9 through 2-VECC-19; 2-JOL Shewchun-5 and 2-JOL Shewchun-7; 4-Staff-69 through 4-Staff-74; 4-CCC-14; 4-VECC-43; 4-VECC-50 through 4-VECC-53; 4-JOL Shewchun-6;

***Clarification Responses:*** 1-Staff-94; 1-Staff-95;

***Chapter 2 Appendices updated for this Settlement Proposal:*** Appendix 2-AA – Capital Projects Table; Appendix 2-AB – Capital Expenditure Summary; Appendix 2-BA – 2022 Fixed Asset Continuity Schedule; Appendix 2-BA – 2023 Fixed Asset Continuity Schedule;

***Appendices to this Settlement Proposal:*** Appendix B – Updated Appendix 2-AB: Capital Expenditure Summary, and Appendix C – Updated Appendix 2-BA: 2023 Fixed Asset Continuity Schedule;

***Settlement Models:***

MHDI\_2023\_Ch2\_Appendices\_Settlement\_20220826;  
MHDI\_2023\_Rev\_Reqt\_Workform\_Settlement\_20220826;

**Supporting Parties:** All

**Parties Taking No Position:** None.

## 1.2 OM&A

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

- *customer feedback and preferences*
- *productivity*
- *benchmarking of costs*
- *reliability and service quality*
- *impact on distribution rates*
- *trade-offs with capital spending*
- *government-mandated obligations*
- *the objectives of Milton Hydro and its customers*
- *the distribution system plan*
- *the business plan*

**Complete Settlement:** The Parties agree that Milton Hydro will reduce its proposed OM&A expenses in the 2023 Test Year by \$1,900,000, to \$13,260,337. The Parties further agree that the reduction be made on an “envelope approach” basis for total OM&A and that Milton Hydro will manage its OM&A budget as it sees fit. Although Milton Hydro has made reductions according to the tables below to the respective accounts in order to model the impacts of the adjustments, specific adjustments to Milton Hydro’s OM&A plans have not been finalized at this time and may change.

As shown in Table 1.2A below, Total 2023 Settlement Test Year OM&A Expenses have increased by 37.4% compared to 2016 Actuals (representing a compound annual growth rate of 4.6%). This compares to inflation plus customer growth of 39.2%, and is expected to allow Milton Hydro to maintain a Group 2 or Group 1 productivity ranking during all years of its IRM term. Table 1.2B below is a Summary of OM&A expenses with changes since its original application.

**Table 1.2A: Appendix 2-JA Summary of OM&A Expenses**

|                                                     | 2016 Last Rebasings Year OEB Approved | 2016 Last Rebasings Year Actuals | 2017 Actuals        | 2018 Actuals        | 2019 Actuals         | 2020 Actuals         | 2021 Actuals         | 2022 Bridge Year     | 2023 Test Year       |
|-----------------------------------------------------|---------------------------------------|----------------------------------|---------------------|---------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>Reporting Basis</b>                              |                                       |                                  |                     |                     |                      |                      |                      |                      |                      |
| Operations                                          | \$ 1,993,286                          | \$ 2,048,998                     | \$ 1,897,672        | \$ 1,968,811        | \$ 2,083,159         | \$ 2,152,220         | \$ 2,787,520         | \$ 2,603,643         | \$ 2,789,326         |
| Maintenance                                         | \$ 1,583,125                          | \$ 1,748,350                     | \$ 1,437,233        | \$ 1,804,161        | \$ 1,890,242         | \$ 1,728,590         | \$ 1,960,504         | \$ 1,688,242         | \$ 1,430,405         |
| <b>SubTotal</b>                                     | <b>\$ 3,576,411</b>                   | <b>\$ 3,797,348</b>              | <b>\$ 3,334,905</b> | <b>\$ 3,772,972</b> | <b>\$ 3,973,401</b>  | <b>\$ 3,880,810</b>  | <b>\$ 4,748,024</b>  | <b>\$ 4,291,885</b>  | <b>\$ 4,219,731</b>  |
| %Change (year over year)                            |                                       | 6.2%                             | -12.2%              | 13.1%               | 5.3%                 | -2.3%                | 22.3%                | -9.6%                | -1.7%                |
| %Change (Test Year vs Last Rebasings Year - Actual) |                                       |                                  |                     |                     |                      |                      |                      |                      | 11.1%                |
| Billing and Collecting                              | \$ 1,924,409                          | \$ 1,823,188                     | \$ 1,928,847        | \$ 1,786,132        | \$ 1,783,154         | \$ 1,877,132         | \$ 1,852,684         | \$ 2,092,792         | \$ 2,398,638         |
| Community Relations                                 | \$ 20,071                             | \$ 8,680                         | \$ 14,094           | \$ 10,120           | \$ 9,650             | \$ 17,500            | \$ 8,094             | \$ 94,100            | \$ 55,837            |
| Administrative and General                          | \$ 4,051,557                          | \$ 4,024,379                     | \$ 3,663,400        | \$ 3,919,016        | \$ 4,315,753         | \$ 4,801,264         | \$ 5,501,136         | \$ 6,375,891         | \$ 6,586,131         |
| <b>SubTotal</b>                                     | <b>\$ 5,996,037</b>                   | <b>\$ 5,856,248</b>              | <b>\$ 5,606,341</b> | <b>\$ 5,715,268</b> | <b>\$ 6,108,557</b>  | <b>\$ 6,695,896</b>  | <b>\$ 7,361,914</b>  | <b>\$ 8,562,783</b>  | <b>\$ 9,040,606</b>  |
| %Change (year over year)                            |                                       | -2.3%                            | -4.3%               | 1.9%                | 6.9%                 | 9.6%                 | 9.9%                 | 16.3%                | 5.6%                 |
| %Change (Test Year vs Last Rebasings Year - Actual) |                                       |                                  |                     |                     |                      |                      |                      |                      | 54.4%                |
| <b>Total</b>                                        | <b>\$ 9,572,448</b>                   | <b>\$ 9,653,596</b>              | <b>\$ 8,941,246</b> | <b>\$ 9,488,240</b> | <b>\$ 10,081,958</b> | <b>\$ 10,576,706</b> | <b>\$ 12,109,938</b> | <b>\$ 12,854,668</b> | <b>\$ 13,260,337</b> |
| %Change (year over year)                            |                                       | 0.8%                             | -7.4%               | 6.1%                | 6.3%                 | 4.9%                 | 14.5%                | 6.1%                 | 3.2%                 |
| <b>Summary of OM&amp;A Expense with Changes</b>     |                                       |                                  |                     |                     |                      |                      |                      |                      |                      |
|                                                     | 2016 Last Rebasings Year OEB Approved | 2016 Last Rebasings Year Actuals | 2017 Actuals        | 2018 Actuals        | 2019 Actuals         | 2020 Actuals         | 2021 Actuals         | 2022 Bridge Year     | 2023 Test Year       |
| Operations <sup>4</sup>                             | \$ 1,993,286                          | \$ 2,048,998                     | \$ 1,897,672        | \$ 1,968,811        | \$ 2,083,159         | \$ 2,152,220         | \$ 2,787,520         | \$ 2,603,643         | \$ 2,789,326         |
| Maintenance <sup>5</sup>                            | \$ 1,583,125                          | \$ 1,748,350                     | \$ 1,437,233        | \$ 1,804,161        | \$ 1,890,242         | \$ 1,728,590         | \$ 1,960,504         | \$ 1,688,242         | \$ 1,430,405         |
| Billing and Collecting <sup>6</sup>                 | \$ 1,924,409                          | \$ 1,823,188                     | \$ 1,928,847        | \$ 1,786,132        | \$ 1,783,154         | \$ 1,877,132         | \$ 1,852,684         | \$ 2,092,792         | \$ 2,398,638         |
| Community Relations <sup>7</sup>                    | \$ 20,071                             | \$ 8,680                         | \$ 14,094           | \$ 10,120           | \$ 9,650             | \$ 17,500            | \$ 8,094             | \$ 94,100            | \$ 55,837            |
| Administrative and General <sup>8</sup>             | \$ 4,051,557                          | \$ 4,024,379                     | \$ 3,663,400        | \$ 3,919,016        | \$ 4,315,753         | \$ 4,801,264         | \$ 5,501,136         | \$ 6,375,891         | \$ 6,586,131         |
| <b>Total</b>                                        | <b>\$ 9,572,448</b>                   | <b>\$ 9,653,596</b>              | <b>\$ 8,941,246</b> | <b>\$ 9,488,240</b> | <b>\$ 10,081,958</b> | <b>\$ 10,576,706</b> | <b>\$ 12,109,938</b> | <b>\$ 12,854,668</b> | <b>\$ 13,260,337</b> |
| %Change (year over year)                            |                                       | 0.8%                             | -7.4%               | 6.1%                | 6.3%                 | 4.9%                 | 14.5%                | 6.1%                 | 3.2%                 |

**Table 1.2B: Summary of OM&A Expense with Changes**

| OM&A Cost Category         | 2023 Test Year       | 2023 Test Year       | Change           | 2023 Test Year       | Change               | Total Change         |
|----------------------------|----------------------|----------------------|------------------|----------------------|----------------------|----------------------|
|                            | Original Application | Updates with IRRs    |                  | Settlement Proposal  |                      |                      |
| Operations                 | \$ 3,803,779         | \$ 3,803,779         | \$ -             | \$ 2,789,327         | -\$ 1,014,452        | -\$ 1,014,452        |
| Maintenance                | \$ 1,568,935         | \$ 1,568,935         | \$ -             | \$ 1,430,405         | -\$ 138,530          | -\$ 138,530          |
| Billing and Collecting     | \$ 2,191,670         | \$ 2,191,670         | \$ -             | \$ 2,398,638         | \$ 206,968           | \$ 206,968           |
| Community Relations        | \$ 115,837           | \$ 115,837           | \$ -             | \$ 55,837            | -\$ 60,000           | -\$ 60,000           |
| Administrative and General | \$ 7,453,317         | \$ 7,480,117         | \$ 26,800        | \$ 6,586,131         | -\$ 893,986          | -\$ 867,186          |
| <b>Total OM&amp;A</b>      | <b>\$ 15,133,537</b> | <b>\$ 15,160,337</b> | <b>\$ 26,800</b> | <b>\$ 13,260,338</b> | <b>-\$ 1,900,000</b> | <b>-\$ 1,873,200</b> |

Based on the foregoing and the evidence filed by Milton Hydro, the Parties agree that the level of planned OM&A expenditures, as modified in this Settlement Proposal along with the rationale for planning and pacing choices are appropriate and adequately explained, giving due consideration to<sup>3</sup>:

- The customer feedback and preferences as more fully detailed in Exhibit 1 at Section 1.2.6.1 Summary of Milton Hydro Business Planning Objectives; Section 1.2.6.2 Overview of Budget Process and Methodology; Section 1.7 Customer Engagement; Section 1.8.1 Customer Focus; Exhibit 2, Attachment 2-2

<sup>3</sup> See footnote 2, above.

Distribution System Plan page 18 of 132 (Addressing Customer Preferences and Expectations), page 23 of 132 (Customer Consultation), page 102 of 132 (Prioritization and Pacing of Investments); Exhibit 2, Attachment 2-2 Distribution System Plan, Appendix D Asset Management Plan page 7 (Addressing Customer Preferences for Distribution System Development); and Exhibit 2, Attachment 2-2 Distribution System Plan Appendix I Customer Engagement Summary Report on Milton Hydro's Investment Planning (Direct Consultation on the DSP);

- Milton Hydro's productivity initiatives as more fully detailed in Exhibit 1 Sections 1.2.5, 1.9 Facilitating Innovation; Exhibit 4, Section 4.4.2.6 Productivity & Continuous Improvement;
- Milton Hydro's benchmarking performance as more fully detailed in Exhibit 1 Section 1.8.6, 1.8.7, and 1.8.8;
- Milton Hydro's past reliability and service quality performance as more fully detailed in Exhibit 1 Section 1.8.2, Exhibit 2 Section 2.18 pages 83 to 85 of 86; Exhibit 2 Attachment 2-2 Distribution System Plan pages 40 and 41 of 132 (Summary of 2023 – 2027 Performance Targets);
- The total impact on distribution rates as more fully detailed in Appendix D – 2023 Bill Impacts, to this Settlement Proposal;
- The settlement on OM&A is described under issue 1.2 of this Settlement Proposal;
- Milton Hydro's performance meeting government-mandated obligations as more fully detailed in Exhibit 1 Section 1.2.7, 1.8.3; Exhibit 2 Attachment 2-2 Distribution System Plan page 59 to 61 of 132 (Asset Management Objectives);
- Milton Hydro's objectives and those of its customers as more fully detailed in Exhibit 1 Sections 1.2.4 to 1.2.7, and Exhibit 2, Attachment 2-2 Distribution System Plan, Appendix I Customer Engagement Summary Report on Milton Hydro's Investment Planning;
- Milton Hydro's distribution system plan as fully detailed in Exhibit 2 Attachment 2-2 Distribution System Plan; and
- Milton Hydro's business plan as fully detailed in Exhibit 1 Section 1.2.6, and Exhibit 1, Attachment 1-2 2023 Budget and 2024-2027 Forecast.

**Evidence:**

***Application:*** Exhibit 4, Sections 4.1, 4.2, 4.3, and 4.4;

***OEB Staff Clarification Questions:*** Question 1;

***IRRs:*** 1-Staff-5; 1-Staff-9; 1-CCC-4; 1-CCC-11; 1-VECC-6; 1-VECC-7; 1-JOL Shewchun-3; 4-Staff-58 through 4-Staff-78; 4-SEC-032; 4-VECC-32 through 4-VECC-53; 4-JOL Shewchun-4; 4-JOL Shewchun-6;

***Clarification Responses:*** VECC-70; 1-Staff-96;

***Chapter 2 Appendices updated for this Settlement Proposal:*** Appendix 2-JA OM&A Summary Analysis; Appendix 2-JB OM&A Cost Drivers; Appendix 2-JC OM&A Programs; Appendix 2-K Employee Costs; 2-L OM&A per Cust/FTE; Appendix 2-M Regulatory Costs;

***Appendices to this Settlement Proposal:*** Appendix A – Updated 2023 Revenue Requirement Work Form

***Settlement Models:***

MHDI\_2023\_Rev\_Reqt\_Workform\_Settlement\_20220826;  
MHDI\_2023\_Ch2\_Appendices\_Settlement\_20220826;

**Supporting Parties:** All

**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?*

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

**Complete Settlement:** The Parties agree that all elements of the revenue requirement, as modified in this Settlement Proposal, are reasonable, have been accurately determined and are in accordance with OEB policies and practices.

Table 2.2A below (that was reproduced from the 2023 Revenue Requirement Workform and Appendix 2-BA Fixed Asset Continuity 2023 in relation to depreciation) provides the agreed upon elements of Milton Hydro’s 2023 revenue requirement.

**Table 2.2A: 2023 Revenue Requirement**

| Component                          | Item Description                 | Original Application | Updates with IRRs | Change    | Settlement Proposal | Change        | Total Change  |
|------------------------------------|----------------------------------|----------------------|-------------------|-----------|---------------------|---------------|---------------|
| <b>Service Revenue Requirement</b> | OM&A                             | \$ 15,133,537        | \$ 15,160,337     | \$ 26,800 | \$ 13,260,337       | -\$ 1,900,000 | -\$ 1,873,200 |
|                                    | Amortization Expense             | \$ 4,916,957         | \$ 4,916,957      | \$ -      | \$ 4,853,207        | -\$ 63,750    | -\$ 63,750    |
|                                    | Return on Rate Base              | \$ 6,238,100         | \$ 6,246,778      | \$ 8,678  | \$ 6,282,235        | \$ 35,457     | \$ 44,135     |
|                                    | Grossed-Up PILS                  | \$ 684,115           | \$ 686,089        | \$ 1,973  | \$ 742,926          | \$ 56,837     | \$ 58,811     |
|                                    | Service Revenue Requirement      | \$ 26,972,709        | \$ 27,010,161     | \$ 37,452 | \$ 25,138,705       | -\$ 1,871,455 | -\$ 1,834,004 |
| <b>Revenue Offsets</b>             | Less: Other Revenues             | \$ 2,201,364         | \$ 2,201,364      | \$ -      | \$ 2,210,052        | \$ 8,688      | \$ 8,688      |
| <b>Base Revenue Requirement</b>    | Base Revenue Requirement         | \$ 24,771,345        | \$ 24,808,797     | \$ 37,452 | \$ 22,928,653       | -\$ 1,880,143 | -\$ 1,842,692 |
| <b>Revenue Deficiency</b>          | Revenue at Existing Rates        | \$ 20,420,991        | \$ 20,412,730     | -\$ 8,261 | \$ 20,575,746       | \$ 163,016    | \$ 154,755    |
|                                    | Revenue Deficiency/(Sufficiency) | \$ 4,350,354         | \$ 4,396,067      | \$ 45,713 | \$ 2,352,907        | -\$ 2,043,160 | -\$ 1,997,447 |

The subsections below summarize the key components of the revenue requirement:

a) **Rate Base:** The Parties agree that the rate base calculations, as modified in this Settlement Proposal, are appropriate and have been determined in accordance with OEB policies and practices.

Table 2.2B below (reproduced from the 2023 Revenue Requirement Workform) provides the agreed upon elements of the 2023 rate base.

b) **Working Capital:** The Parties agree that the working capital, including cost of power calculations, as presented in the Settlement Proposal are appropriate and have been determined in accordance with OEB policies and practices. This Settlement Proposal also incorporates the Regulated Price Plan pricing, in the 2023 Cost of Power from the OEB’s Regulated Price Plan Price Report for November 1, 2021 to October 31, 2022 (released October 21, 2021). Prior to finalizing its Rate Order, Milton Hydro will make updates to the Cost of Power when the OEB issues its Regulated Price Plan Price Report for November 1, 2022 to October 31, 2023, expected in October 2022.

Tables 2.2B (reproduced from the 2023 Revenue Requirement Workform) and 2.2C (reproduced from Appendix 2-ZB – Cost of Power) identify the agreed upon elements of the working capital and cost of power.

**Table 2.2B: 2023 Rate Base**

| Rate Base Component                    | Item Description                       | Original Application | Updates with IRRs | Change       | Settlement Proposal | Change        | Total Change  |
|----------------------------------------|----------------------------------------|----------------------|-------------------|--------------|---------------------|---------------|---------------|
| Average Net Book Value of Fixed Assets | Opening Gross Fixed Assets             | \$ 182,809,837       | \$ 182,809,837    | \$ -         | \$ 181,809,837      | -\$ 1,000,000 | -\$ 1,000,000 |
|                                        | Closing Gross Fixed Assets             | \$ 191,319,676       | \$ 191,319,676    | \$ -         | \$ 189,319,676      | -\$ 2,000,000 | -\$ 2,000,000 |
|                                        | Average Gross Fixed Assets             | \$ 187,064,756       | \$ 187,064,756    | \$ -         | \$ 185,564,756      | -\$ 1,500,000 | -\$ 1,500,000 |
|                                        | Opening Accumulated Depreciation       | -\$ 79,893,749       | -\$ 79,893,749    | \$ -         | -\$ 79,872,499      | \$ 21,250     | \$ 21,250     |
|                                        | Closing Accumulated Depreciation       | -\$ 84,187,108       | -\$ 84,187,108    | \$ -         | -\$ 84,102,108      | \$ 85,000     | \$ 85,000     |
|                                        | Average Accumulated Depreciation       | -\$ 82,040,429       | -\$ 82,040,429    | \$ -         | -\$ 81,987,304      | \$ 53,125     | \$ 53,125     |
|                                        | Average Net Book Value of Fixed Assets | \$ 105,024,328       | \$ 105,024,328    | \$ -         | \$ 103,577,453      | -\$ 1,446,875 | -\$ 1,446,875 |
| Working Capital Allowance              | Controllable Expenses                  | \$ 15,133,537        | \$ 15,160,337     | \$ 26,800    | \$ 13,260,337       | -\$ 1,900,000 | -\$ 1,873,200 |
|                                        | Cost of Power                          | \$ 98,955,674        | \$ 101,035,704    | \$ 2,080,030 | \$ 103,003,596      | \$ 1,967,892  | \$ 4,047,922  |
|                                        | Total Working Capital                  | \$ 114,089,211       | \$ 116,196,041    | \$ 2,106,830 | \$ 116,263,933      | \$ 67,892     | \$ 2,174,722  |
|                                        | Working Capital Allowance Rate         | 7.50%                | 7.50%             | 0.00%        | 7.50%               | 0.00%         | 0.00%         |
|                                        | Working Capital Allowance              | \$ 8,556,691         | \$ 8,714,703      | \$ 158,012   | \$ 8,719,795        | \$ 5,092      | \$ 163,104    |
| <b>2023 Rate Base</b>                  | 2023 Rate Base                         | \$ 113,581,019       | \$ 113,739,031    | \$ 158,012   | \$ 112,297,248      | -\$ 1,441,783 | -\$ 1,283,771 |

**Table 2.2C: 2023 Cost of Power**

| Cost of Power Component          | Original Application | Updates with IRRs | Change       | Settlement Proposal | Change       | Total Change |
|----------------------------------|----------------------|-------------------|--------------|---------------------|--------------|--------------|
| Power Purchased                  | \$ 64,086,911        | \$ 64,035,395     | -\$ 51,515   | \$ 65,019,425       | \$ 984,029   | \$ 932,514   |
| Global Adjustment                | \$ 25,741,969        | \$ 25,712,952     | -\$ 29,017   | \$ 26,713,115       | \$ 1,000,164 | \$ 971,147   |
| Wholesale Market Service Charges | \$ 3,579,866         | \$ 3,576,801      | -\$ 3,065    | \$ 3,661,600        | \$ 84,799    | \$ 81,734    |
| Transmission Network Charges     | \$ 8,082,798         | \$ 9,307,133      | \$ 1,224,335 | \$ 9,270,505        | -\$ 36,628   | \$ 1,187,707 |
| Transmission Connection Charges  | \$ 6,047,380         | \$ 6,753,519      | \$ 706,139   | \$ 6,728,685        | -\$ 24,833   | \$ 681,305   |
| Low Voltage Charges              | \$ 1,022,129         | \$ 1,456,541      | \$ 434,412   | \$ 1,440,104        | -\$ 16,436   | \$ 417,976   |
| Smart Meter Entity Charge        | \$ 294,650           | \$ 294,650        | \$ -         | \$ 294,650          | \$ -         | \$ -         |
| Ontario Energy Rebate            | -\$ 9,900,029        | -\$ 10,101,287    | -\$ 201,258  | -\$ 10,124,490      | -\$ 23,202   | -\$ 224,460  |
| <b>Total Cost of Power</b>       | \$ 98,955,674        | \$ 101,035,704    | \$ 2,080,031 | \$ 103,003,596      | \$ 1,967,892 | \$ 4,047,922 |

- c) **Cost of Capital:** The Parties agree the cost of capital parameters, as modified in this Settlement Proposal, are appropriate and have been determined in accordance with OEB policies and practices.

This Settlement Proposal has not incorporated any placeholders relating to the OEB's cost of capital parameters. Parties have agreed to the following:

- The 2022 OEB return on equity of 8.66% will be used to calculate the Return on Equity component of the 2023 Revenue Requirement.
- The 2022 OEB short term debt rate of 1.17% will be used to calculate the interest on short term debt for 2023.
- While the Parties have agreed that, in relation to the new long term debt issuances in 2022, Milton Hydro would use the lower of 4.00% or the actual long term debt rate obtained to calculate the weighted average long term debt rate, as of the date of this Settlement Proposal, Milton Hydro has already acquired the new debt at the rate of 3.983%. As a result, it has used

the new debt rate of 3.983% for the new debt issuances in 2022 and incorporated it in its weighted average long term debt rate used in its cost of capital calculations. The resulting weighted average long term debt rate for 2023 is 3.72%.

Table 2.2D (reproduced from the 2023 Revenue Requirement Workform and Appendix 2-OB Debt Instruments) provides the agreed upon elements of the cost of capital.

**Table 2.2D: 2023 Cost of Capital**

| Cost of Capital Element        | Item Description                     | Original Application | Updates with IRRs | Change     | Settlement Proposal | Change        | Total Change  |
|--------------------------------|--------------------------------------|----------------------|-------------------|------------|---------------------|---------------|---------------|
| <b>Capitalization Ratios</b>   | Long Term Debt                       | 56.00%               | 56.00%            | 0.00%      | 56.00%              | 0.00%         | 0.00%         |
|                                | Short Term Debt                      | 4.00%                | 4.00%             | 0.00%      | 4.00%               | 0.00%         | 0.00%         |
|                                | Total Debt                           | 60.00%               | 60.00%            | 0.00%      | 60.00%              | 0.00%         | 0.00%         |
|                                | Equity                               | 40.00%               | 40.00%            | 0.00%      | 40.00%              | 0.00%         | 0.00%         |
|                                | Total Debt & Equity                  | 100.00%              | 100.00%           | 0.00%      | 100.00%             | 0.00%         | 0.00%         |
| <b>Allocation of Rate Base</b> | Long Term Debt                       | \$ 63,605,370        | \$ 63,693,857     | \$ 88,487  | \$ 62,886,459       | -\$ 807,399   | -\$ 718,912   |
|                                | Short Term Debt                      | \$ 4,543,241         | \$ 4,549,561      | \$ 6,320   | \$ 4,491,890        | -\$ 57,671    | -\$ 51,351    |
|                                | Equity                               | \$ 45,432,407        | \$ 45,495,612     | \$ 63,205  | \$ 44,918,899       | -\$ 576,713   | -\$ 513,508   |
|                                | Total Rate Base                      | \$ 113,581,019       | \$ 113,739,031    | \$ 158,012 | \$ 112,297,248      | -\$ 1,441,783 | -\$ 1,283,771 |
| <b>Rates of Return</b>         | Weighted Average Long Term Debt Rate | 3.54%                | 3.54%             | 0.00%      | 3.72%               | 0.18%         | 0.18%         |
|                                | Short Term Debt Rate                 | 1.17%                | 1.17%             | 0.00%      | 1.17%               | 0.00%         | 0.00%         |
|                                | Return on Equity                     | 8.66%                | 8.66%             | 0.00%      | 8.66%               | 0.00%         | 0.00%         |
|                                | Weighted Average Cost of Capital     | 5.49%                | 5.49%             | 0.00%      | 5.59%               | 0.10%         | 0.10%         |
| <b>Return on Rate Base</b>     | Long Term Debt                       | \$ 2,250,497         | \$ 2,253,628      | \$ 3,131   | \$ 2,339,703        | \$ 86,075     | \$ 89,206     |
|                                | Short Term Debt                      | \$ 53,156            | \$ 53,230         | \$ 74      | \$ 52,555           | -\$ 675       | -\$ 601       |
|                                | Return on Equity                     | \$ 3,934,446         | \$ 3,939,920      | \$ 5,474   | \$ 3,889,977        | -\$ 49,943    | -\$ 44,470    |
|                                | Total Return on Rate Base            | \$ 6,238,100         | \$ 6,246,778      | \$ 8,678   | \$ 6,282,235        | \$ 35,457     | \$ 44,135     |

- d) **Other Revenue:** The Parties agree that the other revenue calculations, as presented in this Settlement Proposal, are appropriate and have been determined in accordance with OEB policies and practices.

Though not resulting in any modifications to Milton Hydro’s proposed Other Revenue, the Parties agree that Milton Hydro will undertake an independent third-party review of its methodology to allocate common costs among its affiliates and produce a report as part of its next rebasing application. The intent of the study is to ensure that Milton Hydro’s methodology to allocate cost between its affiliates is reasonable and complies with relevant provisions of the OEB’s *Affiliate Relationship Code for Electricity Distributors and Transmitters*.

Table 2.2E below (reproduced from the 2023 Revenue Requirement Workform and Appendix 2-H Other Operating Revenue) identified the agreed upon elements of the 2023 Other Revenue.

**Table 2.2E: 2023 Other Revenue**

| Other Revenue Category     | Accounts Included            | Original Application | Updates with IRRs | Change | Settlement Proposal | Change   | Total Change |
|----------------------------|------------------------------|----------------------|-------------------|--------|---------------------|----------|--------------|
| Specific Service Charges   | 4235                         | \$ 321,846           | \$ 321,846        | \$ -   | \$ 321,846          | \$ -     | \$ -         |
| Late Payment Charges       | 4225                         | \$ 226,280           | \$ 226,280        | \$ -   | \$ 226,280          | \$ -     | \$ -         |
| Other Revenue              | 4082, 4084, 4086, 4210, 4245 | \$ 1,119,716         | \$ 1,119,716      | \$ -   | \$ 1,128,404        | \$ 8,688 | \$ 8,688     |
| Other Income or Deductions | 4362, 4390, 4405             | \$ 533,522           | \$ 533,522        | \$ -   | \$ 533,522          | \$ -     | \$ -         |
| Total Other Revenues       |                              | \$ 2,201,364         | \$ 2,201,364      | \$ -   | \$ 2,210,052        | \$ 8,688 | \$ 8,688     |

- e) **Depreciation:** The Parties agree that the depreciation calculations, as modified in this Settlement Proposal are appropriate and have been determined in accordance with OEB policies and practices. Table 2.2F below identifies the elements of depreciation expense.

**Table 2.2F: 2022 & 2023 Depreciation Expense**

| CCA Class | OEB Account | Description                                                 | 2022 Depreciation |                     |            | 2023 Depreciation |                     |            |
|-----------|-------------|-------------------------------------------------------------|-------------------|---------------------|------------|-------------------|---------------------|------------|
|           |             |                                                             | IRR Version       | Settlement Proposal | Difference | IRR Version       | Settlement Proposal | Difference |
| 47        | 1609        | Capital Contributions Paid (Other Intangible Assets)        | \$ 50,073         | \$ 50,073           | \$ -       | \$ 50,073         | \$ 50,073           | \$ -       |
| 5         | 1611        | Computer Software                                           | \$ 263,251        | \$ 253,251          | \$ 10,000  | \$ 284,063        | \$ 254,063          | \$ 30,000  |
| 0         | 1725        | Poles, Towers and Fixtures                                  | \$ -              | \$ -                | \$ -       | \$ -              | \$ -                | \$ -       |
| 0         | 1730        | Overhead Conductors and Devices                             | \$ -              | \$ -                | \$ -       | \$ -              | \$ -                | \$ -       |
| N/A       | 1805        | Land                                                        | \$ -              | \$ -                | \$ -       | \$ -              | \$ -                | \$ -       |
| 47        | 1820        | Distribution Station Equipment Normally Primary below 50 kV | \$ 934            | \$ 934              | \$ -       | \$ 2,684          | \$ 2,684            | \$ -       |
| 47        | 1830        | Poles, Towers and Fixtures                                  | \$ 758,391        | \$ 758,391          | \$ -       | \$ 805,667        | \$ 805,667          | \$ -       |
| 47        | 1835        | Overhead Conductors and Devices                             | \$ 478,207        | \$ 478,207          | \$ -       | \$ 513,169        | \$ 513,169          | \$ -       |
| 47        | 1840        | Underground Conduit                                         | \$ 803,552        | \$ 803,552          | \$ -       | \$ 826,993        | \$ 826,993          | \$ -       |
| 47        | 1845        | Underground Conductors and Devices                          | \$ 539,020        | \$ 539,020          | \$ -       | \$ 563,344        | \$ 563,344          | \$ -       |
| 47        | 1850        | Line Transformers                                           | \$ 986,386        | \$ 975,136          | \$ 11,250  | \$ 1,038,712      | \$ 1,004,962        | \$ 33,750  |
| 47        | 1855        | Services                                                    | \$ 371,366        | \$ 371,366          | \$ -       | \$ 385,721        | \$ 385,721          | \$ -       |
| 47        | 1860        | Meters                                                      | \$ 1,019,722      | \$ 1,019,722        | \$ -       | \$ 891,510        | \$ 891,510          | \$ -       |
| N/A       | 1905        | Land                                                        | \$ -              | \$ -                | \$ -       | \$ -              | \$ -                | \$ -       |
| 1b        | 1908        | Buildings and Fixtures                                      | \$ 222,827        | \$ 222,827          | \$ -       | \$ 233,947        | \$ 233,947          | \$ -       |
| 13        | 1910        | Leasehold Improvements                                      | \$ -              | \$ -                | \$ -       | \$ -              | \$ -                | \$ -       |
| 8         | 1915        | Office Furniture and Equipment                              | \$ 42,168         | \$ 42,168           | \$ -       | \$ 42,168         | \$ 42,168           | \$ -       |
| 50        | 1920        | Computer Equipment Hardware                                 | \$ 91,634         | \$ 91,634           | \$ -       | \$ 97,604         | \$ 97,604           | \$ -       |
| 12        | 1925        | Computer Software                                           | \$ -              | \$ -                | \$ -       | \$ -              | \$ -                | \$ -       |
| 10        | 1930        | Transportation Equipment                                    | \$ 290,228        | \$ 290,228          | \$ -       | \$ 324,363        | \$ 324,363          | \$ -       |
| 8         | 1935        | Stores Equipment                                            | \$ 25,472         | \$ 25,472           | \$ -       | \$ 27,555         | \$ 27,555           | \$ -       |
| 8         | 1940        | Tools, Shop and Garage Equipment                            | \$ 37,298         | \$ 37,298           | \$ -       | \$ 40,452         | \$ 40,452           | \$ -       |
| 8         | 1945        | Measurement and Testing Equipment                           | \$ 6,481          | \$ 6,481            | \$ -       | \$ 4,546          | \$ 4,546            | \$ -       |
| 8         | 1955        | Communication Equipment                                     | \$ 44,574         | \$ 44,574           | \$ -       | \$ 43,583         | \$ 43,583           | \$ -       |
| 8         | 1980        | System Supervisory Equipment                                | \$ 165,163        | \$ 165,163          | \$ -       | \$ 186,255        | \$ 186,255          | \$ -       |
| 47        | 1990        | Other Tangible Property                                     | \$ -              | \$ -                | \$ -       | \$ -              | \$ -                | \$ -       |
| 0         | 1995        | Contributions and Grants                                    | -\$ 1,101,130     | -\$ 1,101,130       | \$ -       | -\$ 1,095,885     | -\$ 1,095,885       | \$ -       |
|           | various     | Major Spare Parts                                           | \$ 15,250         | \$ 15,250           | \$ -       | \$ 15,250         | \$ 15,250           | \$ -       |
|           |             | Sub-Total                                                   | \$ 5,110,865      | \$ 5,089,615        | -\$ 21,250 | \$ 5,281,772      | \$ 5,218,022        | -\$ 63,750 |
|           | 2440        | Capital contributions - Distribution                        | -\$ 619,375       | -\$ 619,375         | \$ -       | -\$ 688,413       | -\$ 688,413         | \$ -       |
|           |             | Total                                                       | \$ 4,491,491      | \$ 4,470,241        | -\$ 21,250 | \$ 4,593,359      | \$ 4,529,609        | -\$ 63,750 |
| 10        | 1930        | Transportation                                              | - 290,228         | - 290,228           | \$ -       | - 324,363         | - 324,363           | \$ -       |
| 8         | 1940        | Tools                                                       | - 37,298          | - 37,298            | \$ -       | - 40,452          | - 40,452            | \$ -       |
|           | 2440        | Capital Contributions                                       | 619,375           | 619,375             | \$ -       | 688,413           | 688,413             | \$ -       |
|           |             | Total                                                       | 4,783,340         | 4,762,090           | - 21,250   | 4,916,957         | 4,853,207           | - 63,750   |

- f) **PILs:** The Parties agree that the PILs calculations, as updated to reflect this Settlement Proposal, have been appropriately determined in accordance with OEB policies and practices.

Milton Hydro has incorporated a 5-year smoothing method of capital cost allowance (CCA) to reflect the fact that the CCA is gradually declining from the high point in 2023, through to the phase out by 2027. The Parties agree that Milton

Hydro will utilize DVA Account 1592 - PILs and Tax Variances, Sub-account CCA Changes to record the impact of any further changes of the current tax laws and rules governing CCA from the CCA rules that are currently anticipated for the phase out of accelerated CCA (i.e. the sub-account will not record any new entries, unless there are further changes to the current tax laws and rules or if the OEB orders otherwise). For greater certainty, it is the intention of the Parties that if the accelerated CCA is continued past its scheduled expiry date, a credit will be booked for the benefit of ratepayers, to be returned to them in accordance with the OEB's policies for deferral and variance account dispositions.

Table 2.2G below (reproduced from the Revenue Requirement Workform and PILs Income tax model) identifies the agreed upon elements of the PILs.

**Table 2.2G: 2023 PILS Income Tax**

| Description                                       | Original Application | Updates with IRRs | Change  | Settlement Proposal | Change    | Total Change |
|---------------------------------------------------|----------------------|-------------------|---------|---------------------|-----------|--------------|
| Regulatory Taxable Income                         | \$1,912,869          | \$1,918,343       | \$5,474 | \$2,075,986         | \$157,643 | \$163,117    |
| Combined effective tax rate                       | 26.50%               | 26.50%            | \$0     | 26.50%              | 0.00%     | \$0          |
| Total Income Taxes                                | \$506,910            | \$508,361         | \$1,450 | \$550,136           | \$41,775  | \$43,226     |
| Total Tax Credits                                 | \$4,085              | \$4,085           | \$0     | \$4,085             | \$0       | \$0          |
| Corporate PILs/Income Tax Provision for Test Year | \$502,825            | \$504,275         | \$1,450 | \$546,051           | \$41,775  | \$43,226     |
| Corporate PILs/Income Tax Provision Gross Up      | \$181,291            | \$181,814         | \$523   | \$196,875           | \$15,062  | \$15,585     |
| Income Tax (Grossed Up)                           | \$684,115            | \$686,089         | \$1,973 | \$742,926           | \$56,837  | \$58,811     |

**Evidence:**

**Application:** Exhibit 1 Section 1.6.1; Exhibit 2 Sections 2.2, 2.8; Exhibit 3 Section 3.12; Exhibit 4 Sections 4.6, 4.7; Exhibit 5 Section 5.1, 5.2; Exhibit 6 Section 6.2;

**OEB Staff Clarification Questions:** Question-3; Question-4; Question-7;

**IRRs:** 1-Staff-1; 3-VECC-31; 4-CCC-21; 4-Staff-77; 4-Staff-78; 5-Staff-79; 5-VECC-54; 5-VECC-55;

**Clarification Responses:** VECC-69;

**Chapter 2 Appendices updated for this Settlement Proposal:**

Appendix 2-BA Fixed Asset Cont 2023; Appendix 2-H Other Oper Rev; Appendix 2-OA Capital Structure; Appendix 2-OB Debt Instruments 23; Appendix 2-ZA Com Exp. Forecast; Appendix 2-ZB Cost of Power;

**Appendices to this Settlement Proposal:**

Appendix A – Updated 2023 Revenue Requirement Work Form; Appendix D – 2023 Bill Impacts; Appendix E – 2023 Proposed Tariff of Rates and Charges;

***Settlement Models:***

MHDI\_2023\_Test\_year\_Income\_Tax\_Settlement\_20220826;

MHDI\_2023\_Rev\_Reqt\_Workform\_Settlement\_20220826;

MHDI\_2023\_Ch2\_Appendices\_Settlement\_20220826;

**Supporting Parties:** All

**Parties Taking No Position:** None.

### 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 Milton Hydro's customers?*

**Complete Settlement:** The Parties agree that the customer forecast, load forecast, loss factors, conservation and demand management adjustments and the resulting billing determinants, as modified in this Settlement Proposal, are an appropriate reflection of the energy and demand requirements of Milton Hydro's customers.

The Parties further agree that Milton Hydro will make the following adjustments to its load forecast:

- Milton Hydro will use the Toronto FTEs (seasonally adjusted) as an economic variable in the multiple regression Load Forecast for the General Service 50 to 999 kW Class. In accordance with the response to interrogatory, 3-VECC-27(c), Milton Hydro will update its Load Forecast for the General Service 50 to 999 kW Class, and will use the more recent 2022 and 2023 FTE growth forecasts as the basis for an economic forecast;
- In 2021, Milton Hydro reclassified three customers from the General Service 1,000 to 4,999 kW Class to the General Service 50 to 999 kW Class due to reduced demands relating to the COVID-19 pandemic. Milton Hydro will update the kWh and kW forecasts for the General Service 1,000 to 4,999 kW Class by using the 2021 average annual consumption per customer for the General Service 1,000 to 4,999 kW Class as the basis for the 2023 volumes as it reflects a more accurate forecast;
- For the kW demand forecasts in its original evidence, Milton Hydro used the 5-year average for the kW/kWh Ratio for the General Service 1,000 to 4,999 kWh Class, and the Large User Class, and for the General Service 50 to 999 kW Class, it used the 10-year average for the kW/kWh Ratio. Milton Hydro will update the forecast for the General Service 50 to 999 kW Class and use the 5-year average kW/kWh Ratio to provide consistency in forecasting kW demand for all three demand billed commercial classes;
- Milton Hydro originally made a CDM adjustment in its evidence in its load forecast based on the average annual CDM savings including persisting savings over the period from 2023 to 2027. Milton Hydro will use only the CDM adjustment related to the 2023 CDM program savings, as the savings are solely associated with the test year. As a result, Milton Hydro will use 8.9 GWhs as the 2023 CDM adjustment.

The load, consumption, and customer forecast results are reproduced below as Table 3.1A:

**Table 3.1A: 2023 Load, Consumption, and Customer Forecasts**

| Rate Class                           | Billing Determinant UOM | Original Application | Updates with IRRs | Change    | Settlement Proposal | Change     | Total Change |
|--------------------------------------|-------------------------|----------------------|-------------------|-----------|---------------------|------------|--------------|
| Residential                          | Customers               | 40,088               | 40,088            | -         | 40,088              | -          | -            |
|                                      | kWh                     | 353,525,758          | 353,425,359       | - 100,399 | 354,110,615         | 685,257    | 584,857      |
| General Service < 50 kW              | Customers               | 2,990                | 2,990             | -         | 2,990               | -          | -            |
|                                      | kWh                     | 87,960,137           | 87,736,981        | - 223,156 | 89,710,183          | 1,973,202  | 1,750,045    |
| General Service 50 to 999 kW         | Customers               | 344                  | 344               | -         | 344                 | -          | -            |
|                                      | kWh                     | 221,296,244          | 220,860,823       | - 435,421 | 227,346,454         | 6,485,632  | 6,050,211    |
|                                      | kW                      | 595,236              | 594,064           | - 1,171   | 614,051             | 19,987     | 18,816       |
| General Service 1,000 to 4,999 kW    | Customers               | 12                   | 12                | -         | 12                  | -          | -            |
|                                      | kWh                     | 103,617,411          | 103,617,411       | -         | 112,314,102         | 8,696,691  | 8,696,691    |
|                                      | kW                      | 225,594              | 225,594           | -         | 244,528             | 18,934     | 18,934       |
| Large User                           | Customers               | 3                    | 3                 | -         | 3                   | -          | -            |
|                                      | kWh                     | 131,131,300          | 131,131,300       | -         | 135,178,242         | 4,046,942  | 4,046,942    |
|                                      | kW                      | 260,034              | 260,034           | -         | 268,059             | 8,025      | 8,025        |
| Streetlights                         | Connections             | 2,919                | 2,919             | -         | 2,919               | -          | -            |
|                                      | kWh                     | 5,077,522            | 5,077,522         | -         | 5,077,522           | -          | -            |
|                                      | kW                      | 14,179               | 14,179            | -         | 14,179              | -          | -            |
| Sentinel Lights                      | Connections             | 231                  | 231               | -         | 231                 | -          | -            |
|                                      | kWh                     | 134,831              | 134,831           | -         | 134,831             | -          | -            |
|                                      | kW                      | 378                  | 378               | -         | 378                 | -          | -            |
| Unmetered & Scattered Loads          | Connections             | 223                  | 223               | -         | 223                 | -          | -            |
|                                      | kWh                     | 1,067,791            | 1,067,791         | -         | 1,067,791           | -          | -            |
| Total Customers (where applicable)   |                         | 43,436               | 43,436            | -         | 43,436              | -          | -            |
| Total Connections (where applicable) |                         | 3,373                | 3,373             | -         | 3,373               | -          | -            |
| Total kWh                            |                         | 903,810,994          | 903,052,017       | - 758,977 | 924,939,740         | 21,887,723 | 21,128,746   |
| Total kW (where applicable)          |                         | 1,095,421            | 1,094,249         | - 1,171   | 1,141,196           | 46,946     | 45,775       |

The loss factor calculation is reproduced below as Table 3.1B:

**Table 3.1B: Appendix 2-R 2023 Loss Factor Calculation**

|                                                |                                                                                   | Historical Years |             |             |             |             | 5-Year Average |
|------------------------------------------------|-----------------------------------------------------------------------------------|------------------|-------------|-------------|-------------|-------------|----------------|
|                                                |                                                                                   | 2017             | 2018        | 2019        | 2020        | 2021        |                |
| <b>Losses Within Distributor's System</b>      |                                                                                   |                  |             |             |             |             |                |
| A(1)                                           | "Wholesale" kWh delivered to distributor (higher value)                           | 884,876,150      | 939,096,208 | 940,114,195 | 940,533,588 | 965,073,503 | 933,938,729    |
| A(2)                                           | "Wholesale" kWh delivered to distributor (lower value)                            | 882,054,103      | 936,138,226 | 937,321,773 | 937,650,359 | 962,006,187 | 931,034,129    |
| B                                              | Portion of "Wholesale" kWh delivered to distributor for its Large Use Customer(s) | 136,915,459      | 139,246,978 | 145,208,070 | 129,870,395 | 138,468,120 | 137,941,805    |
| C                                              | Net "Wholesale" kWh delivered to distributor = A(2) - B                           | 745,138,644      | 796,891,248 | 792,113,703 | 807,779,964 | 823,538,067 | 793,092,325    |
| D                                              | "Retail" kWh delivered by distributor                                             | 856,466,997      | 907,643,862 | 908,021,378 | 909,453,215 | 935,004,221 | 903,317,934    |
| E                                              | Portion of "Retail" kWh delivered by distributor to its Large Use Customer(s)     | 136,200,949      | 138,520,301 | 144,450,284 | 129,192,650 | 137,745,507 | 137,221,938    |
| F                                              | Net "Retail" kWh delivered by distributor = D - E                                 | 720,266,048      | 769,123,561 | 763,571,094 | 780,260,564 | 797,258,714 | 766,095,996    |
| G                                              | Loss Factor in Distributor's system = C / F                                       | 1.0345           | 1.0361      | 1.0374      | 1.0353      | 1.0330      | 1.0352         |
| <b>Losses Upstream of Distributor's System</b> |                                                                                   |                  |             |             |             |             |                |
| H                                              | Supply Facilities Loss Factor                                                     | 1.0032           | 1.0032      | 1.0030      | 1.0031      | 1.0032      | 1.0031         |
| <b>Total Losses</b>                            |                                                                                   |                  |             |             |             |             |                |
| I                                              | Total Loss Factor = G x H                                                         | 1.0378           | 1.0394      | 1.0405      | 1.0385      | 1.0363      | 1.0385         |



**Evidence:**

***Application:*** Exhibit 1, Section 1.6; Exhibit 3 Section 3.2, Section 3.3, Section 3.4, Section 3.5, Section 3.9; Exhibit 8 Section 8.9;

***OEB Staff Clarification Questions:*** Question-8;

***IRRs:*** 1-Staff-1, 3-Staff-51 through 3-Staff-57; 3-CCC-13; 3-VECC-20 through 3-VECC-30; 7-Staff-82; 8-Staff-88;

***Clarification Responses:*** VECC-68;

***Chapter 2 Appendices updated for this Settlement Proposal:***

Appendix 2-IB Load Forecast Analysis; Appendix 2-R Loss Factor Calculation;

***Appendices to this Settlement Proposal:***

Appendix D – 2023 Bill Impacts

Appendix E – 2023 Proposed Tariff of Rates and Charges

***Settlement Models:***

MHDI\_2023\_Load\_Forecast\_Settlement\_20220826;

MHDI\_2023\_Rev\_Reqt\_Workform\_Settlement\_20220826;

MHDI\_2023\_Tariff\_and\_Bill\_Impact\_Settlement\_20220826;

MHDI\_2023\_Rate\_Design\_Settlement\_20220826

**Supporting Parties:** All

**Parties Taking No Position:** None.

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

**Complete Settlement:** The parties agree that the cost allocation methodology, allocations, and revenue-to-cost ratios, as modified in this Settlement Proposal, are appropriate.

The Parties further agree that Milton Hydro will move up the Sentinel Lighting Rate Class to a Revenue to Cost Ratio of 80% to bring it to the bottom of the OEB Revenue to Cost Ratio range. The revenue-to-cost ratios are reproduced below in Table 3.2A.

The Parties also agree that Milton Hydro will prepare a “made in Milton” hourly load profile study for each customer class to be used in its next rebasing application.

**Table 3.2A: Revenue to Cost Ratios**

| Rate Class                       | Revenue/Cost Ratios from Cost Allocation Model | Proposed Revenue/Cost Ratio | OEB Target Low | OEB Target High |
|----------------------------------|------------------------------------------------|-----------------------------|----------------|-----------------|
| Residential                      | 101.27%                                        | 101.27%                     | 85.00%         | 115.00%         |
| General Service < 50 kW          | 97.39%                                         | 97.39%                      | 80.00%         | 120.00%         |
| General Service 50 - 999 kW      | 92.64%                                         | 92.64%                      | 80.00%         | 120.00%         |
| General Service 1,000 - 4,999 kW | 117.75%                                        | 117.57%                     | 80.00%         | 120.00%         |
| Large User                       | 96.97%                                         | 96.97%                      | 85.00%         | 115.00%         |
| Street Lighting                  | 105.76%                                        | 105.76%                     | 80.00%         | 120.00%         |
| Sentinel Lighting                | 78.07%                                         | 80.00%                      | 80.00%         | 120.00%         |
| Unmetered and Scattered Load     | 101.33%                                        | 101.33%                     | 80.00%         | 120.00%         |

**Evidence:**

**Application:** Exhibit 1 Section 1.6, Exhibit 7 Section 7.1 through Section 7.6

**OEB Staff Clarification Questions:** None

**IRRs:** 1-Staff-1; 3-VEC-22; 7-Staff-80 through 7-Staff-83; 7-VECC-56 through 7-VECC-60; 8-Staff-84; 8-Staff-85; 8-VECC-61;

**Clarification Responses:** VECC-70

**Chapter 2 Appendices updated for this Settlement Proposal:** None

**Appendices to this Settlement Proposal:** Appendix D – 2023 Bill Impacts; Appendix E – 2023 Proposed Tariff of Rates and Charges

**Settlement Models:**

MHDI\_2023\_Cost\_Allocation\_Settlement\_20220826;

MHDI\_2023\_Load\_Forecast\_Settlement\_20220826;

MHDI\_2023\_Rev\_Reqt\_Workform\_Settlement\_20220826:

MHDI\_2023\_Tariff\_and\_Bill\_Impact\_Settlement\_20220826  
MHDI\_2023\_Rate\_Design\_Settlement\_20220826

**Supporting Parties:** All  
**Parties Taking No Position:** None

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

**Complete Settlement:** The Parties agree that Milton Hydro’s proposals for rate design, including the proposed fixed/variable splits, as further modified in this Settlement Proposal, are appropriate.

The Parties further agree that Milton Hydro will freeze the fixed rates where they exceed the Minimum System with Peak Load Carrying Capability (PLCC) Adjustment and increase the variable rate to fully allocate the Distribution Revenue Requirement for Rate Design purposes. Milton Hydro has frozen the fixed rates for the following classes as the current 2022 rates already exceed the PLCC:

- General Service 50 to 999 kW
- General Service 1,000 to 4,999 kW
- Large User
- Street Lighting

The proposed fixed-variable splits and resultant proposed rates are reproduced below in Tables 3.3A and 3.3B.

**Table 3.3A: Fixed/Variable Split of Distribution Revenue**

| Rate Class                       | Allocation Base Revenue Requirement | Percentage from Fixed Revenue | Percentage from Variable Revenue | Fixed Component of Revenue Requirement | Variable Component of Revenue Requirement | Transformer Allowance |
|----------------------------------|-------------------------------------|-------------------------------|----------------------------------|----------------------------------------|-------------------------------------------|-----------------------|
| Residential                      | \$ 16,017,491                       | 100.00%                       | 0.00%                            | \$ 16,017,491                          | -                                         |                       |
| General Service < 50 kW          | \$ 2,674,260                        | 27.48%                        | 72.52%                           | \$ 734,800                             | \$ 1,939,460                              |                       |
| General Service 50 - 999 kW      | \$ 2,648,033                        | 13.51%                        | 86.49%                           | \$ 357,856                             | \$ 2,332,984                              | -\$ 42,807            |
| General Service 1,000 - 4,999 kW | \$ 617,550                          | 15.91%                        | 84.09%                           | \$ 98,268                              | \$ 637,942                                | -\$ 118,660           |
| Large User                       | \$ 596,672                          | 16.44%                        | 83.56%                           | \$ 98,104                              | \$ 498,568                                |                       |
| Street Lighting                  | \$ 290,043                          | 32.37%                        | 67.63%                           | \$ 93,888                              | \$ 196,154                                |                       |
| Sentinel Lighting                | \$ 36,366                           | 49.21%                        | 50.79%                           | \$ 17,894                              | \$ 18,472                                 |                       |
| Unmetered and Scattered Load     | \$ 48,239                           | 54.11%                        | 45.89%                           | \$ 26,102                              | \$ 22,137                                 |                       |
| <b>Total</b>                     | <b>\$ 22,928,654</b>                | <b>75.55%</b>                 | <b>24.45%</b>                    | <b>\$ 17,444,403</b>                   | <b>\$ 5,645,717</b>                       | <b>-\$ 161,467</b>    |

**Table 3.3B: Proposed Distribution Rates**

| Rate Class                       | Variable Billing Determinant | Fixed Billing Determinant | Proposed Monthly Service Charge | Proposed Distribution Volumetric Rate |
|----------------------------------|------------------------------|---------------------------|---------------------------------|---------------------------------------|
| Residential                      | N/A                          | Customer                  | \$ 33.30                        | N/A                                   |
| General Service < 50 kW          | kWh                          | Customer                  | \$ 20.48                        | \$ 0.0216                             |
| General Service 50 - 999 kW      | kW                           | Customer                  | \$ 86.74                        | \$ 3.7993                             |
| General Service 1,000 - 4,999 kW | kW                           | Customer                  | \$ 682.42                       | \$ 2.6089                             |
| Large User                       | kW                           | Customer                  | \$ 2,725.12                     | \$ 1.8599                             |
| Street Lighting                  | kW                           | Connection                | \$ 2.68                         | \$ 13.8341                            |
| Sentinel Lighting                | kW                           | Connection                | \$ 6.45                         | \$ 48.8868                            |
| Unmetered and Scattered Load     | kWh                          | Connection                | \$ 9.76                         | \$ 0.0207                             |

**Evidence:**

***Application:*** Exhibit 1, Section 1.6; Exhibit 7 Sections 7.1, Section 7.3, Section 7.5, and Section 7.6; Exhibit 8 Section 8.1, Section 8.2, Section 8.10;

***IRRs:*** 1-Staff-1; 8-Staff-84 through 8-Staff-86; 8-VECC-61; 8-VECC-62; 8-VECC-66;

***Clarification Responses:*** 1-Staff-97

***Chapter 2 Appendices updated for this Settlement Proposal:*** None

***Appendices to this Settlement Proposal:*** Appendix D – 2023 Bill Impacts; Appendix E – 2023 Proposed Tariff of Rates and Charges

***Settlement Models:***

MHDI\_2023\_Cost\_Allocation\_Settlement\_20220826;

MHDI\_2023\_Rev\_Reqt\_Workform\_Settlement\_20220826;

MHDI\_2023\_Tariff\_and\_Bill\_Impact\_Settlement\_20220826

**Supporting Parties:** All

**Parties Taking No Position:** None.

3.4 *Are the proposed Retail Transmission Service Rates and Low Voltage Service Rates appropriate?*

**Complete Settlement:** The Parties agree that the Retail Transmission Service Rates (RTSRs) and Low Voltage Service Rates, as modified in this Settlement Proposal are appropriate.

The Parties further agree that Milton Hydro will use the RTSRs as calculated based on the 2021 loads, as this is the most recent year of actual information available.

The Retail Transmission Service Rates have been reproduced below in Table 3.4A, and the Low Voltage Service Rates have been reproduced below in Table 3.4B.

**Table 3.4A: Proposed Retail Transmission Service Rates**

| Rate Class                       | Billing Determinant | Proposed Retail Transmission Service Rate - Network Service Rate | Proposed Retail Transmission Service Rate - Line and Transformation Connection Service Rate |
|----------------------------------|---------------------|------------------------------------------------------------------|---------------------------------------------------------------------------------------------|
| Residential                      | kWh                 | \$ 0.0101                                                        | \$ 0.0073                                                                                   |
| General Service < 50 kW          | kWh                 | \$ 0.0091                                                        | \$ 0.0065                                                                                   |
| General Service 50 - 999 kW      | kW                  | \$ 4.0939                                                        | \$ 2.9644                                                                                   |
| General Service 1,000 - 4,999 kW | kW                  | \$ 4.0263                                                        | \$ 2.9162                                                                                   |
| Large User                       | kW                  | \$ 4.3601                                                        | \$ 3.2612                                                                                   |
| Street Lighting                  | kW                  | \$ 2.7725                                                        | \$ 1.9941                                                                                   |
| Sentinel Lighting                | kW                  | \$ 2.7871                                                        | \$ 2.0361                                                                                   |
| Unmetered and Scattered Load     | kWh                 | \$ 0.0091                                                        | \$ 0.0065                                                                                   |

**Table 3.4B: Proposed Low Voltage Service Rates**

| Rate Class                       | Billing Determinant | Proposed Low Voltage Service Rates |
|----------------------------------|---------------------|------------------------------------|
| Residential                      | kWh                 | \$ 0.0016                          |
| General Service < 50 kW          | kWh                 | \$ 0.0014                          |
| General Service 50 - 999 kW      | kW                  | \$ 0.6345                          |
| General Service 1,000 - 4,999 kW | kW                  | \$ 0.6241                          |
| Large User                       | kW                  | \$ 0.6980                          |
| Street Lighting                  | kW                  | \$ 0.4268                          |
| Sentinel Lighting                | kW                  | \$ 0.4358                          |
| Unmetered and Scattered Load     | kWh                 | \$ 0.0014                          |

The Final Low Voltage Service Rates allocation percentages are provided in Table 3.4C below based on the final Load Forecast and Retail Transmission Connection Revenue. In addition, the final Low Voltage Service Rate Computation is provided in Table 3.4D below.

**Table 3.4C: Low Voltage Allocation %'s Based on Retail Transmission Connection Revenue**

| Rate Class           | Current Retail Transmission Connection Rates |        | Billing Determinants |         |                              | Allocation of Low Voltage Charges Connection Rates |                    |
|----------------------|----------------------------------------------|--------|----------------------|---------|------------------------------|----------------------------------------------------|--------------------|
|                      | Per kWh                                      | Per kW | kWh (with losses)    | kW      | Retail Tx Connection Revenue | Allocation %                                       | Allocated \$       |
| Residential          | 0.0073                                       |        | 367,531,408          |         | \$2,677,406                  | 39.79%                                             | \$573,031          |
| GS<50 kW             | 0.0065                                       |        | 93,110,198           |         | \$607,426                    | 9.03%                                              | \$130,004          |
| GS 50 to 999 kW      |                                              | 2.9644 |                      | 614,051 | \$1,820,284                  | 27.05%                                             | \$389,585          |
| GS 1,000 to 4,999 kW |                                              | 2.9162 |                      | 244,528 | \$713,097                    | 10.60%                                             | \$152,620          |
| Large Use            |                                              | 3.2612 |                      | 268,059 | \$874,199                    | 12.99%                                             | \$187,100          |
| Streetlight          |                                              | 1.9941 |                      | 14,179  | \$28,274                     | 0.42%                                              | \$6,051            |
| Sentinel             |                                              | 2.0361 |                      | 378     | \$769                        | 0.01%                                              | \$165              |
| USL                  | 0.0065                                       |        | 1,108,261            |         | \$7,230                      | 0.11%                                              | \$1,547            |
| <b>Total</b>         |                                              |        |                      |         | <b>\$6,728,685</b>           | <b>100.00%</b>                                     | <b>\$1,440,104</b> |

**Table 3.4D: Low Voltage Service Rates Computation**

| Rate Class           | Low Voltage Charges | Billing Determinants |         | Low Voltage Charge rates  |                          |
|----------------------|---------------------|----------------------|---------|---------------------------|--------------------------|
|                      | Allocated \$        | kWh                  | kW      | Low Voltage Rates per kWh | Low Voltage Rates per kW |
| Residential          | \$573,031           | 354,110,615          |         | \$0.0016                  |                          |
| GS<50 kW             | \$130,004           | 89,710,183           |         | \$0.0014                  |                          |
| GS 50 to 999 kW      | \$389,585           |                      | 614,051 |                           | \$0.6345                 |
| GS 1,000 to 4,999 kW | \$152,620           |                      | 244,528 |                           | \$0.6241                 |
| Large Use            | \$187,100           |                      | 268,059 |                           | \$0.6980                 |
| Streetlight          | \$6,051             |                      | 14,179  |                           | \$0.4268                 |
| Sentinel             | \$165               |                      | 378     |                           | \$0.4358                 |
| USL                  | \$1,547             | 1,067,791            |         | \$0.0014                  |                          |
| <b>Total</b>         | <b>\$1,440,104</b>  |                      |         |                           |                          |

**Evidence:**

***Application:*** Exhibit 8, Section 8.3 Retail Transmission Service Rates (RTSRs);  
Exhibit 8, Section 8.8 Low Voltage Service Rates

***OEB Staff Clarification Questions:*** Question-9; Question-10;

***IRRs:*** 1-Staff-1; 8-Staff-86; 8-Staff-87; 8.0-VECC-63; 8.0-VECC-64; 8.0-VECC-65;

***Clarification Responses:*** VECC-71

***Chapter 2 Appendices updated for this Settlement Proposal:***  
Appendix 2-ZA Com Exp. Forecast; Appendix 2-ZB Cost of Power;

***Appendices to this Settlement Proposal:*** Appendix D – 2023 Bill Impacts;  
Appendix E – 2023 Proposed Tariff of Rates and Charges

***Settlement Models:***

MHDI\_2023\_Rev\_Reqt\_Workform\_Settlement\_20220826;  
MHDI\_2023\_Ch2\_Appendices\_Settlement\_20220826;  
MHDI\_2023\_Tariff\_and\_Bill\_Impact\_Settlement\_20220826;  
MHDI\_2023\_RTZR\_Workform\_Settlement\_20220826;

**Supporting Parties:** All

**Parties Taking No Position:** None.



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

**Complete Settlement:** Milton Hydro updated its evidence relating to a correction of the Pole Attachment Charge to \$34.76 in its 2023 Tariff of Rates and Charges as per Milton Hydro's response to Clarification Question VECC-69. The Parties agree that Milton Hydro's proposed Specific Service Charges, Retail Service Charges and Pole Attachment Charge, are appropriate as shown in the tariff sheet in Appendix E.

The Parties further agree that Milton Hydro will update the applicable charges when the OEB issues its decisions on the Retail Service Charges and Pole Attachment Charge. Prior to finalizing its Rate Order, Milton Hydro will make updates to its other revenue after the OEB updates the Retail Service Charges and Pole Attachment Charge.

**Evidence:**

*Application:* Exhibit 8, Sections 8.4, 8.5, 8.6, and 8.7;

*OEB Staff Clarification Questions:* None

*IRRs:* None

*Clarification Responses:* VECC-69

*Chapter 2 Appendices updated for this Settlement Proposal:* None

*Appendices to this Settlement Proposal:* Appendix E – 2023 Proposed Tariff of Rates and Charges

*Settlement Models:*

MHDI\_2023\_Tariff\_and\_Bill\_Impact\_Settlement\_20220826;

**Supporting Parties:** All

**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?*

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

**Evidence:**

**Application:** Exhibit 1 Sections 1.4.11, and 1.4.12.3; Exhibit 2 Section 2.2.2, Exhibit 2, Attachment 2-1 Bringing Disallowed Space into Rate Base Justification.

**IRRs:** 1-Staff-4; 1-SEC-028; 2-Staff-19; 2-Staff-28; 2-VECC-9; 2-VECC-10; 2-VECC-18

**Clarification Responses:** None

**Chapter 2 Appendices updated for this Settlement Proposal:** None

**Appendices to this Settlement Proposal:**

Appendix C – Updated Appendix 2-BA: 2023 Fixed Asset Continuity Schedule;

**Settlement Models:**

MHDI\_2023\_Ch2\_Appendices\_Settlement\_20220826;

MHDI\_2023\_Rev\_Reqt\_Workform\_Settlement\_20220826;

**Supporting Parties:** All

**Parties Taking No Position:** None.

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

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

The Parties further agree to the following:

- Account 1508 - Pole Attachment Revenue Variance. Milton Hydro has updated the number of poles used in its forecast, and to update the forecasted amount recorded in the account to the end of December 31, 2022 and to dispose the balance of the account on a final basis and discontinue using the account after it clears the final balance to sub-account 1595 (2023). Milton Hydro will request a new variance account, if and when appropriate, to record Pole Attachment Revenues Variances if the OEB makes changes to the Pole Attachment Rates beyond changes due to inflation.
- Account 1509 – Impacts Arising from the COVID-19 Emergency. Milton Hydro will not be seeking recovery of the \$103,751 balance in this account as it is below the materiality threshold. This account will be zeroed out and closed.
- Account 1508 – OEB Cost Assessment Variance. Milton Hydro will dispose of the balance of this account over a two-year period to help reduce the impact to customers of Milton Hydro's 2023 Distribution Rates.
- Green Button Initiative – Milton Hydro is not asking for a new deferral account at this time. Milton Hydro will use the OEBs' generic deferral account for one time implementation costs, and if the OEB sets up a Green Button deferral account for ongoing costs, it will use that account as well; if not, then it may seek approval of a Green Button deferral account in future for ongoing costs if it meets the OEB's causation, materiality and prudence criteria for establishing new accounts. Intervenors will be free to take whatever positions they then determine with respect to such application.

Table 4.2A below sets out the Deferral and Variance Account balances as updated to reflect this Settlement Proposal. Table 4.2B below lists the rate riders related to the Group 1 Deferral and Variance accounts being proposed for disposal, and the disposition period. Table 4.2C below lists the rate riders related to the Group 2 Deferral and Variance accounts being proposed for disposal, and their disposition periods. Table 4.2D below lists the rate riders related to the LRAMVA account being proposed for disposal, and the disposition

period. Table 4.2E below includes a listing of the DVAs that are continuing/discontinuing as of January 1, 2023.

**Table 4.2A: Proposed Disposal of Deferral and Variance Accounts**

| Account Description                                                                                                         | Account Number | 2021 Actual Net Additions to Accounts |                  |                    | 2022 Forecast Net Additions to Accounts |                  |                   | December 31, 2022 Balances |                  |                    |
|-----------------------------------------------------------------------------------------------------------------------------|----------------|---------------------------------------|------------------|--------------------|-----------------------------------------|------------------|-------------------|----------------------------|------------------|--------------------|
|                                                                                                                             |                | Principal                             | Carrying Charges | Total              | Principal                               | Carrying Charges | Total             | Principal                  | Carrying Charges | Amount             |
| <b>Group 1 Account</b>                                                                                                      |                |                                       |                  |                    |                                         |                  |                   |                            |                  |                    |
| LV Variance Account                                                                                                         | 1550           | \$403,343                             | \$1,436          | \$404,778          | \$0                                     | \$4,114          | \$4,114           | \$403,343                  | \$5,550          | \$408,892          |
| Smart Metering Entity Charge Variance Account                                                                               | 1551           | -\$25,561                             | -\$40            | -\$25,601          | \$0                                     | -\$261           | -\$261            | -\$25,561                  | -\$300           | -\$25,861          |
| RSVA - Wholesale Market Service Charge                                                                                      | 1580           | \$761,973                             | \$7,989          | \$769,962          | \$0                                     | \$7,772          | \$7,772           | \$761,973                  | \$15,761         | \$777,734          |
| Variance WMS – Sub-account CBR Class A                                                                                      | 1580           | \$0                                   | \$0              | \$0                | \$0                                     | \$0              | \$0               | \$0                        | \$0              | \$0                |
| Variance WMS – Sub-account CBR Class B                                                                                      | 1580           | -\$85,817                             | -\$305           | -\$86,122          | \$0                                     | -\$875           | -\$875            | -\$85,817                  | -\$1,180         | -\$86,998          |
| RSVA - Retail Transmission Network Charge                                                                                   | 1584           | \$1,010,520                           | \$2,764          | \$1,013,285        | \$0                                     | \$10,307         | \$10,307          | \$1,010,520                | \$13,072         | \$1,023,592        |
| RSVA - Retail Transmission Connection Charge                                                                                | 1586           | \$319,186                             | \$480            | \$319,666          | \$0                                     | \$3,256          | \$3,256           | \$319,186                  | \$3,736          | \$322,922          |
| RSVA - Power (excluding Global Adjustment)                                                                                  | 1588           | \$96,085                              | -\$20,787        | \$75,297           | \$0                                     | \$980            | \$980             | \$96,085                   | -\$19,807        | \$76,278           |
| Disposition and Recovery/Refund of Regulatory Balances (2019)                                                               | 1595           | -\$109,823                            | \$11,248         | -\$98,576          | \$0                                     | -\$1,120         | -\$1,120          | -\$109,823                 | \$10,128         | -\$99,696          |
| Total DVA Excluding GA                                                                                                      |                | \$2,369,905                           | \$2,785          | \$2,372,690        | \$0                                     | \$24,173         | \$24,173          | \$2,369,905                | \$26,958         | \$2,396,863        |
| RSVA - Global Adjustment                                                                                                    | 1589           | -\$551,270                            | \$20,532         | -\$530,739         | \$0                                     | -\$5,623         | -\$5,623          | -\$551,270                 | \$14,909         | -\$536,362         |
| <b>Total Group 1</b>                                                                                                        |                | <b>\$1,818,635</b>                    | <b>\$23,316</b>  | <b>\$1,841,951</b> | <b>\$0</b>                              | <b>\$18,550</b>  | <b>\$18,550</b>   | <b>\$1,818,635</b>         | <b>\$41,867</b>  | <b>\$1,860,501</b> |
| <b>LRAM Variance Account</b>                                                                                                | 1568           | <b>\$262,413</b>                      | <b>\$686</b>     | <b>\$263,098</b>   | <b>\$267,929</b>                        | <b>\$2,315</b>   | <b>\$270,244</b>  | <b>\$530,341</b>           | <b>\$7,361</b>   | <b>\$537,702</b>   |
| <b>Group 2 Account</b>                                                                                                      |                |                                       |                  |                    |                                         |                  |                   |                            |                  |                    |
| Deferred IFRS Transition Costs                                                                                              | 1508           | -\$24,358                             | -\$208           | -\$24,566          | \$0                                     | -\$248           | -\$248            | -\$24,358                  | -\$456           | -\$24,814          |
| Pole Attachment Revenue Variance                                                                                            | 1508           | -\$513,774                            | -\$5,350         | -\$519,124         | -\$97,978                               | -\$6,240         | -\$104,218        | -\$611,752                 | -\$11,590        | -\$623,342         |
| Customer Choice Initiative Costs                                                                                            | 1508           | \$11,550                              | \$77             | \$11,627           | \$0                                     | \$118            | \$118             | \$11,550                   | \$195            | \$11,745           |
| OEB Assessment                                                                                                              | 1508           | \$366,787                             | \$13,945         | \$380,732          | \$73,908                                | \$4,495          | \$78,403          | \$440,695                  | \$18,440         | \$459,135          |
| COVID-19 Deferral Account                                                                                                   | 1509           | \$0                                   | \$0              | \$0                | \$0                                     | \$0              | \$0               | \$0                        | \$0              | \$0                |
| Accounting Changes Under CGAAP Balance+ Return PILs and Tax Variance for 2006 and Subsequent Years- Sub-account CCA Changes | 1576           | \$281,432                             | \$0              | \$281,432          | \$0                                     | \$0              | \$0               | \$281,432                  | \$0              | \$281,432          |
|                                                                                                                             | 1592           | -\$793,942                            | -\$4,892         | -\$798,834         | -\$186,351                              | -\$9,999         | -\$196,350        | -\$980,294                 | -\$14,891        | -\$995,185         |
| <b>Total Group 2</b>                                                                                                        |                | <b>-\$672,305</b>                     | <b>\$3,572</b>   | <b>-\$668,734</b>  | <b>-\$210,421</b>                       | <b>-\$11,875</b> | <b>-\$222,296</b> | <b>-\$882,727</b>          | <b>-\$8,303</b>  | <b>-\$891,030</b>  |
| <b>Total DVA Account Balances</b>                                                                                           |                | <b>\$1,408,742</b>                    | <b>\$27,574</b>  | <b>\$1,436,316</b> | <b>\$57,507</b>                         | <b>\$8,991</b>   | <b>\$66,498</b>   | <b>\$1,466,249</b>         | <b>\$36,564</b>  | <b>\$1,502,813</b> |

**Table 4.2B: Group 1 Deferral and Variance Account Rate Riders**

| Rate Class                            | Billing Determinant DVA Rate Rider | Group 1 DVA Rate Rider <sup>1</sup> | Billing Determinant GA Rate Rider | Global Adjustment Rate Rider <sup>1</sup> |
|---------------------------------------|------------------------------------|-------------------------------------|-----------------------------------|-------------------------------------------|
| Residential                           | kWh                                | \$ 0.0013                           | kWh                               | -\$ 0.0012                                |
| General Service < 50 kW               | kWh                                | \$ 0.0013                           | kWh                               | -\$ 0.0012                                |
| General Service 50 - 999 kW           | kW                                 | \$ 0.2840                           | kWh                               | -\$ 0.0012                                |
| General Service 50 - 999 kW (NON-WMP) | kW                                 | \$ 0.1533                           | kWh                               | -\$ 0.0012                                |
| General Service 1,000 - 4,999 kW      | kW                                 | \$ 0.5864                           | kWh                               | -\$ 0.0012                                |
| Large User                            | kW                                 | \$ 0.6849                           | kWh                               | -\$ 0.0012                                |
| Unmetered and Scattered Load          | kWh                                | \$ 0.0014                           | kWh                               | -\$ 0.0012                                |
| Sentinel Lighting                     | kW                                 | \$ 0.4873                           | N/A                               | \$ -                                      |
| Street Lighting                       | kW                                 | \$ 0.3835                           | kWh                               | -\$ 0.0012                                |

1 - Disposal period, 2 years.

**Table 4.2C: Group 2 Deferral and Variance Account Rate Riders**

| Rate Class                       | Billing Determinant | Group 2A DVA Rate Rider <sup>1</sup> | Group 2B DVA Rate Rider <sup>2</sup> |
|----------------------------------|---------------------|--------------------------------------|--------------------------------------|
| Residential                      | Customer            | -\$ 1.71                             | \$ 0.2947                            |
| General Service < 50 kW          | kWh                 | -\$ 0.0019                           | \$ 0.0004                            |
| General Service 50 - 999 kW      | kW                  | -\$ 0.5208                           | \$ 0.1482                            |
| General Service 1,000 - 4,999 kW | kW                  | -\$ 0.5693                           | \$ 0.1839                            |
| Large User                       | kW                  | -\$ 0.6102                           | \$ 0.2019                            |
| Unmetered and Scattered Load     | kWh                 | -\$ 0.0023                           | \$ 0.0004                            |
| Sentinel Lighting                | kW                  | -\$ 3.0056                           | \$ 0.1429                            |
| Street Lighting                  | kW                  | -\$ 0.9465                           | \$ 0.1434                            |
|                                  |                     |                                      |                                      |
|                                  |                     |                                      |                                      |
| 1 - Disposal period, 1 year.     |                     |                                      |                                      |
| 2 - Disposal period, 2 years.    |                     |                                      |                                      |

**Table 4.2D: LRAMVA Rate Riders**

| Rate Class                       | Billing Determinant | LRAM VA Rate Rider <sup>1</sup> |
|----------------------------------|---------------------|---------------------------------|
| Residential                      | N/A                 | \$ -                            |
| General Service < 50 kW          | kWh                 | \$ 0.0014                       |
| General Service 50 - 999 kW      | kW                  | \$ 0.0859                       |
| General Service 1,000 - 4,999 kW | kW                  | \$ 0.1063                       |
| Large User                       | kW                  | \$ 0.0464                       |
| Unmetered and Scattered Load     | kWh                 | \$ -                            |
| Sentinel Lighting                | kW                  | \$ -                            |
| Street Lighting                  | kW                  | \$ 3.6228                       |
|                                  |                     |                                 |
| 1 - Disposal period, 2 years.    |                     |                                 |

**Table 4.2E: Group 2 DVA Accounts – Continue/Discontinue**

| Account Description                                                          | USoA # | Continue/<br>Discontinue | Explanation                                                                     |
|------------------------------------------------------------------------------|--------|--------------------------|---------------------------------------------------------------------------------|
| <b>Group 2 Accounts - Continue</b>                                           |        |                          |                                                                                 |
| OEB Cost Assessment Variance                                                 | 1508   | Continue                 | Remain in use until final disposal proposed in 2024 IRM.                        |
| Customer Choice Initiative Costs                                             | 1508   | Continue                 | Remain available to record costs related to further customer choice initiatives |
| Lost Revenue Adjustment Mechanism Variance Account                           | 1568   | Continue                 | Remain available to use for eligible programs in future.                        |
| PILs and Tax Variance for 2006 and Subsequent Years- Sub-account CCA Changes | 1592   | Continue                 | Remain available to use when legislated tax and CCA rates change occur.         |
| <b>Group 2 Accounts - Discontinue</b>                                        |        |                          |                                                                                 |
| Pole Attachment Revenue Variance                                             | 1508   | Discontinue              | Discontinue after final balance cleared to 1595 (2023) sub-account.             |
| Other Regulatory Assets - Sub-Account - Deferred IFRS Transition             | 1508   | Discontinue              | Discontinue after final balance cleared to 1595 (2023) sub-account.             |
| COVID-19 Deferral Account                                                    | 1509   | Discontinue              | Zero-out account balance and discontinue using account.                         |
| Accounting Changes Under CGAAP Balance + Return Component                    | 1576   | Discontinue              | Discontinue after final balance cleared to 1595 (2023) sub-account.             |
|                                                                              |        |                          |                                                                                 |

**Evidence:**

**Application:** Exhibit 1, Section 1.4.12, Section 1.6.8; Exhibit 4, Section 4.8 (LRAMVA Mechanism); Exhibit 4, Attachment 4-11 Indeco Strategic Consulting Inc. 2023 LRAMVA Claim Report & LRAMVA Model; Exhibit 9 in its entirety;

**OEB Staff Clarification Questions:** Question-6;

**IRRs:** 1-Staff-1; 4-Staff-76; 9-Staff-89 through 9-Staff-93; 9-VECC-67;

**Clarification Responses:** 1-Staff-94;

**Chapter 2 Appendices updated for this Settlement Proposal:** None

**Appendices to this Settlement Proposal:**

Appendix E – 2023 Proposed Tariff of Rates and Charges

**Settlement Models:**

MHDI\_2023\_DVA\_Continuity\_Settlement\_20220826;  
MHDI\_2023\_Tariff\_and\_Bill\_Impact\_Settlement\_20220826;  
MHDI\_2023\_GA\_Analysis\_Workform\_Settlement\_20220826;  
MHDI\_2023\_1595\_Analysis\_Workform\_Settlement\_20220826;  
MHDI\_2023\_LRAMVA\_Settlement\_20220826;

**Supporting Parties:** All  
**Parties Taking No Position:** None.

## 5.0 Other

5.1 *Is the proposed effective date (i.e. January 1, 2023) for 2023 rates appropriate?*

**Complete Settlement:** The Parties agree that the proposed effective date of January 1, 2023 for 2023 rates is appropriate.

**Evidence:**

*Application:* Exhibit 1, Section 1.4.10 Proposed Effective Date of Rate Order

*OEB Staff Clarification Questions:* None

*IRRs:* None

*Clarification Responses:* None

*Chapter 2 Appendices updated for this Settlement Proposal:* None

*Appendices to this Settlement Proposal:*

Appendix E – 2023 Proposed Tariff of Rates and Charges

*Settlement Models:*

MHDI\_2023\_Tariff\_and\_Bill\_Impact\_Settlement\_20220826

**Supporting Parties:** All

**Parties Taking No Position:** None.



5.2 *Is the proposal of bringing the respective disallowed capital costs and OM&A costs, associated with the office building at 200 Chisholm Drive, back into the determination of 2023 revenue requirement appropriate?*

**Complete Settlement:** The Parties agree that the proposal of bringing the respective disallowed capital costs and OM&A costs, associated with the office building at 200 Chisholm Drive, back into the determination of 2023 revenue requirement is appropriate. Based on the forecasts of Milton Hydro, the Parties expect that, within the 2023-2027 IRM term, the growth in customers and staffing requirements for Milton Hydro will likely result in the utility needing substantially all of the space currently available at 200 Chisholm Drive, despite the likely implementation of work-from-home or similar policies in the future.

**Evidence:**

**Application:** Exhibit 1, Section 1.4.12.3; Exhibit 2 Section 2.2.2 Bringing Disallowed Space into Rate Base; Exhibit 2, Attachment 2-1 Bringing Disallowed Space into Rate Base Justification;

**OEB Staff Clarification Questions:** None

**IRRs:** 1-Staff-4; 1-SEC-028; 2-Staff-19; 2-Staff-28; 2-VECC-10; 2-VECC-18;

**Clarification Responses:** None

**Chapter 2 Appendices updated for this Settlement Proposal:**

Appendix 2-BA Fixed Asset Continuity 2023

**Appendices to this Settlement Proposal:**

Appendix C – Updated Appendix 2-BA: 2023 Fixed Asset Continuity Schedules

**Settlement Models:**

MHDI\_2023\_Ch2\_Appendices\_Settlement\_20220826

**Supporting Parties:** All

**Parties Taking No Position:** None.

5.3 *Is Milton Hydro's proposal to continue to charge the Minimum Distribution Charge appropriate?*<sup>4</sup>

**Complete Settlement:** The Parties agree that Milton Hydro will eliminate and no longer use the Minimum Distribution Charge. It is a legacy charge from a prior ratemaking structure, and has not had any material impact on revenues in any recent years.

**Evidence:**

*Application:* Exhibit 8 Sections 8.2.6;

*OEB Staff Clarification Questions:* None

*IRRs:* 8-Staff-85; 8-Staff-86; 8-VECC-62;

*Clarification Responses:* 1-Staff-97;

*Appendices to this Settlement Proposal:* Appendix E – 2023 Proposed Tariff of Rates and Charges;

**Settlement Models:**

MHDI\_2023\_Tariff\_and\_Bill\_Impact\_Settlement\_20220826

**Supporting Parties:** All

**Parties Taking No Position:** None.

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<sup>4</sup> This issue was not included in the Approved Issues List. For presentation purpose, the Parties agree to summarize the agreement on this matter as a separate issue in this Settlement Proposal.

# Appendix A

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Updated 2023 Revenue Requirement Work Form



# Revenue Requirement Workform (RRWF) for 2023 Filers

Version 1.00



|                    |                                                                    |
|--------------------|--------------------------------------------------------------------|
| Utility Name       | Milton Hydro Distribution Inc.                                     |
| Service Territory  | Town of Milton                                                     |
| Assigned EB Number | EB-2022-0049                                                       |
| Name and Title     | Dan Gopic                                                          |
| Phone Number       | 905-876-4611 x410                                                  |
| Email Address      | <a href="mailto:gopicd@miltonhydro.com">gopicd@miltonhydro.com</a> |
| Test Year          | <a href="#">2023</a>                                               |
| Bridge Year        | <a href="#">2022</a>                                               |
| Last Rebasing Year | <a href="#">2016</a>                                               |



Ontario Energy Board

# Revenue Requirement Workform (RRWF) for 2023 Filers

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[3. Data Input Sheet](#)

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[14. Tracking Sheet](#)

**Notes:**

- (1) Pale green cells represent inputs
- (2) Pale green boxes at the bottom of each page are for additional notes
- (3) Pale yellow cells represent drop-down lists
- (4) ***Please note that this model uses MACROS. Before starting, please ensure that macros have been enabled.***
- (5) ***Completed versions of the Revenue Requirement Work Form are required to be filed in working Microsoft Excel format.***

# Revenue Requirement Workform (RRWF) for 2023 Filers

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

|                                                  | Initial Application <sup>(2)</sup> | Adjustments | Interrogatory Responses <sup>(6)</sup> | Adjustments   | Per Board Decision   |
|--------------------------------------------------|------------------------------------|-------------|----------------------------------------|---------------|----------------------|
| <b>1 Rate Base</b>                               |                                    |             |                                        |               |                      |
| Gross Fixed Assets (average)                     | \$187,064,756                      |             | \$ 187,064,756                         | (\$1,500,000) | \$185,564,756        |
| Accumulated Depreciation (average)               | (\$82,040,429) <sup>(5)</sup>      |             | (\$82,040,429)                         | \$53,125      | (\$81,987,304)       |
| <b>Allowance for Working Capital:</b>            |                                    |             |                                        |               |                      |
| Controllable Expenses                            | \$15,133,537                       | \$26,800    | \$ 15,160,337                          | (\$1,900,000) | \$13,260,337         |
| Cost of Power                                    | \$98,955,674                       | \$2,080,030 | \$ 101,035,704                         | \$1,967,892   | \$103,003,596        |
| 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            | \$20,420,991                       | (\$8,261)   | \$20,412,730                           | \$163,025     | \$20,575,755         |
| Distribution Revenue at Proposed Rates           | \$24,771,346                       | \$37,451    | \$24,808,797                           | (\$1,880,144) | \$22,928,653         |
| <b>Other Revenue:</b>                            |                                    |             |                                        |               |                      |
| Specific Service Charges                         | \$321,846                          | \$0         | \$321,846                              | \$0           | \$321,846            |
| Late Payment Charges                             | \$226,280                          | \$0         | \$226,280                              | \$0           | \$226,280            |
| Other Distribution Revenue                       | \$1,119,716                        | \$0         | \$1,119,716                            | \$8,688       | \$1,128,404          |
| Other Income and Deductions                      | \$533,522                          | \$0         | \$533,522                              | \$0           | \$533,522            |
| <b>Total Revenue Offsets</b>                     | \$2,201,364 <sup>(7)</sup>         | \$0         | \$2,201,364                            | \$8,688       | \$2,210,052          |
| <b>Operating Expenses:</b>                       |                                    |             |                                        |               |                      |
| OM+A Expenses                                    | \$14,933,345                       | \$26,800    | \$ 14,960,145                          | (\$1,900,000) | \$13,060,145         |
| Depreciation/Amortization                        | \$4,916,957                        |             | \$ 4,916,957                           | (\$63,750)    | \$4,853,207          |
| Property taxes                                   | \$200,193                          |             | \$ 200,193                             | \$ -          | \$200,193            |
| Other expenses                                   |                                    |             |                                        |               |                      |
| <b>3 Taxes/PILs</b>                              |                                    |             |                                        |               |                      |
| <b>Taxable Income:</b>                           |                                    |             |                                        |               |                      |
| Adjustments required to arrive at taxable income | (\$2,021,577) <sup>(3)</sup>       | \$0         | (\$2,021,577)                          | \$207,610     | (\$1,813,967)        |
| <b>Utility Income Taxes and Rates:</b>           |                                    |             |                                        |               |                      |
| Income taxes (not grossed up)                    | \$502,825                          | \$1,450     | \$504,275                              | \$41,775      | \$546,051            |
| Income taxes (grossed up)                        | \$684,115                          |             | \$686,089                              |               | \$742,926            |
| 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                               | (\$4,085)                          | \$0         | (\$4,085)                              | \$0           | (\$4,085)            |
| <b>4 Capitalization/Cost of Capital</b>          |                                    |             |                                        |               |                      |
| <b>Capital Structure:</b>                        |                                    |             |                                        |               |                      |
| Long-term debt Capitalization Ratio (%)          | 56.00%                             | 0.00%       | 56.0%                                  | 0.00%         | 56.0%                |
| Short-term debt Capitalization Ratio (%)         | 4.00% <sup>(8)</sup>               | 0.00%       | 4.0% <sup>(8)</sup>                    | 0.00%         | 4.0% <sup>(8)</sup>  |
| Common Equity Capitalization Ratio (%)           | 40.00%                             | 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 (%)                     | 3.54%                              | 0.00%       | 3.54%                                  | 0.18%         | 3.72%                |
| Short-term debt Cost Rate (%)                    | 1.17%                              | 0.00%       | 1.17%                                  | 0.00%         | 1.17%                |
| Common Equity Cost Rate (%)                      | 8.66%                              | 0.00%       | 8.66%                                  | 0.00%         | 8.66%                |
| Preferred Shares Cost Rate (%)                   |                                    |             |                                        |               |                      |

# Revenue Requirement Workform (RRWF) for 2023 Filers

## Rate Base and Working Capital

| Line No. | Rate Base Particulars                             | Initial Application  | Adjustments      | Interrogatory Responses | Adjustments          | Per Board Decision   |
|----------|---------------------------------------------------|----------------------|------------------|-------------------------|----------------------|----------------------|
| 1        | Gross Fixed Assets (average) <sup>(2)</sup>       | \$187,064,756        | \$ -             | \$187,064,756           | (\$1,500,000)        | \$185,564,756        |
| 2        | Accumulated Depreciation (average) <sup>(2)</sup> | (\$82,040,429)       | \$ -             | (\$82,040,429)          | \$53,125             | (\$81,987,304)       |
| 3        | Net Fixed Assets (average) <sup>(2)</sup>         | \$105,024,327        | \$ -             | \$105,024,327           | (\$1,446,874)        | \$103,577,453        |
| 4        | Allowance for Working Capital <sup>(1)</sup>      | \$8,556,691          | \$158,012        | \$8,714,703             | \$5,092              | \$8,719,795          |
| 5        | <b>Total Rate Base</b>                            | <b>\$113,581,018</b> | <b>\$158,012</b> | <b>\$113,739,030</b>    | <b>(\$1,441,782)</b> | <b>\$112,297,248</b> |

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

|    |                                       |               |             |               |               |               |
|----|---------------------------------------|---------------|-------------|---------------|---------------|---------------|
| 6  | Controllable Expenses                 | \$15,133,537  | \$26,800    | \$15,160,337  | (\$1,900,000) | \$13,260,337  |
| 7  | Cost of Power                         | \$98,955,674  | \$2,080,030 | \$101,035,704 | \$1,967,892   | \$103,003,596 |
| 8  | Working Capital Base                  | \$114,089,211 | \$2,106,830 | \$116,196,042 | \$67,892      | \$116,263,933 |
| 9  | Working Capital Rate % <sup>(1)</sup> | 7.50%         | 0.00%       | 7.50%         | 0.00%         | 7.50%         |
| 10 | Working Capital Allowance             | \$8,556,691   | \$158,012   | \$8,714,703   | \$5,092       | \$8,719,795   |



# Revenue Requirement Workform (RRWF) for 2023 Filers

## Utility Income

| Line No.                   | Particulars                               | Initial Application | Adjustments     | Interrogatory Responses | Adjustments          | Per Board Decision  |
|----------------------------|-------------------------------------------|---------------------|-----------------|-------------------------|----------------------|---------------------|
| <b>Operating Revenues:</b> |                                           |                     |                 |                         |                      |                     |
| 1                          | Distribution Revenue (at Proposed Rates)  | \$24,771,346        | \$37,451        | \$24,808,797            | (\$1,880,144)        | \$22,928,653        |
| 2                          | Other Revenue <sup>(1)</sup>              | \$2,201,364         | \$ -            | \$2,201,364             | \$8,688              | \$2,210,052         |
| 3                          | <b>Total Operating Revenues</b>           | <b>\$26,972,710</b> | <b>\$37,451</b> | <b>\$27,010,161</b>     | <b>(\$1,871,456)</b> | <b>\$25,138,705</b> |
| <b>Operating Expenses:</b> |                                           |                     |                 |                         |                      |                     |
| 4                          | OM+A Expenses                             | \$14,933,345        | \$26,800        | \$14,960,145            | (\$1,900,000)        | \$13,060,145        |
| 5                          | Depreciation/Amortization                 | \$4,916,957         | \$ -            | \$4,916,957             | (\$63,750)           | \$4,853,207         |
| 6                          | Property taxes                            | \$200,193           | \$ -            | \$200,193               | \$ -                 | \$200,193           |
| 7                          | Capital taxes                             | \$ -                | \$ -            | \$ -                    | \$ -                 | \$ -                |
| 8                          | Other expense                             | \$ -                | \$ -            | \$ -                    | \$ -                 | \$ -                |
| 9                          | <b>Subtotal (lines 4 to 8)</b>            | <b>\$20,050,494</b> | <b>\$26,800</b> | <b>\$20,077,294</b>     | <b>(\$1,963,750)</b> | <b>\$18,113,544</b> |
| 10                         | Deemed Interest Expense                   | \$2,303,653         | \$3,205         | \$2,306,858             | \$85,400             | \$2,392,258         |
| 11                         | <b>Total Expenses (lines 9 to 10)</b>     | <b>\$22,354,148</b> | <b>\$30,005</b> | <b>\$22,384,153</b>     | <b>(\$1,878,350)</b> | <b>\$20,505,803</b> |
| 12                         | <b>Utility income before income taxes</b> | <b>\$4,618,562</b>  | <b>\$7,446</b>  | <b>\$4,626,009</b>      | <b>\$6,894</b>       | <b>\$4,632,903</b>  |
| 13                         | Income taxes (grossed-up)                 | \$684,115           | \$1,973         | \$686,089               | \$56,837             | \$742,926           |
| 14                         | <b>Utility net income</b>                 | <b>\$3,934,447</b>  | <b>\$5,473</b>  | <b>\$3,939,920</b>      | <b>(\$49,943)</b>    | <b>\$3,889,977</b>  |

## Notes

### Other Revenues / Revenue Offsets

|     |                              |                    |             |                    |                |                    |
|-----|------------------------------|--------------------|-------------|--------------------|----------------|--------------------|
| (1) | Specific Service Charges     | \$321,846          | \$ -        | \$321,846          | \$ -           | \$321,846          |
|     | Late Payment Charges         | \$226,280          | \$ -        | \$226,280          | \$ -           | \$226,280          |
|     | Other Distribution Revenue   | \$1,119,716        | \$ -        | \$1,119,716        | \$8,688        | \$1,128,404        |
|     | Other Income and Deductions  | \$533,522          | \$ -        | \$533,522          | \$ -           | \$533,522          |
|     | <b>Total Revenue Offsets</b> | <b>\$2,201,364</b> | <b>\$ -</b> | <b>\$2,201,364</b> | <b>\$8,688</b> | <b>\$2,210,052</b> |





# Revenue Requirement Workform (RRWF) for 2023 Filers

## Taxes/PILs

| Line No.                                   | Particulars                                                    | Application        | Interrogatory Responses | Per Board Decision |
|--------------------------------------------|----------------------------------------------------------------|--------------------|-------------------------|--------------------|
| <u>Determination of Taxable Income</u>     |                                                                |                    |                         |                    |
| 1                                          | Utility net income before taxes                                | \$3,934,446        | \$3,939,920             | \$3,889,977        |
| 2                                          | Adjustments required to arrive at taxable utility income       | (\$2,021,577)      | (\$2,021,577)           | (\$1,813,967)      |
| 3                                          | Taxable income                                                 | <u>\$1,912,869</u> | <u>\$1,918,343</u>      | <u>\$2,076,009</u> |
| <u>Calculation of Utility income Taxes</u> |                                                                |                    |                         |                    |
| 4                                          | Income taxes                                                   | <u>\$502,825</u>   | <u>\$504,275</u>        | <u>\$546,051</u>   |
| 6                                          | Total taxes                                                    | <u>\$502,825</u>   | <u>\$504,275</u>        | <u>\$546,051</u>   |
| 7                                          | Gross-up of Income Taxes                                       | <u>\$181,291</u>   | <u>\$181,814</u>        | <u>\$196,875</u>   |
| 8                                          | Grossed-up Income Taxes                                        | <u>\$684,115</u>   | <u>\$686,089</u>        | <u>\$742,926</u>   |
| 9                                          | PILs / tax Allowance (Grossed-up Income taxes + Capital taxes) | <u>\$684,115</u>   | <u>\$686,089</u>        | <u>\$742,926</u>   |
| 10                                         | Other tax Credits                                              | (\$4,085)          | (\$4,085)               | (\$4,085)          |
| <u>Tax Rates</u>                           |                                                                |                    |                         |                    |
| 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>      |



# Revenue Requirement Workform (RRWF) for 2023 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%               | \$63,605,370         | 3.54%        | \$2,250,497        |
| 2                              | Short-term Debt     | 4.00%                | \$4,543,241          | 1.17%        | \$53,156           |
| 3                              | <b>Total Debt</b>   | <b>60.00%</b>        | <b>\$68,148,611</b>  | <b>3.38%</b> | <b>\$2,303,653</b> |
|                                | <b>Equity</b>       |                      |                      |              |                    |
| 4                              | Common Equity       | 40.00%               | \$45,432,407         | 8.66%        | \$3,934,446        |
| 5                              | Preferred Shares    | 0.00%                | \$ -                 | 0.00%        | \$ -               |
| 6                              | <b>Total Equity</b> | <b>40.00%</b>        | <b>\$45,432,407</b>  | <b>8.66%</b> | <b>\$3,934,446</b> |
| 7                              | <b>Total</b>        | <b>100.00%</b>       | <b>\$113,581,018</b> | <b>5.49%</b> | <b>\$6,238,100</b> |
| <b>Interrogatory Responses</b> |                     |                      |                      |              |                    |
|                                | <b>Debt</b>         |                      |                      |              |                    |
| 1                              | Long-term Debt      | 56.00%               | \$63,693,857         | 3.54%        | \$2,253,628        |
| 2                              | Short-term Debt     | 4.00%                | \$4,549,561          | 1.17%        | \$53,230           |
| 3                              | <b>Total Debt</b>   | <b>60.00%</b>        | <b>\$68,243,418</b>  | <b>3.38%</b> | <b>\$2,306,858</b> |
|                                | <b>Equity</b>       |                      |                      |              |                    |
| 4                              | Common Equity       | 40.00%               | \$45,495,612         | 8.66%        | \$3,939,920        |
| 5                              | Preferred Shares    | 0.00%                | \$ -                 | 0.00%        | \$ -               |
| 6                              | <b>Total Equity</b> | <b>40.00%</b>        | <b>\$45,495,612</b>  | <b>8.66%</b> | <b>\$3,939,920</b> |
| 7                              | <b>Total</b>        | <b>100.00%</b>       | <b>\$113,739,030</b> | <b>5.49%</b> | <b>\$6,246,778</b> |
| <b>Per Board Decision</b>      |                     |                      |                      |              |                    |
|                                | <b>Debt</b>         |                      |                      |              |                    |
| 8                              | Long-term Debt      | 56.00%               | \$62,886,459         | 3.72%        | \$2,339,703        |
| 9                              | Short-term Debt     | 4.00%                | \$4,491,890          | 1.17%        | \$52,555           |
| 10                             | <b>Total Debt</b>   | <b>60.00%</b>        | <b>\$67,378,349</b>  | <b>3.55%</b> | <b>\$2,392,258</b> |
|                                | <b>Equity</b>       |                      |                      |              |                    |
| 11                             | Common Equity       | 40.00%               | \$44,918,899         | 8.66%        | \$3,889,977        |
| 12                             | Preferred Shares    | 0.00%                | \$ -                 | 0.00%        | \$ -               |
| 13                             | <b>Total Equity</b> | <b>40.00%</b>        | <b>\$44,918,899</b>  | <b>8.66%</b> | <b>\$3,889,977</b> |
| 14                             | <b>Total</b>        | <b>100.00%</b>       | <b>\$112,297,248</b> | <b>5.59%</b> | <b>\$6,282,235</b> |

## Revenue Deficiency/Sufficiency

| Line No. | Particulars                                              | Initial Application               |                     | Interrogatory Responses           |                     | Per Board Decision                |                     |
|----------|----------------------------------------------------------|-----------------------------------|---------------------|-----------------------------------|---------------------|-----------------------------------|---------------------|
|          |                                                          | At Current Approved Rates         | At Proposed Rates   | At Current Approved Rates         | At Proposed Rates   | At Current Approved Rates         | At Proposed Rates   |
| 1        | Revenue Deficiency from Below                            |                                   | \$4,350,355         |                                   | \$4,396,067         |                                   | \$2,352,907         |
| 2        | Distribution Revenue                                     | \$20,420,991                      | \$20,420,992        | \$20,412,730                      | \$20,412,730        | \$20,575,755                      | \$20,575,746        |
| 3        | Other Operating Revenue Offsets - net                    | \$2,201,364                       | \$2,201,364         | \$2,201,364                       | \$2,201,364         | \$2,210,052                       | \$2,210,052         |
| 4        | <b>Total Revenue</b>                                     | <u>\$22,622,355</u>               | <u>\$26,972,710</u> | <u>\$22,614,094</u>               | <u>\$27,010,161</u> | <u>\$22,785,807</u>               | <u>\$25,138,705</u> |
| 5        | Operating Expenses                                       | \$20,050,494                      | \$20,050,494        | \$20,077,294                      | \$20,077,294        | \$18,113,544                      | \$18,113,544        |
| 6        | Deemed Interest Expense                                  | \$2,303,653                       | \$2,303,653         | \$2,306,858                       | \$2,306,858         | \$2,392,258                       | \$2,392,258         |
| 8        | <b>Total Cost and Expenses</b>                           | <u>\$22,354,148</u>               | <u>\$22,354,148</u> | <u>\$22,384,153</u>               | <u>\$22,384,153</u> | <u>\$20,505,803</u>               | <u>\$20,505,803</u> |
| 9        | <b>Utility Income Before Income Taxes</b>                | \$268,207                         | \$4,618,562         | \$229,942                         | \$4,626,009         | \$2,280,004                       | \$4,632,903         |
| 10       | Tax Adjustments to Accounting Income per 2013 PILs model | (\$2,021,577)                     | (\$2,021,577)       | (\$2,021,577)                     | (\$2,021,577)       | (\$1,813,967)                     | (\$1,813,967)       |
| 11       | <b>Taxable Income</b>                                    | <u>(\$1,753,370)</u>              | <u>\$2,596,985</u>  | <u>(\$1,791,636)</u>              | <u>\$2,604,431</u>  | <u>\$466,037</u>                  | <u>\$2,818,935</u>  |
| 12       | Income Tax Rate                                          | 26.50%                            | 26.50%              | 26.50%                            | 26.50%              | 26.50%                            | 26.50%              |
| 13       | <b>Income Tax on Taxable Income</b>                      | (\$464,643)                       | \$688,201           | (\$474,783)                       | \$690,174           | \$123,500                         | \$747,018           |
| 14       | <b>Income Tax Credits</b>                                | (\$4,085)                         | (\$4,085)           | (\$4,085)                         | (\$4,085)           | (\$4,085)                         | (\$4,085)           |
| 15       | <b>Utility Net Income</b>                                | <u>\$736,936</u>                  | <u>\$3,934,447</u>  | <u>\$708,811</u>                  | <u>\$3,939,920</u>  | <u>\$2,160,590</u>                | <u>\$3,889,977</u>  |
| 16       | <b>Utility Rate Base</b>                                 | \$113,581,018                     | \$113,581,018       | \$113,739,030                     | \$113,739,030       | \$112,297,248                     | \$112,297,248       |
| 17       | Deemed Equity Portion of Rate Base                       | \$45,432,407                      | \$45,432,407        | \$45,495,612                      | \$45,495,612        | \$44,918,899                      | \$44,918,899        |
| 18       | Income/(Equity Portion of Rate Base)                     | 1.62%                             | 8.66%               | 1.56%                             | 8.66%               | 4.81%                             | 8.66%               |
| 19       | Target Return - Equity on Rate Base                      | 8.66%                             | 8.66%               | 8.66%                             | 8.66%               | 8.66%                             | 8.66%               |
| 20       | Deficiency/Sufficiency in Return on Equity               | -7.04%                            | 0.00%               | -7.10%                            | 0.00%               | -3.85%                            | 0.00%               |
| 21       | Indicated Rate of Return                                 | 2.68%                             | 5.49%               | 2.65%                             | 5.49%               | 4.05%                             | 5.59%               |
| 22       | Requested Rate of Return on Rate Base                    | 5.49%                             | 5.49%               | 5.49%                             | 5.49%               | 5.59%                             | 5.59%               |
| 23       | Deficiency/Sufficiency in Rate of Return                 | -2.82%                            | 0.00%               | -2.84%                            | 0.00%               | -1.54%                            | 0.00%               |
| 24       | Target Return on Equity                                  | \$3,934,446                       | \$3,934,446         | \$3,939,920                       | \$3,939,920         | \$3,889,977                       | \$3,889,977         |
| 25       | Revenue Deficiency/(Sufficiency)                         | \$3,197,511                       | \$0                 | \$3,231,109                       | \$-                 | \$1,729,387                       | \$-                 |
| 26       | <b>Gross Revenue Deficiency/(Sufficiency)</b>            | <u>\$4,350,355 <sup>(1)</sup></u> |                     | <u>\$4,396,067 <sup>(1)</sup></u> |                     | <u>\$2,352,907 <sup>(1)</sup></u> |                     |



# Revenue Requirement Workform (RRWF) for 2023 Filers

## Revenue Requirement

| Line No. | Particulars                                                                                 | Application               | Interrogatory Responses    | Per Board Decision         |
|----------|---------------------------------------------------------------------------------------------|---------------------------|----------------------------|----------------------------|
| 1        | OM&A Expenses                                                                               | \$14,933,345              | \$14,960,145               | \$13,060,145               |
| 2        | Amortization/Depreciation                                                                   | \$4,916,957               | \$4,916,957                | \$4,853,207                |
| 3        | Property Taxes                                                                              | \$200,193                 | \$200,193                  | \$200,193                  |
| 5        | Income Taxes (Grossed up)                                                                   | \$684,115                 | \$686,089                  | \$742,926                  |
| 6        | Other Expenses                                                                              | \$ -                      |                            |                            |
| 7        | Return                                                                                      |                           |                            |                            |
|          | Deemed Interest Expense                                                                     | \$2,303,653               | \$2,306,858                | \$2,392,258                |
|          | Return on Deemed Equity                                                                     | \$3,934,446               | \$3,939,920                | \$3,889,977                |
| 8        | <b>Service Revenue Requirement (before Revenues)</b>                                        | <u>\$26,972,710</u>       | <u>\$27,010,161</u>        | <u>\$25,138,705</u>        |
| 9        | Revenue Offsets                                                                             | \$2,201,364               | \$2,201,364                | \$2,210,052                |
| 10       | <b>Base Revenue Requirement (excluding Tranformer Owership Allowance credit adjustment)</b> | <u>\$24,771,346</u>       | <u>\$24,808,797</u>        | <u>\$22,928,653</u>        |
| 11       | Distribution revenue                                                                        | \$24,771,346              | \$24,808,797               | \$22,928,653               |
| 12       | Other revenue                                                                               | \$2,201,364               | \$2,201,364                | \$2,210,052                |
| 13       | <b>Total revenue</b>                                                                        | <u>\$26,972,710</u>       | <u>\$27,010,161</u>        | <u>\$25,138,705</u>        |
| 14       | <b>Difference (Total Revenue Less Distribution Revenue Requirement before Revenues)</b>     | <u>\$1</u> <sup>(1)</sup> | <u>\$ -</u> <sup>(1)</sup> | <u>\$ -</u> <sup>(1)</sup> |

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

|                                                                                  | Application  | Interrogatory Responses | Δ% <sup>(2)</sup> | Per Board Decision | Δ% <sup>(2)</sup> |
|----------------------------------------------------------------------------------|--------------|-------------------------|-------------------|--------------------|-------------------|
| <b>Service Revenue Requirement</b>                                               | \$26,972,710 | \$27,010,161            | 0.14%             | \$25,138,705       | (100.00%)         |
| <b>Grossed-Up Revenue</b>                                                        |              |                         |                   |                    |                   |
| <b>Deficiency/(Sufficiency)</b>                                                  | \$4,350,355  | \$4,396,067             | 1.05%             | \$2,352,907        | (100.00%)         |
| <b>Base Revenue Requirement (to be recovered from Distribution Rates)</b>        | \$24,771,346 | \$24,808,797            | 0.15%             | \$22,928,653       | (100.00%)         |
| <b>Revenue Deficiency/(Sufficiency) Associated with Base Revenue Requirement</b> | \$4,350,355  | \$4,396,067             | 1.05%             | \$2,352,899        | (100.00%)         |

#### Notes

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

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

# Revenue Requirement Workform (RRWF) for 2023 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

| Customer Class                         |                         | Initial Application           |                    |                       | Interrogatory Responses       |                    |                       | Per Board Decision            |                    |                       |
|----------------------------------------|-------------------------|-------------------------------|--------------------|-----------------------|-------------------------------|--------------------|-----------------------|-------------------------------|--------------------|-----------------------|
| 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             | 40,088                        | 353,525,758        |                       | 40,088                        | 353,425,359        |                       | 40,088                        | 354,110,615        |                       |
| 2                                      | GS < 50 kW              | 2,990                         | 87,960,137         |                       | 2,990                         | 87,736,981         |                       | 2,990                         | 89,710,183         |                       |
| 3                                      | GS >50 to 999 kW        | 344                           |                    | 595,236               | 344                           |                    | 594,064               | 344                           | 227,346,454        | 614,051               |
| 4                                      | GS >1000 to 4999 kW     | 12                            |                    | 225,594               | 12                            |                    | 225,594               | 12                            | 112,314,102        | 244,528               |
| 5                                      | Large Use               | 3                             |                    | 260,034               | 3                             |                    | 260,034               | 3                             | 135,178,242        | 268,059               |
| 6                                      | Street Lighting         | 2,919                         |                    | 14,179                | 2,919                         |                    | 14,179                | 2,919                         | 5,077,522          | 14,179                |
| 7                                      | Sentinel Lighting       | 231                           |                    | 378                   | 231                           |                    | 378                   | 231                           | 134,831            | 378                   |
| 8                                      | Unmetered and Scattered | 223                           | 1,067,791          |                       | 223                           | 1,067,791          |                       | 223                           | 1,067,791          |                       |
| 9                                      |                         |                               |                    |                       |                               |                    |                       |                               |                    |                       |
| 10                                     |                         |                               |                    |                       |                               |                    |                       |                               |                    |                       |
| 11                                     |                         |                               |                    |                       |                               |                    |                       |                               |                    |                       |
| 12                                     |                         |                               |                    |                       |                               |                    |                       |                               |                    |                       |
| 13                                     |                         |                               |                    |                       |                               |                    |                       |                               |                    |                       |
| 14                                     |                         |                               |                    |                       |                               |                    |                       |                               |                    |                       |
| 15                                     |                         |                               |                    |                       |                               |                    |                       |                               |                    |                       |
| 16                                     |                         |                               |                    |                       |                               |                    |                       |                               |                    |                       |
| 17                                     |                         |                               |                    |                       |                               |                    |                       |                               |                    |                       |
| 18                                     |                         |                               |                    |                       |                               |                    |                       |                               |                    |                       |
| 19                                     |                         |                               |                    |                       |                               |                    |                       |                               |                    |                       |
| 20                                     |                         |                               |                    |                       |                               |                    |                       |                               |                    |                       |
| <b>Total</b>                           |                         |                               | <b>442,553,687</b> | <b>1,095,421</b>      |                               | <b>442,230,131</b> | <b>1,094,249</b>      |                               | <b>924,939,740</b> | <b>1,141,196</b>      |



# Revenue Requirement Workform (RRWF) for 2023 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>   |                                                    |                |                                                    |                         |
| <i>(7A)</i>                           |                                                    |                |                                                    |                         |
| 1 Residential                         | \$ 10,963,823                                      | 67.23%         | \$ 17,396,875                                      | 69.20%                  |
| 2 GS < 50 kW                          | \$ 2,107,285                                       | 12.92%         | \$ 2,985,771                                       | 11.88%                  |
| 3 GS >50 to 999 kW                    | \$ 1,896,276                                       | 11.63%         | \$ 3,111,070                                       | 12.38%                  |
| 4 GS >1000 to 4999 kW                 | \$ 477,713                                         | 2.93%          | \$ 563,924                                         | 2.24%                   |
| 5 Large Use                           | \$ 468,592                                         | 2.87%          | \$ 674,392                                         | 2.68%                   |
| 6 Street Lighting                     | \$ 20,653                                          | 0.13%          | \$ 302,036                                         | 1.20%                   |
| 7 Sentinel Lighting                   | \$ 337,476                                         | 2.07%          | \$ 52,040                                          | 0.21%                   |
| 8 Unmetered and Scattered             | \$ 34,996                                          | 0.21%          | \$ 52,598                                          | 0.21%                   |
| 9                                     |                                                    |                |                                                    |                         |
| 10                                    |                                                    |                |                                                    |                         |
| 11                                    |                                                    |                |                                                    |                         |
| 12                                    |                                                    |                |                                                    |                         |
| 13                                    |                                                    |                |                                                    |                         |
| 14                                    |                                                    |                |                                                    |                         |
| 15                                    |                                                    |                |                                                    |                         |
| 16                                    |                                                    |                |                                                    |                         |
| 17                                    |                                                    |                |                                                    |                         |
| 18                                    |                                                    |                |                                                    |                         |
| 19                                    |                                                    |                |                                                    |                         |
| 20                                    |                                                    |                |                                                    |                         |
| <b>Total</b>                          | <b>\$ 16,306,814</b>                               | <b>100.00%</b> | <b>\$ 25,138,705</b>                               | <b>100.00%</b>          |
|                                       |                                                    |                | <b>Service Revenue Requirement (from Sheet 9)</b>  | <b>\$ 25,138,705.49</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 cost 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 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 closely as possible.

**B) Calculated Class Revenues**

|    | Name of Customer Class  | Load Forecast (LF) X<br>current approved<br>rates<br>(7B) | LF X current<br>approved rates X<br>(1+d)<br>(7C) | LF X Proposed Rates<br>(7D) | Miscellaneous<br>Revenues<br>(7E) |
|----|-------------------------|-----------------------------------------------------------|---------------------------------------------------|-----------------------------|-----------------------------------|
| 1  | Residential             | \$ 14,373,804                                             | \$ 16,017,491                                     | \$ 16,017,491               | \$ 1,599,984                      |
| 2  | GS < 50 kW              | \$ 2,399,832                                              | \$ 2,674,260                                      | \$ 2,674,260                | \$ 233,494                        |
| 3  | GS >50 to 999 kW        | \$ 2,376,296                                              | \$ 2,648,033                                      | \$ 2,648,033                | \$ 234,121                        |
| 4  | GS >1000 to 4999 kW     | \$ 555,081                                                | \$ 618,556                                        | \$ 617,550                  | \$ 45,444                         |
| 5  | Large Use               | \$ 535,443                                                | \$ 596,672                                        | \$ 596,672                  | \$ 57,291                         |
| 6  | Street Lighting         | \$ 260,279                                                | \$ 290,043                                        | \$ 290,043                  | \$ 29,393                         |
| 7  | Sentinel Lighting       | \$ 31,732                                                 | \$ 35,360                                         | \$ 36,366                   | \$ 5,266                          |
| 8  | Unmetered and Scattered | \$ 43,288                                                 | \$ 48,239                                         | \$ 48,239                   | \$ 5,059                          |
| 9  |                         |                                                           |                                                   |                             |                                   |
| 10 |                         |                                                           |                                                   |                             |                                   |
| 11 |                         |                                                           |                                                   |                             |                                   |
| 12 |                         |                                                           |                                                   |                             |                                   |
| 13 |                         |                                                           |                                                   |                             |                                   |
| 14 |                         |                                                           |                                                   |                             |                                   |
| 15 |                         |                                                           |                                                   |                             |                                   |
| 16 |                         |                                                           |                                                   |                             |                                   |
| 17 |                         |                                                           |                                                   |                             |                                   |
| 18 |                         |                                                           |                                                   |                             |                                   |
| 19 |                         |                                                           |                                                   |                             |                                   |
| 20 |                         |                                                           |                                                   |                             |                                   |
|    | <b>Total</b>            | \$ 20,575,755                                             | \$ 22,928,653                                     | \$ 22,928,653               | \$ 2,210,052                      |

- (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 Revenue quantities should be net of the Transformer Ownership Allowance for applicable customer classes. Exclude revenues from rate adders and rate rid
- (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 I
- (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:<br>2016<br>% | (7C + 7E) / (7A)<br>% | (7D + 7E) / (7A)<br>% | %            |
| 1  | Residential             | 97.83%                         | 101.27%               | 101.27%               | 85 - 115     |
| 2  | GS < 50 kW              | 109.47%                        | 97.39%                | 97.39%                | 80 - 120     |
| 3  | GS >50 to 999 kW        | 97.83%                         | 92.64%                | 92.64%                | 80 - 120     |
| 4  | GS >1000 to 4999 kW     | 120.00%                        | 117.75%               | 117.57%               | 80 - 120     |
| 5  | Large Use               | 115.00%                        | 96.97%                | 96.97%                | 85 - 115     |
| 6  | Street Lighting         | 97.83%                         | 105.76%               | 105.76%               | 80 - 120     |
| 7  | Sentinel Lighting       | 60.00%                         | 78.07%                | 80.00%                | 80 - 120     |
| 8  | Unmetered and Scattered | 104.42%                        | 101.33%               | 101.33%               | 80 - 120     |
| 9  |                         |                                |                       |                       |              |
| 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 per 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 i 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>(11)</sup>

| Name of Customer Class    | Proposed Revenue-to-Cost Ratio |                     |         | Policy Range |
|---------------------------|--------------------------------|---------------------|---------|--------------|
|                           | Test Year<br>2023              | Price Cap IR Period |         |              |
|                           |                                | 2024                | 2025    |              |
| 1 Residential             | 101.27%                        | 101.27%             | 101.27% | 85 - 115     |
| 2 GS < 50 kW              | 97.39%                         | 97.39%              | 97.39%  | 80 - 120     |
| 3 GS >50 to 999 kW        | 92.64%                         | 92.64%              | 92.64%  | 80 - 120     |
| 4 GS >1000 to 4999 kW     | 117.57%                        | 117.57%             | 117.57% | 80 - 120     |
| 5 Large Use               | 96.97%                         | 96.97%              | 96.97%  | 85 - 115     |
| 6 Street Lighting         | 105.76%                        | 105.76%             | 105.76% | 80 - 120     |
| 7 Sentinel Lighting       | 80.00%                         | 80.00%              | 80.00%  | 80 - 120     |
| 8 Unmetered and Scattered | 101.33%                        | 101.33%             | 101.33% | 80 - 120     |
| 9                         |                                |                     |         |              |
| 10                        |                                |                     |         |              |
| 11                        |                                |                     |         |              |
| 12                        |                                |                     |         |              |
| 13                        |                                |                     |         |              |
| 14                        |                                |                     |         |              |
| 15                        |                                |                     |         |              |
| 16                        |                                |                     |         |              |
| 17                        |                                |                     |         |              |
| 18                        |                                |                     |         |              |
| 19                        |                                |                     |         |              |
| 20                        |                                |                     |         |              |

(11) 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. The applicant should 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 ratio as "Change" or "No Change" in 2019 (in the current Revenue/Cost Ratio Adjustment Workform, Worksheet C1.1 'Decision - Cost Revenue Adjustment, column TBD for class(es) that will be entered as 'Rebalance'.





# Appendix B

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Updated Appendix 2-AB: Capital Expenditure Summary

TO BE UPDATED AT THE DRAFT RATE ORDER STAGE

Appendix 2-AB

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

First year of Forecast Period:  
 2023

| CATEGORY                        | Historical Period (previous plan <sup>1</sup> & actual) |        |        |         |        |        |         |        |        |         |        |        |         |        |        |         |        |         | Forecast Period (planned) |                     |     |        |        |        |        |        |
|---------------------------------|---------------------------------------------------------|--------|--------|---------|--------|--------|---------|--------|--------|---------|--------|--------|---------|--------|--------|---------|--------|---------|---------------------------|---------------------|-----|--------|--------|--------|--------|--------|
|                                 | 2016                                                    |        |        | 2017    |        |        | 2018    |        |        | 2019    |        |        | 2020    |        |        | 2021    |        |         | 2022                      |                     |     | 2023   | 2024   | 2025   | 2026   | 2027   |
|                                 | Plan                                                    | Actual | Var    | Plan    | Actual | Var    | Plan    | Actual | Var    | Plan    | Actual | Var    | Plan    | Actual | Var    | Plan    | Actual | Var     | Plan                      | Actual <sup>2</sup> | Var |        |        |        |        |        |
|                                 | \$ '000                                                 |        | %      | \$ '000 |        | %      | \$ '000 |        | %      | \$ '000 |        | %      | \$ '000 |        | %      | \$ '000 |        | %       | \$ '000                   |                     | %   |        |        |        |        |        |
| <b>System Access</b>            | 7,068                                                   | 6,934  | -1.9%  | 8,092   | 5,350  | -33.9% | 6,212   | 6,339  | 2.0%   | 6,411   | 5,972  | -6.8%  | 6,878   | 7,291  | 6.0%   | 8,236   | 8,730  | 6.0%    | 5,977                     |                     |     | 5,612  | 5,308  | 4,342  | 6,576  | 5,511  |
| <b>System Renewal</b>           | 2,473                                                   | 1,747  | -29.4% | 1,821   | 1,810  | -0.6%  | 1,790   | 2,310  | 29.1%  | 1,800   | 1,662  | -7.7%  | 1,725   | 2,179  | 26.3%  | 3,656   | 1,972  | -46.1%  | 2,562                     |                     |     | 1,770  | 2,520  | 2,575  | 2,630  | 2,687  |
| <b>System Service</b>           | 1,520                                                   | 620    | -59.2% | 1,225   | 1,220  | -0.4%  | 1,350   | 1,742  | 29.0%  | 1,350   | 2,431  | 80.1%  | 1,500   | 646    | -56.9% | 835     | 378    | -54.8%  | 1,418                     |                     |     | 1,711  | 1,880  | 1,784  | 1,807  | 1,829  |
| <b>General Plant</b>            | 896                                                     | 2,252  | 151.3% | 701     | 899    | 28.2%  | 711     | 1,998  | 181.0% | 676     | 1,774  | 162.4% | 696     | 242    | -65.2% | 932     | -91    | -109.8% | 2,229                     |                     |     | 2,313  | 1,735  | 1,595  | 1,076  | 1,757  |
| <b>TOTAL EXPENDITURE</b>        | 11,957                                                  | 11,553 | -3.4%  | 11,839  | 9,279  | -21.6% | 10,063  | 12,389 | 23.1%  | 10,237  | 11,839 | 15.6%  | 10,799  | 10,358 | -4.1%  | 13,659  | 10,988 | -19.6%  | 12,186                    |                     |     | 11,406 | 11,443 | 10,295 | 12,089 | 11,784 |
| <b>Capital Contributions</b>    | -3,808                                                  | -3,333 | -12.5% | -3,323  | -2,880 | -13.3% | -2,118  | -2,920 | 37.9%  | -2,181  | -2,025 | -7.2%  | -4,793  | -2,303 | -52.0% | -4,660  | -2,947 | -36.8%  | -3,024                    |                     |     | -2,539 | -2,473 | -2,137 | -2,877 | -2,542 |
| <b>Net Capital Expenditures</b> | 8,149                                                   | 8,220  | 0.9%   | 8,516   | 6,399  | -24.9% | 7,945   | 9,469  | 19.2%  | 8,056   | 9,814  | 21.8%  | 6,006   | 8,055  | 34.1%  | 8,999   | 8,041  | -10.6%  | 9,162                     |                     |     | 8,867  | 8,971  | 8,158  | 9,212  | 9,242  |
| <b>System O&amp;M</b>           | 3,812                                                   | 3,797  | -0.39% | 3,576   | 3,335  | -6.74% | 3,863   | 3,773  | -2.33% | 3,996   | 3,973  | -0.58% | 3,923   | 3,881  | -1.07% | 3,963   | 4,748  | 19.81%  | 4,292                     |                     |     | 4,220  | 5,832  | 5,988  | 6,219  | 6,406  |

Notes to the Table:

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

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

# Appendix C

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Updated Appendix 2-BA: 2023 Fixed Asset Continuity Schedule

**Appendix 2-BA  
 Fixed Asset Continuity Schedule <sup>1</sup>**

Accounting Standard MIFRS  
 Year 2016

| CCA Class <sup>2</sup> | OEB Account <sup>3</sup> | Description <sup>3</sup>                                                                                                        | Cost                         |                        |                        |                       | Accumulated Depreciation     |                     |                        |                      | Net Book Value       |
|------------------------|--------------------------|---------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------------|------------------------|-----------------------|------------------------------|---------------------|------------------------|----------------------|----------------------|
|                        |                          |                                                                                                                                 | Opening Balance <sup>6</sup> | Additions <sup>4</sup> | Disposals <sup>5</sup> | Closing Balance       | Opening Balance <sup>6</sup> | Additions           | Disposals <sup>5</sup> | Closing Balance      |                      |
| 47                     | 1609                     | Capital Contributions Paid                                                                                                      | \$ 122,349                   |                        |                        | \$ 122,349            | \$ 7,642                     | \$ 3,059            | \$ -                   | \$ 10,701            | \$ 111,648           |
| 12                     | 1611                     | Computer Software (Formally known as Account 1925)                                                                              | \$ 1,209,822                 | \$ 330,483             |                        | \$ 1,540,305          | \$ 769,052                   | \$ 191,003          | \$ -                   | \$ 960,055           | \$ 580,250           |
| CEC                    | 1612                     | Land Rights (Formally known as Account 1906)                                                                                    | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| N/A                    | 1805                     | Land                                                                                                                            | \$ 69,883                    |                        |                        | \$ 69,883             | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ 69,883            |
| 47                     | 1808                     | Buildings                                                                                                                       | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 13                     | 1810                     | Leasehold Improvements                                                                                                          | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 47                     | 1815                     | Transformer Station Equipment >50 kV                                                                                            | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 47                     | 1820                     | Distribution Station Equipment <50 kV                                                                                           | \$ 1,516,192                 |                        |                        | \$ 1,516,192          | \$ 1,472,775                 | \$ 15,275           | \$ -                   | \$ 1,488,050         | \$ 28,142            |
| 47                     | 1825                     | Storage Battery Equipment                                                                                                       | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 47                     | 1830                     | Poles, Towers & Fixtures                                                                                                        | \$ 32,124,753                | \$ 1,648,808           | \$ 220,820             | \$ 33,552,741         | \$ 11,003,800                | \$ 572,679          | \$ 115,089             | \$ 11,461,391        | \$ 22,091,350        |
| 47                     | 1835                     | Overhead Conductors & Devices                                                                                                   | \$ 23,668,495                | \$ 837,639             | \$ 61,776              | \$ 24,444,358         | \$ 12,931,306                | \$ 305,344          | \$ 49,367              | \$ 13,187,263        | \$ 11,257,095        |
| 47                     | 1840                     | Underground Conduit                                                                                                             | \$ 25,637,522                | \$ 1,598,185           | \$ -                   | \$ 27,235,707         | \$ 8,080,913                 | \$ 594,670          | \$ -                   | \$ 8,675,583         | \$ 18,560,124        |
| 47                     | 1845                     | Underground Conductors & Devices                                                                                                | \$ 20,724,595                | \$ 1,314,963           | \$ 27,291              | \$ 22,012,267         | \$ 8,598,741                 | \$ 383,063          | \$ 4,186               | \$ 8,977,618         | \$ 13,034,648        |
| 47                     | 1850                     | Line Transformers                                                                                                               | \$ 40,880,487                | \$ 1,940,950           | \$ 382,344             | \$ 42,439,093         | \$ 18,977,402                | \$ 751,400          | \$ 261,733             | \$ 19,467,069        | \$ 22,972,025        |
| 47                     | 1855                     | Services (Overhead & Underground)                                                                                               | \$ 11,117,850                | \$ 743,376             |                        | \$ 11,861,226         | \$ 2,115,341                 | \$ 272,684          | \$ -                   | \$ 2,388,025         | \$ 9,473,202         |
| 47                     | 1860                     | Meters                                                                                                                          | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 47                     | 1860                     | Meters (Smart Meters)                                                                                                           | \$ 12,038,045                | \$ 792,384             | \$ 35,637              | \$ 12,794,792         | \$ 6,187,563                 | \$ 894,650          | \$ 24,180              | \$ 7,058,033         | \$ 5,736,759         |
| N/A                    | 1905                     | Land                                                                                                                            | \$ 4,040,000                 |                        |                        | \$ 4,040,000          | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ 4,040,000         |
| 47                     | 1908                     | Buildings & Fixtures                                                                                                            | \$ 8,943,661                 | \$ 1,299,480           |                        | \$ 10,243,141         | \$ 89,442                    | \$ 178,873          | \$ -                   | \$ 268,315           | \$ 9,974,826         |
| 13                     | 1908                     | Building disallowed in 2016 COS                                                                                                 | \$ 1,429,202                 |                        |                        | \$ 1,429,202          | \$ 14,292                    | \$ 28,584           | \$ -                   | \$ 42,876            | \$ 1,386,326         |
| 13                     | 1910                     | Leasehold Improvements                                                                                                          | \$ 377,009                   |                        |                        | \$ 377,009            | \$ -                         | \$ -                | \$ -                   | \$ 377,009           | \$ -                 |
| 8                      | 1915                     | Office Furniture & Equipment (10 years)                                                                                         | \$ 1,052,845                 | \$ 66,356              |                        | \$ 1,119,201          | \$ 695,583                   | \$ 51,923           | \$ -                   | \$ 747,506           | \$ 371,696           |
| 8                      | 1915                     | Office Furniture & Equipment (5 years)                                                                                          | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 10                     | 1920                     | Computer Equipment - Hardware                                                                                                   | \$ 2,024,487                 | \$ 80,109              |                        | \$ 2,104,597          | \$ 1,714,656                 | \$ 108,879          | \$ -                   | \$ 1,823,535         | \$ 281,062           |
| 45                     | 1920                     | Computer Equip.-Hardware(Post Mar. 22/04)                                                                                       | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 45.1                   | 1920                     | Computer Equip.-Hardware(Post Mar. 19/07)                                                                                       | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 10                     | 1930                     | Transportation Equipment                                                                                                        | \$ 2,886,093                 | \$ 480,681             | \$ 159,645             | \$ 3,207,129          | \$ 1,424,286                 | \$ 199,155          | \$ 159,645             | \$ 1,463,796         | \$ 1,743,334         |
| 8                      | 1935                     | Stores Equipment                                                                                                                | \$ 517,825                   | \$ 7,460               |                        | \$ 525,285            | \$ 197,643                   | \$ 20,108           | \$ -                   | \$ 217,752           | \$ 307,533           |
| 8                      | 1940                     | Tools, Shop & Garage Equipment                                                                                                  | \$ 446,359                   | \$ 25,577              |                        | \$ 471,936            | \$ 384,675                   | \$ 19,725           | \$ -                   | \$ 404,399           | \$ 67,537            |
| 8                      | 1945                     | Measurement & Testing Equipment                                                                                                 | \$ 126,480                   |                        |                        | \$ 126,480            | \$ 77,088                    | \$ -                | \$ -                   | \$ 77,088            | \$ 49,393            |
| 8                      | 1950                     | Power Operated Equipment                                                                                                        | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 8                      | 1955                     | Communications Equipment                                                                                                        | \$ 544,264                   | \$ 79,731              |                        | \$ 623,995            | \$ 200,060                   | \$ 41,673           | \$ -                   | \$ 241,633           | \$ 382,362           |
| 8                      | 1955                     | Communication Equipment (Smart Meters)                                                                                          | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 8                      | 1960                     | Miscellaneous Equipment                                                                                                         | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 47                     | 1970                     | Load Management Controls Customer Premises                                                                                      | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 47                     | 1975                     | Load Management Controls Utility Premises                                                                                       | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 47                     | 1980                     | System Supervisor Equipment                                                                                                     | \$ 128,952                   | \$ 74,692              |                        | \$ 203,644            | \$ 53,344                    | \$ 8,317            | \$ -                   | \$ 61,661            | \$ 141,983           |
| 47                     | 1985                     | Miscellaneous Fixed Assets                                                                                                      | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 47                     | 1990                     | Other Tangible Property                                                                                                         | \$ 133,004                   |                        |                        | \$ 133,004            | \$ 60,307                    | \$ 14,468           | \$ -                   | \$ 74,775            | \$ 58,229            |
| 47                     | 1995                     | Contributions & Grants                                                                                                          | \$ 47,115,668                |                        |                        | \$ 47,115,668         | \$ 14,218,365                | \$ 1,106,498        | \$ -                   | \$ 15,324,863        | \$ 31,790,805        |
| 47                     | 2440                     | Deferred Revenue                                                                                                                | \$ 6,679,356                 | \$ 3,333,020           |                        | \$ 10,012,375         | \$ 197,840                   | \$ 214,162          | \$ -                   | \$ 412,002           | \$ 9,600,373         |
|                        |                          | <b>Sub-Total</b>                                                                                                                | <b>\$ 135,106,748</b>        | <b>\$ 7,987,855</b>    | <b>\$ 887,514</b>      | <b>\$ 142,207,090</b> | <b>\$ 60,988,131</b>         | <b>\$ 3,277,602</b> | <b>\$ 614,219</b>      | <b>\$ 63,651,514</b> | <b>\$ 78,555,576</b> |
|                        |                          | <b>Less Socialized Renewable Energy Generation Investments (input as negative)</b>                                              |                              |                        |                        | \$ -                  |                              |                     |                        | \$ -                 | \$ -                 |
|                        |                          | <b>Less Other Non Rate-Regulated Utility Assets (input as negative)</b>                                                         |                              |                        |                        | \$ -                  |                              |                     |                        | \$ -                 | \$ -                 |
|                        |                          | <b>Total PP&amp;E</b>                                                                                                           | <b>\$ 135,106,748</b>        | <b>\$ 7,987,855</b>    | <b>\$ 887,514</b>      | <b>\$ 142,207,090</b> | <b>\$ 60,988,131</b>         | <b>\$ 3,277,602</b> | <b>\$ 614,219</b>      | <b>\$ 63,651,514</b> | <b>\$ 78,555,576</b> |
|                        |                          | <b>Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable<sup>6</sup></b> |                              |                        |                        |                       |                              |                     |                        |                      |                      |
|                        |                          | <b>Total</b>                                                                                                                    |                              |                        |                        |                       |                              |                     |                        | <b>\$ 3,277,602</b>  |                      |
|                        |                          | <b>Less: Fully Allocated Depreciation</b>                                                                                       |                              |                        |                        |                       |                              |                     |                        |                      |                      |
| 10                     | 1930                     | Transportation                                                                                                                  |                              |                        |                        |                       |                              |                     |                        | \$ 199,155           |                      |
| 8                      | 1940                     | Tools                                                                                                                           |                              |                        |                        |                       |                              |                     |                        | \$ 19,725            |                      |
| 47                     | 2440                     | Capital Contributions                                                                                                           |                              |                        |                        |                       |                              |                     |                        | \$ 214,162           |                      |
|                        |                          | <b>Net Depreciation</b>                                                                                                         |                              |                        |                        |                       |                              |                     |                        | <b>\$ 3,272,885</b>  |                      |

**Notes:**

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

**Appendix 2-BA  
 Fixed Asset Continuity Schedule <sup>1</sup>**

Accounting Standard MIFRS  
 Year 2017

| CCA Class <sup>2</sup> | OEB Account <sup>3</sup> | Description <sup>3</sup>                                                                                                        | Cost                         |                        |                        |                       | Accumulated Depreciation     |                     |                        |                      | Net Book Value       |
|------------------------|--------------------------|---------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------------|------------------------|-----------------------|------------------------------|---------------------|------------------------|----------------------|----------------------|
|                        |                          |                                                                                                                                 | Opening Balance <sup>4</sup> | Additions <sup>4</sup> | Disposals <sup>4</sup> | Closing Balance       | Opening Balance <sup>5</sup> | Additions           | Disposals <sup>6</sup> | Closing Balance      |                      |
| 47                     | 1609                     | Capital Contributions Paid                                                                                                      | \$ 122,349                   |                        |                        | \$ 122,349            | \$ 10,701                    | \$ 3,059            | \$ -                   | \$ 13,760            | \$ 108,589           |
| 12                     | 1611                     | Computer Software (Formally known as Account 1925)                                                                              | \$ 1,540,305                 | \$ 487,432             |                        | \$ 2,027,738          | \$ 960,055                   | \$ 249,705          | \$ -                   | \$ 1,209,760         | \$ 817,977           |
| CEC                    | 1612                     | Land Rights (Formally known as Account 1906)                                                                                    | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| N/A                    | 1805                     | Land                                                                                                                            | \$ 69,883                    |                        |                        | \$ 69,883             | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ 69,883            |
| 47                     | 1808                     | Buildings                                                                                                                       | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 13                     | 1810                     | Leasehold Improvements                                                                                                          | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 47                     | 1815                     | Transformer Station Equipment >50 kV                                                                                            | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 47                     | 1820                     | Distribution Station Equipment <50 kV                                                                                           | \$ 1,516,192                 |                        | \$ 61,179              | \$ 1,455,012          | \$ 1,488,050                 | \$ 11,196           | \$ 61,179              | \$ 1,438,067         | \$ 16,946            |
| 47                     | 1825                     | Storage Battery Equipment                                                                                                       | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 47                     | 1830                     | Poles, Towers & Fixtures                                                                                                        | \$ 33,552,741                | \$ 3,385,402           | \$ 307,414             | \$ 36,630,728         | \$ 11,461,391                | \$ 1,767,753        | \$ 152,754             | \$ 13,076,390        | \$ 23,554,338        |
| 47                     | 1835                     | Overhead Conductors & Devices                                                                                                   | \$ 24,444,358                | \$ 1,496,975           | \$ 191,776             | \$ 22,755,608         | \$ 13,187,263                | \$ 848,378          | \$ 173,890             | \$ 12,164,995        | \$ 10,590,613        |
| 47                     | 1840                     | Underground Conduit                                                                                                             | \$ 27,235,707                | \$ 1,182,959           | \$ 238                 | \$ 28,418,428         | \$ 8,875,583                 | \$ 631,006          | \$ 238                 | \$ 9,306,351         | \$ 19,112,077        |
| 47                     | 1845                     | Underground Conductors & Devices                                                                                                | \$ 22,012,267                | \$ 950,594             | \$ 132,456             | \$ 22,830,405         | \$ 8,977,618                 | \$ 412,648          | \$ 114,284             | \$ 9,276,182         | \$ 13,554,223        |
| 47                     | 1850                     | Line Transformers                                                                                                               | \$ 42,439,093                | \$ 1,598,855           | \$ 1,312,256           | \$ 42,725,694         | \$ 19,467,069                | \$ 787,707          | \$ 1,026,378           | \$ 19,228,397        | \$ 23,497,297        |
| 47                     | 1855                     | Services (Overhead & Underground)                                                                                               | \$ 11,861,226                | \$ 646,435             | \$ 173                 | \$ 12,507,488         | \$ 2,388,025                 | \$ 291,401          | \$ 62                  | \$ 2,679,363         | \$ 9,828,125         |
| 47                     | 1860                     | Meters                                                                                                                          | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 47                     | 1860                     | Meters (Smart Meters)                                                                                                           | \$ 12,794,792                | \$ 1,031,568           | \$ 1,629,744           | \$ 12,196,616         | \$ 7,058,033                 | \$ 779,471          | \$ 1,316,916           | \$ 6,520,587         | \$ 5,676,028         |
| N/A                    | 1905                     | Land                                                                                                                            | \$ 4,040,000                 |                        |                        | \$ 4,040,000          | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ 4,040,000         |
| 47                     | 1908                     | Buildings & Fixtures                                                                                                            | \$ 10,243,141                | \$ 74,555              |                        | \$ 10,317,696         | \$ 268,315                   | \$ 207,204          | \$ -                   | \$ 475,519           | \$ 9,842,177         |
|                        | 1908                     | Building disallowed in 2016 COS                                                                                                 | \$ 1,429,202                 |                        |                        | \$ 1,429,202          | \$ 42,876                    | \$ 28,584           | \$ -                   | \$ 71,460            | \$ 1,357,742         |
| 13                     | 1910                     | Leasehold Improvements                                                                                                          | \$ 377,009                   |                        |                        | \$ 377,009            | \$ 377,009                   | \$ -                | \$ -                   | \$ 377,009           | \$ -                 |
| 8                      | 1915                     | Office Furniture & Equipment (10 years)                                                                                         | \$ 1,119,201                 | \$ 5,773               |                        | \$ 1,124,974          | \$ 747,506                   | \$ 29,010           | \$ -                   | \$ 776,516           | \$ 348,458           |
| 8                      | 1915                     | Office Furniture & Equipment (5 years)                                                                                          | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 10                     | 1920                     | Computer Equipment - Hardware                                                                                                   | \$ 2,104,597                 | \$ 70,635              |                        | \$ 2,175,232          | \$ 1,823,535                 | \$ 112,986          | \$ -                   | \$ 1,936,520         | \$ 238,711           |
| 45                     | 1920                     | Computer Equip.-Hardware(Post Mar. 22/04)                                                                                       | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 45.1                   | 1920                     | Computer Equip.-Hardware(Post Mar. 19/07)                                                                                       | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 10                     | 1930                     | Transportation Equipment                                                                                                        | \$ 3,207,129                 | \$ 117,645             | \$ 32,927              | \$ 3,291,847          | \$ 1,463,796                 | \$ 230,038          | \$ 32,927              | \$ 1,660,907         | \$ 1,630,940         |
| 8                      | 1935                     | Stores Equipment                                                                                                                | \$ 525,285                   | \$ 6,000               |                        | \$ 531,285            | \$ 217,752                   | \$ 20,669           | \$ -                   | \$ 238,421           | \$ 292,864           |
| 8                      | 1940                     | Tools, Shop & Garage Equipment                                                                                                  | \$ 471,936                   | \$ 30,928              |                        | \$ 502,864            | \$ 404,399                   | \$ 10,793           | \$ -                   | \$ 415,192           | \$ 87,671            |
| 8                      | 1945                     | Measurement & Testing Equipment                                                                                                 | \$ 126,480                   |                        |                        | \$ 126,480            | \$ 77,088                    | \$ 10,824           | \$ -                   | \$ 87,911            | \$ 38,569            |
| 8                      | 1950                     | Power Operated Equipment                                                                                                        | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 8                      | 1955                     | Communications Equipment                                                                                                        | \$ 623,995                   | \$ 13,232              |                        | \$ 637,227            | \$ 241,633                   | \$ 72,588           | \$ -                   | \$ 314,221           | \$ 323,006           |
| 8                      | 1955                     | Communication Equipment (Smart Meters)                                                                                          | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 8                      | 1960                     | Miscellaneous Equipment                                                                                                         | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 47                     | 1970                     | Load Management Controls Customer Premises                                                                                      | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 47                     | 1975                     | Load Management Controls Utility Premises                                                                                       | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 47                     | 1980                     | System Supervisor Equipment                                                                                                     | \$ 203,644                   | \$ 819,075             |                        | \$ 1,022,719          | \$ 61,661                    | \$ 44,847           | \$ -                   | \$ 106,508           | \$ 916,211           |
| 47                     | 1985                     | Miscellaneous Fixed Assets                                                                                                      | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 47                     | 1990                     | Other Tangible Property                                                                                                         | \$ 133,004                   |                        |                        | \$ 133,004            | \$ 74,775                    | \$ 14,468           | \$ -                   | \$ 89,243            | \$ 43,761            |
| 47                     | 1995                     | Contributions & Grants                                                                                                          | \$ 47,115,668                |                        |                        | \$ 47,115,668         | \$ 15,324,863                | \$ 1,105,481        | \$ -                   | \$ 16,430,344        | \$ 30,685,324        |
| 47                     | 2440                     | Deferred Revenue                                                                                                                | \$ 10,012,375                | \$ 2,879,515           |                        | \$ 12,891,890         | \$ 412,002                   | \$ 295,202          | \$ -                   | \$ 707,204           | \$ 12,184,686        |
|                        | 2005                     | Property Under Finance Lease <sup>7</sup>                                                                                       | \$ -                         |                        |                        | \$ -                  | \$ 0                         | \$ 0                | \$ 0                   | \$ 0                 | \$ -                 |
|                        |                          | <b>Sub-Total</b>                                                                                                                | <b>\$ 142,207,090</b>        | <b>\$ 6,044,598</b>    | <b>\$ -3,668,163</b>   | <b>\$ 144,583,525</b> | <b>\$ 63,651,514</b>         | <b>\$ 3,409,927</b> | <b>\$ -2,878,629</b>   | <b>\$ 64,182,812</b> | <b>\$ 80,400,713</b> |
|                        |                          | <b>Less Socialized Renewable Energy Generation Investments (input as negative)</b>                                              |                              |                        |                        | \$ -                  |                              |                     |                        | \$ -                 | \$ -                 |
|                        |                          | <b>Less Other Non Rate-Regulated Utility Assets (input as negative)</b>                                                         |                              |                        |                        | \$ -                  |                              |                     |                        | \$ -                 | \$ -                 |
|                        |                          | <b>Total PP&amp;E</b>                                                                                                           | <b>\$ 142,207,090</b>        | <b>\$ 6,044,598</b>    | <b>\$ -3,668,163</b>   | <b>\$ 144,583,525</b> | <b>\$ 63,651,514</b>         | <b>\$ 3,409,927</b> | <b>\$ -2,878,629</b>   | <b>\$ 64,182,812</b> | <b>\$ 80,400,713</b> |
|                        |                          | <b>Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable<sup>8</sup></b> |                              |                        |                        |                       |                              |                     |                        |                      | \$ 3,409,927         |

Less: Fully Allocated Depreciation

|    |      |                                 |  |  |  |  |  |  |  |  |                     |
|----|------|---------------------------------|--|--|--|--|--|--|--|--|---------------------|
| 10 | 1930 | Transportation                  |  |  |  |  |  |  |  |  | \$ 230,038          |
| 8  | 1940 | Tools                           |  |  |  |  |  |  |  |  | \$ 10,793           |
| 8  | 1945 | Measurement & Testing Equipment |  |  |  |  |  |  |  |  | \$ 10,824           |
| 47 | 2440 | Capital Contributions           |  |  |  |  |  |  |  |  | \$ 295,202          |
|    |      | <b>Net Depreciation</b>         |  |  |  |  |  |  |  |  | <b>\$ 3,453,474</b> |

**Notes:**

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



**Appendix 2-BA  
 Fixed Asset Continuity Schedule <sup>1</sup>**

Accounting Standard MIFRS  
 Year 2018

| CCA Class <sup>2</sup> | OEB Account <sup>3</sup> | Description <sup>3</sup>                                                                                                        | Cost                         |                        |                        |                       | Accumulated Depreciation     |                     |                        |                      | Net Book Value       |
|------------------------|--------------------------|---------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------------|------------------------|-----------------------|------------------------------|---------------------|------------------------|----------------------|----------------------|
|                        |                          |                                                                                                                                 | Opening Balance <sup>4</sup> | Additions <sup>4</sup> | Disposals <sup>4</sup> | Closing Balance       | Opening Balance <sup>5</sup> | Additions           | Disposals <sup>6</sup> | Closing Balance      |                      |
| 47                     | 1609                     | Capital Contributions Paid                                                                                                      | \$ 122,349                   |                        |                        | \$ 122,349            | \$ 13,760                    | \$ 3,059            | \$ -                   | \$ 16,819            | \$ 105,531           |
| 12                     | 1611                     | Computer Software (Formally known as Account 1925)                                                                              | \$ 2,027,738                 | \$ 550,748             |                        | \$ 2,578,486          | \$ 1,209,760                 | \$ 302,989          | \$ -                   | \$ 1,512,750         | \$ 1,065,736         |
| CEC                    | 1612                     | Land Rights (Formally known as Account 1906)                                                                                    | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| N/A                    | 1805                     | Land                                                                                                                            | \$ 69,883                    |                        |                        | \$ 69,883             | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ 69,883            |
| 47                     | 1808                     | Buildings                                                                                                                       | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 13                     | 1810                     | Leasehold Improvements                                                                                                          | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 47                     | 1815                     | Transformer Station Equipment >50 kV                                                                                            | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 47                     | 1820                     | Distribution Station Equipment <50 kV                                                                                           | \$ 1,455,012                 | \$ 980                 |                        | \$ 1,455,992          | \$ 1,438,067                 | \$ 10,887           | \$ -                   | \$ 1,448,953         | \$ 7,039             |
| 47                     | 1825                     | Storage Battery Equipment                                                                                                       | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 47                     | 1830                     | Poles, Towers & Fixtures                                                                                                        | \$ 36,630,728                | \$ 1,678,286           | \$ 281,492             | \$ 38,027,523         | \$ 13,076,390                | \$ 628,353          | \$ 155,746             | \$ 13,548,997        | \$ 24,478,526        |
| 47                     | 1835                     | Overhead Conductors & Devices                                                                                                   | \$ 22,755,608                | \$ 1,008,942           | \$ 71,224              | \$ 23,693,325         | \$ 12,164,995                | \$ 340,070          | \$ 50,386              | \$ 12,454,680        | \$ 11,238,646        |
| 47                     | 1840                     | Underground Conduit                                                                                                             | \$ 28,418,428                | \$ 1,480,577           | \$ 11,456              | \$ 29,887,549         | \$ 9,306,351                 | \$ 660,886          | \$ 11,456              | \$ 9,955,781         | \$ 19,931,768        |
| 47                     | 1845                     | Underground Conductors & Devices                                                                                                | \$ 22,830,405                | \$ 887,835             | \$ 20,619              | \$ 23,738,660         | \$ 9,276,182                 | \$ 433,167          | \$ 6,144               | \$ 9,705,205         | \$ 14,035,455        |
| 47                     | 1850                     | Line Transformers                                                                                                               | \$ 42,725,694                | \$ 2,149,076           | \$ 695,758             | \$ 44,179,011         | \$ 19,228,397                | \$ 826,576          | \$ 502,287             | \$ 19,552,687        | \$ 24,626,325        |
| 47                     | 1855                     | Services (Overhead & Underground)                                                                                               | \$ 12,507,488                | \$ 845,519             | \$ 5,410               | \$ 13,347,597         | \$ 2,679,363                 | \$ 306,995          | \$ 545                 | \$ 2,985,813         | \$ 10,361,784        |
| 47                     | 1860                     | Meters                                                                                                                          | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 47                     | 1860                     | Meters (Smart Meters)                                                                                                           | \$ 12,196,616                | \$ 1,486,195           | \$ 431,475             | \$ 13,251,336         | \$ 6,520,587                 | \$ 830,170          | \$ 345,496             | \$ 7,005,261         | \$ 6,246,075         |
| N/A                    | 1905                     | Land                                                                                                                            | \$ 4,040,000                 |                        |                        | \$ 4,040,000          | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ 4,040,000         |
| 47                     | 1908                     | Buildings & Fixtures                                                                                                            | \$ 10,317,696                | \$ 55,832              |                        | \$ 10,373,528         | \$ 475,519                   | \$ 207,304          | \$ -                   | \$ 682,822           | \$ 9,690,705         |
|                        | 1908                     | Building disallowed in 2016 COS                                                                                                 | \$ 1,429,202                 |                        |                        | \$ 1,429,202          | \$ 71,460                    | \$ 28,584           | \$ -                   | \$ 100,044           | \$ 1,329,158         |
| 13                     | 1910                     | Leasehold Improvements                                                                                                          | \$ 377,009                   |                        |                        | \$ 377,009            | \$ 377,009                   | \$ -                | \$ -                   | \$ 377,009           | \$ -                 |
| 8                      | 1915                     | Office Furniture & Equipment (10 years)                                                                                         | \$ 1,124,974                 | \$ 6,682               |                        | \$ 1,131,656          | \$ 776,516                   | \$ 52,889           | \$ -                   | \$ 829,405           | \$ 302,250           |
| 8                      | 1915                     | Office Furniture & Equipment (5 years)                                                                                          | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 10                     | 1920                     | Computer Equipment - Hardware                                                                                                   | \$ 2,175,232                 | \$ 81,671              |                        | \$ 2,256,903          | \$ 1,936,520                 | \$ 105,695          | \$ -                   | \$ 2,042,216         | \$ 214,687           |
| 45                     | 1920                     | Computer Equip.-Hardware(Post Mar. 22/04)                                                                                       | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 45.1                   | 1920                     | Computer Equip.-Hardware(Post Mar. 19/07)                                                                                       | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 10                     | 1930                     | Transportation Equipment                                                                                                        | \$ 3,291,847                 | \$ 459,485             | \$ 305,484             | \$ 3,445,848          | \$ 1,660,907                 | \$ 254,123          | \$ 305,484             | \$ 1,609,546         | \$ 1,836,302         |
| 8                      | 1935                     | Stores Equipment                                                                                                                | \$ 531,285                   | \$ 8,476               |                        | \$ 539,762            | \$ 238,421                   | \$ 21,272           | \$ -                   | \$ 259,693           | \$ 280,068           |
| 8                      | 1940                     | Tools, Shop & Garage Equipment                                                                                                  | \$ 502,864                   | \$ 143,258             |                        | \$ 646,121            | \$ 415,192                   | \$ 19,121           | \$ -                   | \$ 434,313           | \$ 211,808           |
| 8                      | 1945                     | Measurement & Testing Equipment                                                                                                 | \$ 126,480                   | \$ 43,455              |                        | \$ 169,936            | \$ 87,911                    | \$ 12,541           | \$ -                   | \$ 100,452           | \$ 69,484            |
| 8                      | 1950                     | Power Operated Equipment                                                                                                        | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 8                      | 1955                     | Communications Equipment                                                                                                        | \$ 637,227                   |                        |                        | \$ 637,227            | \$ 314,221                   | \$ 46,505           | \$ -                   | \$ 360,727           | \$ 276,500           |
| 8                      | 1955                     | Communication Equipment (Smart Meters)                                                                                          | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 8                      | 1960                     | Miscellaneous Equipment                                                                                                         | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 47                     | 1970                     | Load Management Controls Customer Premises                                                                                      | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 47                     | 1975                     | Load Management Controls Utility Premises                                                                                       | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 47                     | 1980                     | System Supervisor Equipment                                                                                                     | \$ 1,022,719                 | \$ 337,550             |                        | \$ 1,360,269          | \$ 106,508                   | \$ 75,940           | \$ -                   | \$ 182,448           | \$ 1,177,820         |
| 47                     | 1985                     | Miscellaneous Fixed Assets                                                                                                      | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 47                     | 1990                     | Other Tangible Property                                                                                                         | \$ 133,004                   |                        |                        | \$ 133,004            | \$ 89,243                    | \$ 14,468           | \$ -                   | \$ 103,712           | \$ 29,293            |
| 47                     | 1995                     | Contributions & Grants                                                                                                          | \$ 47,115,668                |                        |                        | \$ 47,115,668         | \$ 16,430,344                | \$ 1,105,235        | \$ -                   | \$ 17,535,580        | \$ 29,580,088        |
| 47                     | 2440                     | Deferred Revenue                                                                                                                | \$ 12,891,890                | \$ 2,920,318           |                        | \$ 15,812,208         | \$ 707,204                   | \$ 368,975          | \$ -                   | \$ 1,076,179         | \$ 14,736,029        |
|                        |                          | <b>Sub-Total</b>                                                                                                                | <b>\$ 144,583,525</b>        | <b>\$ 8,304,051</b>    | <b>-\$ 1,781,680</b>   | <b>\$ 151,105,896</b> | <b>\$ 64,182,812</b>         | <b>\$ 3,650,218</b> | <b>-\$ 1,377,545</b>   | <b>\$ 66,455,485</b> | <b>\$ 84,650,411</b> |
|                        |                          | <b>Less Socialized Renewable Energy Generation Investments (input as negative)</b>                                              |                              |                        |                        | \$ -                  |                              |                     |                        | \$ -                 | \$ -                 |
|                        |                          | <b>Less Other Non Rate-Regulated Utility Assets (input as negative)</b>                                                         |                              |                        |                        | \$ -                  |                              |                     |                        | \$ -                 | \$ -                 |
|                        |                          | <b>Total PP&amp;E</b>                                                                                                           | <b>\$ 144,583,525</b>        | <b>\$ 8,304,051</b>    | <b>-\$ 1,781,680</b>   | <b>\$ 151,105,896</b> | <b>\$ 64,182,812</b>         | <b>\$ 3,650,218</b> | <b>-\$ 1,377,545</b>   | <b>\$ 66,455,485</b> | <b>\$ 84,650,411</b> |
|                        |                          | <b>Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable<sup>8</sup></b> |                              |                        |                        |                       |                              |                     |                        | \$ 3,650,218         |                      |

*Less: Fully Allocated Depreciation*

|    |      |                                 |  |  |  |  |  |  |  |  |                     |
|----|------|---------------------------------|--|--|--|--|--|--|--|--|---------------------|
| 10 | 1930 | Transportation                  |  |  |  |  |  |  |  |  | -\$ 254,123         |
| 8  | 1940 | Tools                           |  |  |  |  |  |  |  |  | -\$ 19,121          |
| 8  | 1945 | Measurement & Testing Equipment |  |  |  |  |  |  |  |  | -\$ 12,541          |
| 47 | 2440 | Capital Contributions           |  |  |  |  |  |  |  |  | \$ 368,975          |
|    |      | <b>Net Depreciation</b>         |  |  |  |  |  |  |  |  | <b>\$ 3,733,407</b> |

\$ -

**Notes:**

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

**Appendix 2-BA  
 Fixed Asset Continuity Schedule <sup>1</sup>**

Accounting Standard MIFRS  
 Year 2019

| CCA Class <sup>2</sup> | OEB Account <sup>3</sup> | Description <sup>3</sup>                                                                                                        | Cost                         |                        |                        |                       | Accumulated Depreciation     |                     |                        |                      | Net Book Value       |
|------------------------|--------------------------|---------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------------|------------------------|-----------------------|------------------------------|---------------------|------------------------|----------------------|----------------------|
|                        |                          |                                                                                                                                 | Opening Balance <sup>4</sup> | Additions <sup>4</sup> | Disposals <sup>4</sup> | Closing Balance       | Opening Balance <sup>5</sup> | Additions           | Disposals <sup>6</sup> | Closing Balance      |                      |
| 47                     | 1609                     | Capital Contributions Paid                                                                                                      | \$ 122,349                   | \$ 1,964,992           |                        | \$ 2,087,341          | \$ 16,819                    | \$ 27,621           | \$ -                   | \$ 44,440            | \$ 2,042,901         |
| 12                     | 1611                     | Computer Software (Formally known as Account 1925)                                                                              | \$ 2,578,486                 | \$ 207,348             |                        | \$ 2,785,834          | \$ 1,512,750                 | \$ 360,286          | \$ -                   | \$ 1,873,036         | \$ 912,798           |
| CEC                    | 1612                     | Land Rights (Formally known as Account 1906)                                                                                    | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| N/A                    | 1805                     | Land                                                                                                                            | \$ 69,883                    |                        |                        | \$ 69,883             | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ 69,883            |
| 47                     | 1808                     | Buildings                                                                                                                       | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 13                     | 1810                     | Leasehold Improvements                                                                                                          | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 47                     | 1815                     | Transformer Station Equipment >50 kV                                                                                            | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 47                     | 1820                     | Distribution Station Equipment <50 kV                                                                                           | \$ 1,455,992                 |                        |                        | \$ 1,455,992          | \$ 1,448,953                 | \$ 2,492            | \$ -                   | \$ 1,451,445         | \$ 4,547             |
| 47                     | 1825                     | Storage Battery Equipment                                                                                                       | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 47                     | 1830                     | Poles, Towers & Fixtures                                                                                                        | \$ 38,027,523                | \$ 953,574             | \$ 87,135              | \$ 38,893,962         | \$ 13,548,997                | \$ 653,147          | \$ 66,900              | \$ 14,135,244        | \$ 24,758,718        |
| 47                     | 1835                     | Overhead Conductors & Devices                                                                                                   | \$ 23,693,325                | \$ 836,727             | \$ 50,011              | \$ 24,480,042         | \$ 12,454,680                | \$ 410,189          | \$ 55,402              | \$ 12,809,467        | \$ 11,670,575        |
| 47                     | 1840                     | Underground Conduit                                                                                                             | \$ 29,887,549                | \$ 1,909,353           | \$ -                   | \$ 31,796,902         | \$ 9,955,781                 | \$ 706,008          | \$ -                   | \$ 10,661,789        | \$ 21,135,113        |
| 47                     | 1845                     | Underground Conductors & Devices                                                                                                | \$ 23,738,680                | \$ 1,261,979           | \$ 52,597              | \$ 24,948,042         | \$ 9,703,205                 | \$ 466,044          | \$ 41,695              | \$ 10,127,554        | \$ 14,820,488        |
| 47                     | 1850                     | Line Transformers                                                                                                               | \$ 44,179,011                | \$ 1,593,486           | \$ 493,038             | \$ 45,279,459         | \$ 19,552,687                | \$ 802,673          | \$ 310,926             | \$ 20,044,434        | \$ 25,235,025        |
| 47                     | 1855                     | Services (Overhead & Underground)                                                                                               | \$ 13,347,597                | \$ 587,882             | \$ 244                 | \$ 13,935,236         | \$ 2,985,813                 | \$ 327,991          | \$ -                   | \$ 3,313,804         | \$ 10,621,432        |
| 47                     | 1860                     | Meters                                                                                                                          | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 47                     | 1860                     | Meters (Smart Meters)                                                                                                           | \$ 13,251,336                | \$ 1,215,553           | \$ 575,158             | \$ 13,891,731         | \$ 7,005,261                 | \$ 894,093          | \$ 496,931             | \$ 7,402,423         | \$ 6,489,307         |
| N/A                    | 1905                     | Land                                                                                                                            | \$ 4,040,000                 |                        |                        | \$ 4,040,000          | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ 4,040,000         |
| 47                     | 1908                     | Buildings & Fixtures                                                                                                            | \$ 10,373,528                | \$ 364,220             |                        | \$ 10,737,748         | \$ 682,822                   | \$ 216,235          | \$ -                   | \$ 899,057           | \$ 9,838,691         |
|                        | 1908                     | Building disallowed in 2016 COS                                                                                                 | \$ 1,429,202                 |                        |                        | \$ 1,429,202          | \$ 100,044                   | \$ 28,584           | \$ -                   | \$ 128,628           | \$ 1,300,574         |
| 13                     | 1910                     | Leasehold Improvements                                                                                                          | \$ 377,009                   |                        |                        | \$ 377,009            | \$ 377,009                   | \$ -                | \$ -                   | \$ 377,009           | \$ -                 |
| 8                      | 1915                     | Office Furniture & Equipment (10 years)                                                                                         | \$ 1,131,656                 |                        |                        | \$ 1,131,656          | \$ 829,405                   | \$ 50,385           | \$ -                   | \$ 879,791           | \$ 251,865           |
| 8                      | 1915                     | Office Furniture & Equipment (5 years)                                                                                          | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 10                     | 1920                     | Computer Equipment - Hardware                                                                                                   | \$ 2,256,903                 | \$ 106,498             |                        | \$ 2,363,401          | \$ 2,042,216                 | \$ 95,606           | \$ -                   | \$ 2,137,822         | \$ 225,580           |
| 45                     | 1920                     | Computer Equip.-Hardware(Post Mar. 22/04)                                                                                       | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 45.1                   | 1920                     | Computer Equip.-Hardware(Post Mar. 19/07)                                                                                       | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 10                     | 1930                     | Transportation Equipment                                                                                                        | \$ 3,445,848                 | \$ 134,104             | \$ 78,435              | \$ 3,501,517          | \$ 1,609,546                 | \$ 269,919          | \$ 75,852              | \$ 1,803,613         | \$ 1,697,904         |
| 8                      | 1935                     | Stores Equipment                                                                                                                | \$ 539,762                   | \$ 26,414              |                        | \$ 566,175            | \$ 259,693                   | \$ 22,726           | \$ -                   | \$ 282,420           | \$ 283,755           |
| 8                      | 1940                     | Tools, Shop & Garage Equipment                                                                                                  | \$ 646,121                   | \$ 52,594              |                        | \$ 698,716            | \$ 434,313                   | \$ 28,430           | \$ -                   | \$ 462,743           | \$ 235,972           |
| 8                      | 1945                     | Measurement & Testing Equipment                                                                                                 | \$ 169,936                   | \$ 826                 |                        | \$ 170,762            | \$ 100,452                   | \$ 14,185           | \$ -                   | \$ 114,637           | \$ 56,125            |
| 8                      | 1950                     | Power Operated Equipment                                                                                                        | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 8                      | 1955                     | Communications Equipment                                                                                                        | \$ 637,227                   | \$ 13,627              |                        | \$ 650,854            | \$ 360,727                   | \$ 44,262           | \$ -                   | \$ 404,988           | \$ 245,866           |
| 8                      | 1955                     | Communication Equipment (Smart Meters)                                                                                          | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 8                      | 1960                     | Miscellaneous Equipment                                                                                                         | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 47                     | 1970                     | Load Management Controls Customer Premises                                                                                      | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 47                     | 1975                     | Load Management Controls Utility Premises                                                                                       | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 47                     | 1980                     | System Supervisor Equipment                                                                                                     | \$ 1,360,269                 | \$ 536,793             | \$ 5,265               | \$ 1,891,796          | \$ 182,448                   | \$ 111,589          | \$ 1,931               | \$ 292,106           | \$ 1,599,690         |
| 47                     | 1985                     | Miscellaneous Fixed Assets                                                                                                      | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 47                     | 1990                     | Other Tangible Property                                                                                                         | \$ 133,004                   |                        |                        | \$ 133,004            | \$ 103,712                   | \$ 14,468           | \$ -                   | \$ 118,180           | \$ 14,824            |
| 47                     | 1995                     | Contributions & Grants                                                                                                          | \$ 47,115,668                |                        |                        | \$ 47,115,668         | \$ 17,535,580                | \$ 1,105,133        | \$ -                   | \$ 18,640,713        | \$ 28,474,955        |
| 47                     | 2440                     | Deferred Revenue                                                                                                                | \$ 15,812,208                | \$ 2,025,360           |                        | \$ 17,837,568         | \$ 1,076,179                 | \$ 431,291          | \$ -                   | \$ 1,507,470         | \$ 16,330,098        |
|                        | 2005                     | Property Under Finance Lease <sup>7</sup>                                                                                       | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
|                        |                          | <b>Sub-Total</b>                                                                                                                | <b>\$ 151,105,896</b>        | <b>\$ 9,740,610</b>    | <b>-\$ 1,341,882</b>   | <b>\$ 159,504,624</b> | <b>\$ 66,455,485</b>         | <b>\$ 3,953,343</b> | <b>-\$ 1,049,637</b>   | <b>\$ 69,359,191</b> | <b>\$ 90,145,433</b> |
|                        |                          | <b>Less Socialized Renewable Energy Generation Investments (input as negative)</b>                                              |                              |                        |                        | \$ -                  |                              |                     |                        | \$ -                 | \$ -                 |
|                        |                          | <b>Less Other Non Rate-Regulated Utility Assets (input as negative)</b>                                                         |                              |                        |                        | \$ -                  |                              |                     |                        | \$ -                 | \$ -                 |
|                        |                          | <b>Total PP&amp;E</b>                                                                                                           | <b>\$ 151,105,896</b>        | <b>\$ 9,740,610</b>    | <b>-\$ 1,341,882</b>   | <b>\$ 159,504,624</b> | <b>\$ 66,455,485</b>         | <b>\$ 3,953,343</b> | <b>-\$ 1,049,637</b>   | <b>\$ 69,359,191</b> | <b>\$ 90,145,433</b> |
|                        |                          | <b>Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable<sup>8</sup></b> |                              |                        |                        |                       |                              |                     |                        | \$ 3,953,343         |                      |

*Less: Fully Allocated Depreciation*

|    |      |                                 |  |  |  |  |  |  |  |  |                     |
|----|------|---------------------------------|--|--|--|--|--|--|--|--|---------------------|
| 10 | 1930 | Transportation                  |  |  |  |  |  |  |  |  | -\$ 269,919         |
| 8  | 1940 | Tools                           |  |  |  |  |  |  |  |  | -\$ 28,430          |
| 8  | 1945 | Measurement & Testing Equipment |  |  |  |  |  |  |  |  | -\$ 14,185          |
| 47 | 2440 | Capital Contributions           |  |  |  |  |  |  |  |  | \$ 431,291          |
|    |      | <b>Net Depreciation</b>         |  |  |  |  |  |  |  |  | <b>\$ 4,072,100</b> |

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**Notes:**

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

**Appendix 2-BA  
 Fixed Asset Continuity Schedule <sup>1</sup>**

Accounting Standard MIFRS  
 Year 2020

| CCA Class <sup>2</sup> | OEB Account <sup>3</sup> | Description <sup>3</sup>                                                                                                  | Cost                         |                        |                        |                       | Accumulated Depreciation     |                     |                        |                      | Net Book Value       |
|------------------------|--------------------------|---------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------------|------------------------|-----------------------|------------------------------|---------------------|------------------------|----------------------|----------------------|
|                        |                          |                                                                                                                           | Opening Balance <sup>4</sup> | Additions <sup>4</sup> | Disposals <sup>5</sup> | Closing Balance       | Opening Balance <sup>4</sup> | Additions           | Disposals <sup>4</sup> | Closing Balance      |                      |
| 47                     | 1609                     | Capital Contributions Paid                                                                                                | \$ 2,087,341                 | \$ 115,892             |                        | \$ 2,203,233          | \$ 44,440                    | \$ 55,118           | \$ -                   | \$ 99,557            | \$ 2,103,676         |
| 12                     | 1611                     | Computer Software (Formally known as Account 1925)                                                                        | \$ 2,785,834                 | \$ 70,826              |                        | \$ 2,856,660          | \$ 1,873,036                 | \$ 357,116          | \$ -                   | \$ 2,230,152         | \$ 626,507           |
| CEC                    | 1612                     | Land Rights (Formally known as Account 1906)                                                                              | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| N/A                    | 1805                     | Land                                                                                                                      | \$ 69,883                    |                        |                        | \$ 69,883             | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ 69,883            |
| 47                     | 1808                     | Buildings                                                                                                                 | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 13                     | 1810                     | Leasehold Improvements                                                                                                    | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 47                     | 1815                     | Transformer Station Equipment >50 kV                                                                                      | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 47                     | 1820                     | Distribution Station Equipment <50 kV                                                                                     | \$ 1,455,992                 |                        |                        | \$ 1,455,992          | \$ 1,451,445                 | \$ 2,222            | \$ -                   | \$ 1,453,667         | \$ 2,325             |
| 47                     | 1825                     | Storage Battery Equipment                                                                                                 | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 47                     | 1830                     | Poles, Towers & Fixtures                                                                                                  | \$ 38,893,962                | \$ 2,434,491           | \$ -299,495            | \$ 41,028,957         | \$ 14,135,244                | \$ 687,777          | \$ -116,468            | \$ 14,706,553        | \$ 26,322,405        |
| 47                     | 1835                     | Overhead Conductors & Devices                                                                                             | \$ 24,480,042                | \$ 1,913,635           | \$ -140,671            | \$ 26,253,006         | \$ 12,809,467                | \$ 417,749          | \$ -85,563             | \$ 13,141,653        | \$ 13,111,352        |
| 47                     | 1840                     | Underground Conduit                                                                                                       | \$ 31,796,902                | \$ 740,115             | \$ -0                  | \$ 32,537,017         | \$ 10,661,789                | \$ 736,830          | \$ -                   | \$ 11,398,619        | \$ 21,138,398        |
| 47                     | 1845                     | Underground Conductors & Devices                                                                                          | \$ 24,948,042                | \$ 611,441             | \$ -59,200             | \$ 25,500,283         | \$ 10,127,554                | \$ 485,384          | \$ -52,506             | \$ 10,560,432        | \$ 14,939,851        |
| 47                     | 1850                     | Line Transformers                                                                                                         | \$ 45,279,459                | \$ 1,780,282           | \$ -545,694            | \$ 46,514,047         | \$ 20,044,434                | \$ 898,507          | \$ -382,674            | \$ 20,560,267        | \$ 25,953,780        |
| 47                     | 1855                     | Services (Overhead & Underground)                                                                                         | \$ 13,935,236                | \$ 373,374             | \$ -302                | \$ 14,308,308         | \$ 3,313,804                 | \$ 339,519          | \$ -123                | \$ 3,653,200         | \$ 10,655,107        |
| 47                     | 1860                     | Meters                                                                                                                    | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 47                     | 1860                     | Meters (Smart Meters)                                                                                                     | \$ 13,891,731                | \$ 1,280,000           | \$ -786,527            | \$ 14,385,203         | \$ 7,402,423                 | \$ 869,290          | \$ -569,695            | \$ 7,702,019         | \$ 6,683,184         |
| N/A                    | 1905                     | Land                                                                                                                      | \$ 4,040,000                 |                        |                        | \$ 4,040,000          | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ 4,040,000         |
| 47                     | 1908                     | Buildings & Fixtures                                                                                                      | \$ 10,737,748                | \$ 30,135              |                        | \$ 10,767,883         | \$ 899,057                   | \$ 216,897          | \$ -                   | \$ 1,115,955         | \$ 9,651,929         |
|                        | 1908                     | Building disallowed in 2016 COS                                                                                           | \$ -1,429,202                |                        |                        | \$ -1,429,202         | \$ -128,628                  | \$ -28,584          | \$ -                   | \$ -157,212          | \$ -1,271,990        |
| 13                     | 1910                     | Leasehold Improvements                                                                                                    | \$ 377,009                   |                        |                        | \$ 377,009            | \$ 377,009                   | \$ -                | \$ -                   | \$ 377,009           | \$ -                 |
| 8                      | 1915                     | Office Furniture & Equipment (10 years)                                                                                   | \$ 1,131,656                 | \$ 2,685               |                        | \$ 1,134,341          | \$ 879,791                   | \$ 50,165           | \$ -                   | \$ 929,955           | \$ 204,386           |
| 8                      | 1915                     | Office Furniture & Equipment (5 years)                                                                                    | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 10                     | 1920                     | Computer Equipment - Hardware                                                                                             | \$ 2,363,401                 | \$ 83,786              |                        | \$ 2,447,187          | \$ 2,137,822                 | \$ 89,373           | \$ -                   | \$ 2,227,195         | \$ 219,993           |
| 45                     | 1920                     | Computer Equip.-Hardware(Post Mar. 22/04)                                                                                 | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 45.1                   | 1920                     | Computer Equip.-Hardware(Post Mar. 19/07)                                                                                 | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 10                     | 1930                     | Transportation Equipment                                                                                                  | \$ 3,501,517                 |                        |                        | \$ 3,501,517          | \$ 1,803,613                 | \$ 273,819          | \$ -                   | \$ 2,077,432         | \$ 1,424,085         |
| 8                      | 1935                     | Stores Equipment                                                                                                          | \$ 566,175                   | \$ 9,743               |                        | \$ 575,918            | \$ 282,420                   | \$ 24,233           | \$ -                   | \$ 306,652           | \$ 269,266           |
| 8                      | 1940                     | Tools, Shop & Garage Equipment                                                                                            | \$ 698,716                   | \$ 18,043              |                        | \$ 716,759            | \$ 462,743                   | \$ 31,837           | \$ -                   | \$ 494,580           | \$ 222,179           |
| 8                      | 1945                     | Measurement & Testing Equipment                                                                                           | \$ 170,762                   |                        |                        | \$ 170,762            | \$ 114,637                   | \$ 14,027           | \$ -                   | \$ 128,664           | \$ 42,098            |
| 8                      | 1950                     | Power Operated Equipment                                                                                                  | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 8                      | 1955                     | Communications Equipment                                                                                                  | \$ 650,854                   | \$ 9,108               |                        | \$ 659,961            | \$ 404,988                   | \$ 45,493           | \$ -                   | \$ 450,481           | \$ 209,480           |
| 8                      | 1955                     | Communication Equipment (Smart Meters)                                                                                    | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 8                      | 1960                     | Miscellaneous Equipment                                                                                                   | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 47                     | 1970                     | Load Management Controls Customer Premises                                                                                | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 47                     | 1975                     | Load Management Controls Utility Premises                                                                                 | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 47                     | 1980                     | System Supervisor Equipment                                                                                               | \$ 1,891,796                 | \$ 232,323             |                        | \$ 2,124,119          | \$ 292,106                   | \$ 133,252          | \$ -                   | \$ 425,359           | \$ 1,698,760         |
| 47                     | 1985                     | Miscellaneous Fixed Assets                                                                                                | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 47                     | 1990                     | Other Tangible Property                                                                                                   | \$ 133,004                   |                        |                        | \$ 133,004            | \$ 118,180                   | \$ 11,029           | \$ -                   | \$ 129,209           | \$ 3,795             |
| 47                     | 1995                     | Contributions & Grants                                                                                                    | \$ -47,115,668               |                        |                        | \$ -47,115,668        | \$ -18,640,713               | \$ -1,105,078       | \$ -                   | \$ -19,745,791       | \$ -27,369,877       |
| 47                     | 2440                     | Deferred Revenue                                                                                                          | \$ -17,837,568               | \$ -2,303,048          |                        | \$ -20,140,616        | \$ -1,507,470                | \$ -484,446         | \$ -                   | \$ -1,991,915        | \$ -18,148,700       |
|                        | 2005                     | Property Under Finance Lease <sup>7</sup>                                                                                 | \$ -                         |                        |                        | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
|                        |                          | <b>Sub-Total</b>                                                                                                          | <b>\$ 159,504,624</b>        | <b>\$ 7,402,830</b>    | <b>-\$ 1,831,889</b>   | <b>\$ 165,075,566</b> | <b>\$ 69,359,191</b>         | <b>\$ 4,121,530</b> | <b>-\$ 1,207,029</b>   | <b>\$ 72,273,693</b> | <b>\$ 92,801,873</b> |
|                        |                          | Less Socialized Renewable Energy Generation Investments (input as negative)                                               |                              |                        |                        | \$ -                  |                              |                     |                        | \$ -                 | \$ -                 |
|                        |                          | Less Other Non Rate-Regulated Utility Assets (input as negative)                                                          |                              |                        |                        | \$ -                  |                              |                     |                        | \$ -                 | \$ -                 |
|                        |                          | <b>Total PP&amp;E</b>                                                                                                     | <b>\$ 159,504,624</b>        | <b>\$ 7,402,830</b>    | <b>-\$ 1,831,889</b>   | <b>\$ 165,075,566</b> | <b>\$ 69,359,191</b>         | <b>\$ 4,121,530</b> | <b>-\$ 1,207,029</b>   | <b>\$ 72,273,693</b> | <b>\$ 92,801,873</b> |
|                        |                          | Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable <sup>8</sup> |                              |                        |                        |                       |                              |                     |                        | \$ 484,446           |                      |
|                        |                          | <b>Total</b>                                                                                                              |                              |                        |                        |                       | <b>\$ 4,121,530</b>          |                     |                        |                      |                      |

**Less: Fully Allocated Depreciation**

|    |      |                                 |  |  |  |  |  |  |  |  |                     |
|----|------|---------------------------------|--|--|--|--|--|--|--|--|---------------------|
| 10 | 1930 | Transportation                  |  |  |  |  |  |  |  |  | \$ -273,819         |
| 8  | 1940 | Tools                           |  |  |  |  |  |  |  |  | \$ -31,837          |
| 8  | 1945 | Measurement & Testing Equipment |  |  |  |  |  |  |  |  | \$ -14,027          |
| 47 | 2440 | Capital Contributions           |  |  |  |  |  |  |  |  | \$ 484,446          |
|    |      | <b>Net Depreciation</b>         |  |  |  |  |  |  |  |  | <b>\$ 4,286,293</b> |

**Notes:**

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

**Appendix 2-BA  
 Fixed Asset Continuity Schedule <sup>1</sup>**

Accounting Standard MIFRS  
 Year 2021

| CCA Class <sup>2</sup> | OEB Account <sup>3</sup> | Description <sup>3</sup>                                                                                                  | Cost                         |                        |                        |                      | Accumulated Depreciation     |                     |                        |                      | Net Book Value       |
|------------------------|--------------------------|---------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------------|------------------------|----------------------|------------------------------|---------------------|------------------------|----------------------|----------------------|
|                        |                          |                                                                                                                           | Opening Balance <sup>8</sup> | Additions <sup>4</sup> | Disposals <sup>6</sup> | Closing Balance      | Opening Balance <sup>8</sup> | Additions           | Disposals <sup>6</sup> | Closing Balance      |                      |
| 47                     | 1609                     | Capital Contributions Paid (Other Intangible Assets)                                                                      | \$ 2,203,233                 | \$ 194,227             | \$ -                   | \$ 2,009,006         | \$ 99,557                    | \$ 50,073           | \$ -                   | \$ 149,630           | \$ 1,859,376         |
| 5                      | 1811                     | Computer Software                                                                                                         | \$ 2,856,660                 | \$ 69,824              | \$ -                   | \$ 2,926,484         | \$ 2,230,152                 | \$ 294,969          | \$ -                   | \$ 2,525,121         | \$ 401,362           |
| 0                      | 1725                     | Poles, Towers and Fixtures                                                                                                | \$ -                         | \$ -                   | \$ -                   | \$ -                 | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 0                      | 1730                     | Overhead Conductors and Devices                                                                                           | \$ -                         | \$ -                   | \$ -                   | \$ -                 | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| N/A                    | 1805                     | Land                                                                                                                      | \$ 69,883                    | \$ -                   | \$ -                   | \$ 69,883            | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ 69,883            |
| 47                     | 1820                     | Distribution Station Equipment Normally Primary below 50 kV                                                               | \$ 1,455,992                 | \$ -                   | \$ -                   | \$ 1,455,992         | \$ 1,453,667                 | \$ 932              | \$ -                   | \$ 1,454,599         | \$ 1,393             |
| 47                     | 1830                     | Poles, Towers and Fixtures                                                                                                | \$ 41,028,957                | \$ 1,352,817           | \$ 489,475             | \$ 41,892,299        | \$ 14,706,553                | \$ 720,071          | \$ 205,117             | \$ 15,221,507        | \$ 26,670,793        |
| 47                     | 1835                     | Overhead Conductors and Devices                                                                                           | \$ 26,253,006                | \$ 776,302             | \$ 65,070              | \$ 26,964,238        | \$ 13,141,653                | \$ 447,099          | \$ 50,899              | \$ 13,537,853        | \$ 13,426,384        |
| 47                     | 1840                     | Underground Conduit                                                                                                       | \$ 32,537,017                | \$ 1,551,133           | \$ -                   | \$ 34,088,150        | \$ 11,398,619                | \$ 762,721          | \$ -                   | \$ 12,161,340        | \$ 21,926,810        |
| 47                     | 1845                     | Underground Conductors and Devices                                                                                        | \$ 25,500,283                | \$ 999,088             | \$ 64,750              | \$ 26,434,621        | \$ 10,560,432                | \$ 507,926          | \$ 60,748              | \$ 11,007,610        | \$ 15,427,011        |
| 47                     | 1850                     | Line Transformers                                                                                                         | \$ 46,514,047                | \$ 1,862,645           | \$ 544,214             | \$ 47,832,478        | \$ 20,560,267                | \$ 937,124          | \$ 400,263             | \$ 21,097,128        | \$ 26,735,350        |
| 47                     | 1855                     | Services                                                                                                                  | \$ 14,308,308                | \$ 727,844             | \$ 1,285               | \$ 15,034,867        | \$ 3,653,200                 | \$ 352,822          | \$ 34                  | \$ 4,005,988         | \$ 11,028,878        |
| 47                     | 1860                     | Meters                                                                                                                    | \$ 14,385,203                | \$ 1,172,186           | \$ 252,729             | \$ 15,304,660        | \$ 7,702,019                 | \$ 890,184          | \$ 181,413             | \$ 8,410,790         | \$ 6,893,870         |
| N/A                    | 1905                     | Land                                                                                                                      | \$ 4,040,000                 | \$ -                   | \$ -                   | \$ 4,040,000         | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ 4,040,000         |
| 1b                     | 1908                     | Buildings and Fixtures                                                                                                    | \$ 10,767,883                | \$ -                   | \$ -                   | \$ 10,767,883        | \$ 1,116,955                 | \$ 216,897          | \$ -                   | \$ 1,332,852         | \$ 9,435,032         |
| 1b                     | 1908                     | Building disallowed in 2016 COS                                                                                           | \$ 1,429,202                 | \$ -                   | \$ -                   | \$ 1,429,202         | \$ 157,212                   | \$ 28,584           | \$ -                   | \$ 185,796           | \$ 1,243,406         |
| 13                     | 1910                     | Leasehold Improvements                                                                                                    | \$ 377,009                   | \$ -                   | \$ -                   | \$ 377,009           | \$ 377,009                   | \$ -                | \$ -                   | \$ 377,009           | \$ -                 |
| 8                      | 1915                     | Office Furniture and Equipment                                                                                            | \$ 1,134,341                 | \$ -                   | \$ -                   | \$ 1,134,341         | \$ 929,955                   | \$ 46,056           | \$ -                   | \$ 976,011           | \$ 158,330           |
| 50                     | 1920                     | Computer Equipment Hardware                                                                                               | \$ 2,447,187                 | \$ 92,147              | \$ -                   | \$ 2,539,334         | \$ 2,227,195                 | \$ 85,744           | \$ -                   | \$ 2,312,939         | \$ 226,396           |
| 12                     | 1925                     | Computer Software                                                                                                         | \$ -                         | \$ -                   | \$ -                   | \$ -                 | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                 |
| 10                     | 1930                     | Transportation Equipment                                                                                                  | \$ 3,501,517                 | \$ 68,707              | \$ 17,763              | \$ 3,552,461         | \$ 2,077,432                 | \$ 256,725          | \$ 17,763              | \$ 2,316,394         | \$ 1,236,067         |
| 8                      | 1935                     | Stores Equipment                                                                                                          | \$ 575,918                   | \$ -                   | \$ -                   | \$ 575,918           | \$ 306,652                   | \$ 24,639           | \$ -                   | \$ 331,291           | \$ 244,627           |
| 8                      | 1940                     | Tools, Shop and Garage Equipment                                                                                          | \$ 716,759                   | \$ 39,554              | \$ -                   | \$ 756,313           | \$ 494,580                   | \$ 34,369           | \$ -                   | \$ 528,949           | \$ 227,364           |
| 8                      | 1945                     | Measurement and Testing Equipment                                                                                         | \$ 170,762                   | \$ -                   | \$ -                   | \$ 170,762           | \$ 128,664                   | \$ 11,064           | \$ -                   | \$ 139,728           | \$ 31,034            |
| 8                      | 1955                     | Communication Equipment                                                                                                   | \$ 659,961                   | \$ 13,139              | \$ -                   | \$ 673,100           | \$ 450,481                   | \$ 45,429           | \$ -                   | \$ 495,910           | \$ 177,190           |
| 8                      | 1980                     | System Supervisory Equipment                                                                                              | \$ 2,124,119                 | \$ 259,425             | \$ -                   | \$ 2,383,544         | \$ 425,359                   | \$ 148,676          | \$ -                   | \$ 574,035           | \$ 1,809,509         |
| 47                     | 1990                     | Other Tangible Property                                                                                                   | \$ 133,004                   | \$ -                   | \$ -                   | \$ 133,004           | \$ 129,209                   | \$ 3,795            | \$ -                   | \$ 133,004           | \$ 0                 |
| 0                      | 1995                     | Contributions and Grants                                                                                                  | \$ 47,115,668                | \$ -                   | \$ -                   | \$ 47,115,668        | \$ 19,745,790                | \$ 1,101,129        | \$ -                   | \$ 20,846,919        | \$ 26,268,748        |
| various                |                          | Major Spare Parts                                                                                                         | \$ -                         | \$ 610,000             | \$ -                   | \$ 610,000           | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ 610,000           |
| 2440                   |                          | Capital contributions - Distribution                                                                                      | \$ 20,140,616                | \$ 2,947,234           | \$ -                   | \$ 23,087,850        | \$ 1,991,915                 | \$ 548,596          | \$ -                   | \$ 2,540,511         | \$ 20,547,338        |
|                        |                          | <b>Sub-Total</b>                                                                                                          | <b>\$ 165,075,566</b>        | <b>\$ 6,453,350</b>    | <b>\$ -1,435,286</b>   | <b>\$170,093,630</b> | <b>\$ 72,273,693</b>         | <b>\$ 4,159,006</b> | <b>\$ 916,237</b>      | <b>\$ 75,516,462</b> | <b>\$ 94,577,168</b> |
|                        |                          | Less Socialized Renewable Energy Generation Investments (input as negative)                                               |                              |                        |                        | \$ -                 |                              |                     |                        | \$ -                 | \$ -                 |
|                        |                          | Less Other Non Rate-Regulated Utility Assets (input as negative)                                                          |                              |                        |                        | \$ -                 |                              |                     |                        | \$ -                 | \$ -                 |
|                        |                          | <b>Total PP&amp;E</b>                                                                                                     | <b>\$ 165,075,566</b>        | <b>\$ 6,453,350</b>    | <b>\$ -1,435,286</b>   | <b>\$170,093,630</b> | <b>\$ 72,273,693</b>         | <b>\$ 4,159,006</b> | <b>\$ 916,237</b>      | <b>\$ 75,516,462</b> | <b>\$ 94,577,168</b> |
|                        |                          | Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable <sup>6</sup> |                              |                        |                        |                      |                              |                     |                        |                      | \$ 4,159,006         |
|                        |                          | <b>Total</b>                                                                                                              |                              |                        |                        |                      |                              |                     |                        |                      | <b>\$ 4,159,006</b>  |
|                        |                          | <b>Less: Fully Allocated Depreciation</b>                                                                                 |                              |                        |                        |                      |                              |                     |                        |                      |                      |
| 10                     | 1930                     | Transportation                                                                                                            |                              |                        |                        |                      |                              |                     |                        |                      | \$ 256,725           |
| 8                      | 1940                     | Tools                                                                                                                     |                              |                        |                        |                      |                              |                     |                        |                      | \$ 34,369            |
| 8                      | 1945                     | Measurement & Testing Equipment                                                                                           |                              |                        |                        |                      |                              |                     |                        |                      | \$ 11,064            |
| 47                     | 2440                     | Capital Contributions                                                                                                     |                              |                        |                        |                      |                              |                     |                        |                      | \$ 548,596           |
|                        |                          | <b>Net Depreciation</b>                                                                                                   |                              |                        |                        |                      |                              |                     |                        |                      | <b>\$4,405,444</b>   |

**Notes:**

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

**Appendix 2-BA  
 Fixed Asset Continuity Schedule <sup>1</sup>**

Accounting Standard MIFRS  
 Year 2022

| CCA Class <sup>2</sup> | OEB Account <sup>3</sup> | Description <sup>3</sup>                                                                                                  | Cost                         |                        |                        |                      | Accumulated Depreciation     |                     |                        |                      | Net Book Value        |
|------------------------|--------------------------|---------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------------|------------------------|----------------------|------------------------------|---------------------|------------------------|----------------------|-----------------------|
|                        |                          |                                                                                                                           | Opening Balance <sup>8</sup> | Additions <sup>4</sup> | Disposals <sup>6</sup> | Closing Balance      | Opening Balance <sup>8</sup> | Additions           | Disposals <sup>6</sup> | Closing Balance      |                       |
| 47                     | 1609                     | Capital Contributions Paid (Other Intangible Assets)                                                                      | \$ 2,009,006                 | \$ -                   | \$ -                   | \$ 2,009,006         | \$ 149,630                   | \$ 50,073           | \$ -                   | \$ 199,703           | \$ 1,809,303          |
| 5                      | 1811                     | Computer Software                                                                                                         | \$ 2,926,484                 | \$ 447,060             | \$ -                   | \$ 3,373,544         | \$ 2,525,121                 | \$ 253,251          | \$ -                   | \$ 2,778,372         | \$ 595,172            |
| 0                      | 1725                     | Poles, Towers and Fixtures                                                                                                | \$ -                         | \$ -                   | \$ -                   | \$ -                 | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                  |
| 0                      | 1730                     | Overhead Conductors and Devices                                                                                           | \$ -                         | \$ -                   | \$ -                   | \$ -                 | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                  |
| N/A                    | 1805                     | Land                                                                                                                      | \$ 69,883                    | \$ -                   | \$ -                   | \$ 69,883            | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ 69,883             |
| 47                     | 1820                     | Distribution Station Equipment Normally Primary below 50 kV                                                               | \$ 1,455,992                 | \$ -                   | \$ -                   | \$ 1,455,992         | \$ 1,454,599                 | \$ 934              | \$ -                   | \$ 1,455,533         | \$ 460                |
| 47                     | 1830                     | Poles, Towers and Fixtures                                                                                                | \$ 41,892,299                | \$ 2,123,772           | \$ 650,000             | \$ 43,366,072        | \$ 15,221,507                | \$ 758,391          | \$ 300,000             | \$ 15,679,898        | \$ 27,686,173         |
| 47                     | 1835                     | Overhead Conductors and Devices                                                                                           | \$ 26,964,238                | \$ 1,959,548           | \$ -                   | \$ 28,923,786        | \$ 13,537,853                | \$ 478,207          | \$ -                   | \$ 14,016,060        | \$ 14,907,726         |
| 47                     | 1840                     | Underground Conduit                                                                                                       | \$ 34,088,150                | \$ 1,667,581           | \$ -                   | \$ 35,755,731        | \$ 12,161,340                | \$ 803,552          | \$ -                   | \$ 12,964,892        | \$ 22,790,839         |
| 47                     | 1845                     | Underground Conductors and Devices                                                                                        | \$ 26,434,621                | \$ 1,115,865           | \$ -                   | \$ 27,550,486        | \$ 11,007,610                | \$ 539,020          | \$ -                   | \$ 11,546,629        | \$ 16,003,857         |
| 47                     | 1850                     | Line Transformers                                                                                                         | \$ 47,832,478                | \$ 1,287,208           | \$ -                   | \$ 49,119,686        | \$ 21,097,128                | \$ 975,136          | \$ -                   | \$ 22,072,264        | \$ 27,047,422         |
| 47                     | 1855                     | Services                                                                                                                  | \$ 15,034,867                | \$ 776,762             | \$ -                   | \$ 15,811,629        | \$ 4,005,988                 | \$ 371,366          | \$ -                   | \$ 4,377,354         | \$ 11,434,274         |
| 47                     | 1860                     | Meters                                                                                                                    | \$ 15,304,660                | \$ 2,820,676           | \$ -                   | \$ 18,125,335        | \$ 8,410,790                 | \$ 1,019,722        | \$ -                   | \$ 9,430,512         | \$ 8,694,823          |
| N/A                    | 1905                     | Land                                                                                                                      | \$ 4,040,000                 | \$ -                   | \$ -                   | \$ 4,040,000         | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ 4,040,000          |
| 1b                     | 1908                     | Buildings and Fixtures                                                                                                    | \$ 10,767,883                | \$ 593,000             | \$ -                   | \$ 11,360,883        | \$ 1,332,852                 | \$ 222,827          | \$ -                   | \$ 1,555,679         | \$ 9,805,204          |
| 13                     | 1910                     | Leasehold Improvements                                                                                                    | \$ 377,009                   | \$ -                   | \$ -                   | \$ 377,009           | \$ 377,009                   | \$ -                | \$ -                   | \$ 377,009           | \$ -                  |
| 8                      | 1915                     | Office Furniture and Equipment                                                                                            | \$ 1,134,341                 | \$ -                   | \$ -                   | \$ 1,134,341         | \$ 976,011                   | \$ 42,168           | \$ -                   | \$ 1,018,179         | \$ 116,162            |
| 50                     | 1920                     | Computer Equipment Hardware                                                                                               | \$ 2,539,334                 | \$ 117,500             | \$ -                   | \$ 2,656,834         | \$ 2,312,939                 | \$ 91,634           | \$ -                   | \$ 2,404,573         | \$ 252,262            |
| 12                     | 1925                     | Computer Software                                                                                                         | \$ -                         | \$ -                   | \$ -                   | \$ -                 | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                  |
| 10                     | 1930                     | Transportation Equipment                                                                                                  | \$ 3,552,461                 | \$ 751,500             | \$ -                   | \$ 4,303,961         | \$ 2,316,394                 | \$ 290,228          | \$ -                   | \$ 2,606,622         | \$ 1,697,339          |
| 8                      | 1935                     | Stores Equipment                                                                                                          | \$ 575,918                   | \$ 20,000              | \$ -                   | \$ 595,918           | \$ 331,291                   | \$ 25,472           | \$ -                   | \$ 356,763           | \$ 239,155            |
| 8                      | 1940                     | Tools, Shop and Garage Equipment                                                                                          | \$ 756,313                   | \$ 30,000              | \$ -                   | \$ 786,313           | \$ 528,949                   | \$ 37,298           | \$ -                   | \$ 566,247           | \$ 220,066            |
| 8                      | 1945                     | Measurement and Testing Equipment                                                                                         | \$ 170,762                   | \$ -                   | \$ -                   | \$ 170,762           | \$ 139,728                   | \$ 6,481            | \$ -                   | \$ 146,209           | \$ 24,553             |
| 8                      | 1955                     | Communication Equipment                                                                                                   | \$ 673,100                   | \$ -                   | \$ -                   | \$ 673,100           | \$ 495,910                   | \$ 44,574           | \$ -                   | \$ 540,484           | \$ 132,616            |
| 8                      | 1980                     | System Supervisory Equipment                                                                                              | \$ 2,383,544                 | \$ 235,352             | \$ -                   | \$ 2,618,896         | \$ 574,035                   | \$ 165,163          | \$ -                   | \$ 739,198           | \$ 1,879,698          |
| 47                     | 1990                     | Other Tangible Property                                                                                                   | \$ 133,004                   | \$ -                   | \$ -                   | \$ 133,004           | \$ 133,004                   | \$ -                | \$ -                   | \$ 133,004           | \$ 0                  |
| 0                      | 1995                     | Contributions and Grants                                                                                                  | \$ 47,115,668                | \$ -                   | \$ -                   | \$ 47,115,668        | \$ 20,846,919                | \$ 1,101,130        | \$ -                   | \$ 21,948,049        | \$ 25,167,619         |
| various                |                          | Major Spare Parts                                                                                                         | \$ 610,000                   | \$ 15,250              | \$ -                   | \$ 625,250           | \$ -                         | \$ 15,250           | \$ -                   | \$ 15,250            | \$ 610,000            |
| 2440                   |                          | Capital contributions - Distribution                                                                                      | \$ 23,087,850                | \$ 3,024,069           | \$ -                   | \$ 26,111,919        | \$ 2,540,511                 | \$ 619,375          | \$ -                   | \$ 3,159,886         | \$ 22,952,033         |
|                        |                          | <b>Sub-Total</b>                                                                                                          | <b>\$ 171,522,832</b>        | <b>\$ 10,937,005</b>   | <b>\$ 650,000</b>      | <b>\$181,809,837</b> | <b>\$ 75,702,258</b>         | <b>\$ 4,470,241</b> | <b>\$ 300,000</b>      | <b>\$ 79,872,499</b> | <b>\$ 101,937,338</b> |
|                        |                          | Less Socialized Renewable Energy Generation Investments (input as negative)                                               |                              |                        |                        | \$ -                 |                              |                     |                        | \$ -                 | \$ -                  |
|                        |                          | Less Other Non Rate-Regulated Utility Assets (input as negative)                                                          |                              |                        |                        | \$ -                 |                              |                     |                        | \$ -                 | \$ -                  |
|                        |                          | <b>Total PP&amp;E</b>                                                                                                     | <b>\$ 171,522,832</b>        | <b>\$ 10,937,005</b>   | <b>\$ 650,000</b>      | <b>\$181,809,837</b> | <b>\$ 75,702,258</b>         | <b>\$ 4,470,241</b> | <b>\$ 300,000</b>      | <b>\$ 79,872,499</b> | <b>\$ 101,937,338</b> |
|                        |                          | Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable <sup>6</sup> |                              |                        |                        |                      |                              |                     |                        |                      | \$ 4,470,241          |
|                        |                          | <b>Total</b>                                                                                                              |                              |                        |                        |                      |                              |                     |                        |                      | <b>\$ 4,470,241</b>   |
|                        |                          | <b>Less: Fully Allocated Depreciation</b>                                                                                 |                              |                        |                        |                      |                              |                     |                        |                      |                       |
| 10                     | 1930                     | Transportation                                                                                                            |                              |                        |                        |                      |                              |                     |                        |                      | \$ 290,228            |
| 8                      | 1940                     | Tools                                                                                                                     |                              |                        |                        |                      |                              |                     |                        |                      | \$ 37,298             |
| 47                     | 2440                     | Capital Contributions                                                                                                     |                              |                        |                        |                      |                              |                     |                        |                      | \$ 619,375            |
|                        |                          | <b>Net Depreciation</b>                                                                                                   |                              |                        |                        |                      |                              |                     |                        |                      | <b>\$4,762,090</b>    |

**Notes:**

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

**Appendix 2-BA  
 Fixed Asset Continuity Schedule <sup>1</sup>**

Accounting Standard MIFRS  
 Year 2023

| CCA Class <sup>2</sup> | OEB Account <sup>3</sup> | Description <sup>3</sup>                                                                                                  | Cost                         |                        |                        |                       | Accumulated Depreciation     |                     |                        |                      | Net Book Value                            |
|------------------------|--------------------------|---------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------------|------------------------|-----------------------|------------------------------|---------------------|------------------------|----------------------|-------------------------------------------|
|                        |                          |                                                                                                                           | Opening Balance <sup>8</sup> | Additions <sup>4</sup> | Disposals <sup>5</sup> | Closing Balance       | Opening Balance <sup>8</sup> | Additions           | Disposals <sup>5</sup> | Closing Balance      |                                           |
| 47                     | 1609                     | Capital Contributions Paid (Other Intangible Assets)                                                                      | \$ 2,009,006                 | \$ -                   | \$ -                   | \$ 2,009,006          | \$ 199,703                   | \$ 50,073           | \$ -                   | \$ 249,776           | \$ 1,759,230                              |
| 5                      | 1611                     | Computer Software                                                                                                         | \$ 3,373,544                 | \$ 451,440             | \$ -                   | \$ 3,824,984          | \$ 2,778,372                 | \$ 254,063          | \$ -                   | \$ 3,032,435         | \$ 792,549                                |
| 0                      | 1725                     | Poles, Towers and Fixtures                                                                                                | \$ -                         | \$ -                   | \$ -                   | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                                      |
| 0                      | 1730                     | Overhead Conductors and Devices                                                                                           | \$ -                         | \$ -                   | \$ -                   | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                                      |
| N/A                    | 1805                     | Land                                                                                                                      | \$ 69,883                    | \$ -                   | \$ -                   | \$ 69,883             | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ 69,883                                 |
| 47                     | 1820                     | Distribution Station Equipment Normally Primary below 50 kV                                                               | \$ 1,455,992                 | \$ 200,000             | \$ -                   | \$ 1,655,992          | \$ 1,455,533                 | \$ 2,684            | \$ -                   | \$ 1,458,216         | \$ 197,776                                |
| 47                     | 1830                     | Poles, Towers and Fixtures                                                                                                | \$ 43,366,072                | \$ 2,130,999           | \$ 650,000             | \$ 44,847,071         | \$ 15,679,898                | \$ 805,667          | \$ 300,000             | \$ 16,185,565        | \$ 28,661,606                             |
| 47                     | 1835                     | Overhead Conductors and Devices                                                                                           | \$ 28,923,786                | \$ 1,187,072           | \$ -                   | \$ 30,110,858         | \$ 14,016,060                | \$ 513,169          | \$ -                   | \$ 14,529,229        | \$ 15,581,629                             |
| 47                     | 1840                     | Underground Conduit                                                                                                       | \$ 35,755,731                | \$ 245,000             | \$ -                   | \$ 36,000,731         | \$ 12,964,892                | \$ 826,993          | \$ -                   | \$ 13,791,884        | \$ 22,208,847                             |
| 47                     | 1845                     | Underground Conductors and Devices                                                                                        | \$ 27,550,486                | \$ 837,913             | \$ -                   | \$ 28,388,400         | \$ 11,546,629                | \$ 563,344          | \$ -                   | \$ 12,109,973        | \$ 16,278,426                             |
| 47                     | 1850                     | Line Transformers                                                                                                         | \$ 49,119,686                | \$ 1,283,080           | \$ -                   | \$ 50,402,766         | \$ 22,072,264                | \$ 1,004,962        | \$ -                   | \$ 23,077,226        | \$ 27,325,540                             |
| 47                     | 1855                     | Services                                                                                                                  | \$ 15,811,629                | \$ 371,654             | \$ -                   | \$ 16,183,283         | \$ 4,377,354                 | \$ 385,721          | \$ -                   | \$ 4,763,075         | \$ 11,420,207                             |
| 47                     | 1860                     | Meters                                                                                                                    | \$ 18,125,335                | \$ 2,439,924           | \$ -                   | \$ 20,565,259         | \$ 9,430,512                 | \$ 891,510          | \$ -                   | \$ 10,322,022        | \$ 10,243,237                             |
| N/A                    | 1905                     | Land                                                                                                                      | \$ 4,040,000                 | \$ -                   | \$ -                   | \$ 4,040,000          | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ 4,040,000                              |
| 1b                     | 1908                     | Buildings and Fixtures                                                                                                    | \$ 11,360,893                | \$ 519,000             | \$ -                   | \$ 11,879,893         | \$ 1,555,679                 | \$ 233,947          | \$ -                   | \$ 1,789,626         | \$ 10,090,257                             |
|                        |                          |                                                                                                                           | \$ -                         | \$ -                   | \$ -                   | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                                      |
| 13                     | 1910                     | Leasehold Improvements                                                                                                    | \$ 377,009                   | \$ -                   | \$ -                   | \$ 377,009            | \$ 377,009                   | \$ -                | \$ -                   | \$ 377,009           | \$ -                                      |
| 8                      | 1915                     | Office Furniture and Equipment                                                                                            | \$ 1,134,341                 | \$ -                   | \$ -                   | \$ 1,134,341          | \$ 1,018,179                 | \$ 42,168           | \$ -                   | \$ 1,060,346         | \$ 73,994                                 |
| 50                     | 1920                     | Computer Equipment Hardware                                                                                               | \$ 2,656,834                 | \$ 94,500              | \$ -                   | \$ 2,751,334          | \$ 2,404,573                 | \$ 97,604           | \$ -                   | \$ 2,502,176         | \$ 249,158                                |
| 12                     | 1925                     | Computer Software                                                                                                         | \$ -                         | \$ -                   | \$ -                   | \$ -                  | \$ -                         | \$ -                | \$ -                   | \$ -                 | \$ -                                      |
| 10                     | 1930                     | Transportation Equipment                                                                                                  | \$ 4,303,961                 | \$ 451,000             | \$ -                   | \$ 4,754,961          | \$ 2,606,622                 | \$ 324,363          | \$ -                   | \$ 2,930,986         | \$ 1,823,976                              |
| 8                      | 1935                     | Stores Equipment                                                                                                          | \$ 595,918                   | \$ 30,000              | \$ -                   | \$ 625,918            | \$ 356,763                   | \$ 27,555           | \$ -                   | \$ 384,319           | \$ 241,600                                |
| 8                      | 1940                     | Tools, Shop and Garage Equipment                                                                                          | \$ 786,313                   | \$ 45,000              | \$ -                   | \$ 831,313            | \$ 566,247                   | \$ 40,452           | \$ -                   | \$ 606,698           | \$ 224,615                                |
| 8                      | 1945                     | Measurement and Testing Equipment                                                                                         | \$ 170,762                   | \$ -                   | \$ -                   | \$ 170,762            | \$ 146,209                   | \$ 4,546            | \$ -                   | \$ 150,754           | \$ 20,008                                 |
| 8                      | 1955                     | Communication Equipment                                                                                                   | \$ 673,100                   | \$ -                   | \$ -                   | \$ 673,100            | \$ 540,484                   | \$ 43,583           | \$ -                   | \$ 584,067           | \$ 89,033                                 |
| 8                      | 1980                     | System Supervisory Equipment                                                                                              | \$ 2,618,896                 | \$ 397,393             | \$ -                   | \$ 3,016,289          | \$ 739,196                   | \$ 186,255          | \$ -                   | \$ 925,452           | \$ 2,090,837                              |
| 47                     | 1990                     | Other Tangible Property                                                                                                   | \$ 133,004                   | \$ -                   | \$ -                   | \$ 133,004            | \$ 133,004                   | \$ -                | \$ -                   | \$ 133,004           | \$ 0                                      |
| 0                      | 1995                     | Contributions and Grants                                                                                                  | \$ 47,115,668                | \$ -                   | \$ -                   | \$ 47,115,668         | \$ 21,949,049                | \$ 1,095,885        | \$ -                   | \$ 23,043,934        | \$ 24,071,734                             |
| various                |                          | Major Spare Parts                                                                                                         | \$ 625,250                   | \$ 15,250              | \$ -                   | \$ 640,500            | \$ 15,250                    | \$ 15,250           | \$ -                   | \$ 30,500            | \$ 610,000                                |
| 2440                   |                          | Capital Contributions - Distribution                                                                                      | \$ 26,111,919                | \$ 2,539,386           | \$ -                   | \$ 28,651,305         | \$ 3,159,886                 | \$ 688,413          | \$ -                   | \$ 3,848,299         | \$ 24,803,006                             |
|                        |                          | <b>Sub-Total</b>                                                                                                          | <b>\$ 181,809,837</b>        | <b>\$ 8,159,839</b>    | <b>\$ 650,000</b>      | <b>\$ 189,319,676</b> | <b>\$ 79,872,499</b>         | <b>\$ 4,529,609</b> | <b>\$ 300,000</b>      | <b>\$ 84,102,108</b> | <b>\$ 105,217,568</b>                     |
|                        |                          | Less Socialized Renewable Energy Generation Investments (input as negative)                                               |                              |                        |                        | \$ -                  |                              |                     |                        | \$ -                 | \$ -                                      |
|                        |                          | Less Other Non Rate-Regulated Utility Assets (input as negative)                                                          |                              |                        |                        | \$ -                  |                              |                     |                        | \$ -                 | \$ -                                      |
|                        |                          | <b>Total PP&amp;E</b>                                                                                                     | <b>\$ 181,809,837</b>        | <b>\$ 8,159,839</b>    | <b>\$ 650,000</b>      | <b>\$ 189,319,676</b> | <b>\$ 79,872,499</b>         | <b>\$ 4,529,609</b> | <b>\$ 300,000</b>      | <b>\$ 84,102,108</b> | <b>\$ 105,217,568</b>                     |
|                        |                          | Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable <sup>6</sup> |                              |                        |                        |                       |                              |                     |                        |                      | \$ 4,529,609                              |
|                        |                          | <b>Total</b>                                                                                                              |                              |                        |                        |                       |                              |                     |                        |                      | <b>\$ 4,529,609</b>                       |
|                        |                          |                                                                                                                           |                              |                        |                        |                       |                              |                     |                        |                      | <b>Less: Fully Allocated Depreciation</b> |
| 10                     | 1930                     | Transportation                                                                                                            |                              |                        |                        |                       |                              |                     |                        |                      | \$ 324,363                                |
| 8                      | 1940                     | Tools                                                                                                                     |                              |                        |                        |                       |                              |                     |                        |                      | \$ 40,452                                 |
| 47                     | 2440                     | Capital Contributions                                                                                                     |                              |                        |                        |                       |                              |                     |                        |                      | \$ 688,413                                |
|                        |                          | <b>Net Depreciation</b>                                                                                                   |                              |                        |                        |                       |                              |                     |                        |                      | <b>\$ 4,853,207</b>                       |

**Notes:**

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

# Appendix D

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2023 Bill Impacts







|                               |                                           |     |
|-------------------------------|-------------------------------------------|-----|
| Customer Class:               | <b>RESIDENTIAL SERVICE CLASSIFICATION</b> |     |
| RPP / Non-RPP:                | RPP                                       |     |
| Consumption                   | 750                                       | kWh |
| Demand                        | -                                         | kW  |
| Current Loss Factor           | 1.0375                                    |     |
| Proposed/Approved Loss Factor | 1.0385                                    |     |

|                                                             | Current OEB-Approved |        |                  | Proposed  |        |                  | Impact         |              |
|-------------------------------------------------------------|----------------------|--------|------------------|-----------|--------|------------------|----------------|--------------|
|                                                             | Rate (\$)            | Volume | Charge (\$)      | Rate (\$) | Volume | Charge (\$)      | \$ Change      | % Change     |
| Monthly Service Charge                                      | \$ 29.88             | 1      | \$ 29.88         | \$ 33.30  | 1      | \$ 33.30         | \$ 3.42        | 11.45%       |
| Distribution Volumetric Rate                                | \$ -                 | 750    | \$ -             | \$ -      | 750    | \$ -             | \$ -           | -            |
| Fixed Rate Riders                                           | \$ -                 | 1      | \$ -             | \$ (1.42) | 1      | \$ (1.42)        | \$ (1.42)      | -100.00%     |
| Volumetric Rate Riders                                      | \$ 0.0008            | 750    | \$ 0.60          | \$ -      | 750    | \$ -             | \$ (0.60)      | -100.00%     |
| <b>Sub-Total A (excluding pass through)</b>                 |                      |        | <b>\$ 30.48</b>  |           |        | <b>\$ 31.88</b>  | <b>\$ 1.40</b> | <b>4.59%</b> |
| Line Losses on Cost of Power                                | \$ 0.1031            | 28     | \$ 2.90          | \$ 0.1031 | 29     | \$ 2.98          | \$ 0.08        | 2.67%        |
| Total Deferral/Variance Account Rate Riders                 | \$ (0.0004)          | 750    | \$ (0.30)        | \$ -      | 750    | \$ -             | \$ 0.30        | -100.00%     |
| CBR Class B Rate Riders                                     | \$ (0.0002)          | 750    | \$ (0.15)        | \$ -      | 750    | \$ -             | \$ 0.15        | -100.00%     |
| GA Rate Riders                                              | \$ -                 | 750    | \$ -             | \$ -      | 750    | \$ -             | \$ -           | -            |
| Low Voltage Service Charge                                  | \$ 0.0012            | 750    | \$ 0.90          | \$ 0.0016 | 750    | \$ 1.20          | \$ 0.30        | 33.33%       |
| Smart Meter Entity Charge (if applicable)                   | \$ 0.43              | 1      | \$ 0.43          | \$ 0.43   | 1      | \$ 0.43          | \$ -           | 0.00%        |
| Additional Fixed Rate Riders                                | \$ -                 | 1      | \$ -             | \$ -      | 1      | \$ -             | \$ -           | -            |
| Additional Volumetric Rate Riders                           | \$ -                 | 750    | \$ -             | \$ 0.0013 | 750    | \$ 0.98          | \$ 0.98        | -            |
| <b>Sub-Total B - Distribution (includes Sub-Total A)</b>    |                      |        | <b>\$ 34.26</b>  |           |        | <b>\$ 37.46</b>  | <b>\$ 3.20</b> | <b>9.35%</b> |
| RTSR - Network                                              | \$ 0.0090            | 778    | \$ 7.00          | \$ 0.0101 | 779    | \$ 7.87          | \$ 0.86        | 12.33%       |
| RTSR - Connection and/or Line and Transformation Connection | \$ 0.0067            | 778    | \$ 5.21          | \$ 0.0073 | 779    | \$ 5.69          | \$ 0.47        | 9.06%        |
| <b>Sub-Total C - Delivery (including Sub-Total B)</b>       |                      |        | <b>\$ 46.48</b>  |           |        | <b>\$ 51.01</b>  | <b>\$ 4.54</b> | <b>9.76%</b> |
| Wholesale Market Service Charge (WMSC)                      | \$ 0.0034            | 778    | \$ 2.65          | \$ 0.0034 | 779    | \$ 2.65          | \$ 0.00        | 0.10%        |
| Rural and Remote Rate Protection (RRRP)                     | \$ 0.0005            | 778    | \$ 0.39          | \$ 0.0005 | 779    | \$ 0.39          | \$ 0.00        | 0.10%        |
| 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>\$ 127.09</b> |           |        | <b>\$ 131.63</b> | <b>\$ 4.54</b> | <b>3.57%</b> |
| HST                                                         | 13%                  |        | \$ 16.52         | 13%       |        | \$ 17.11         | \$ 0.59        | 3.57%        |
| Ontario Electricity Rebate                                  | 17.0%                |        | \$ (21.61)       | 17.0%     |        | \$ (22.38)       | \$ (0.77)      | -            |
| <b>Total Bill on TOU</b>                                    |                      |        | <b>\$ 122.01</b> |           |        | <b>\$ 126.37</b> | <b>\$ 4.36</b> | <b>3.57%</b> |

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

RPP / Non-RPP: **RPP**

|                               |        |     |
|-------------------------------|--------|-----|
| Consumption                   | 2,000  | kWh |
| Demand                        | -      | kW  |
| Current Loss Factor           | 1.0375 |     |
| Proposed/Approved Loss Factor | 1.0385 |     |

|                                                             | Current OEB-Approved |        |                  | Proposed    |        |                  | Impact           |               |
|-------------------------------------------------------------|----------------------|--------|------------------|-------------|--------|------------------|------------------|---------------|
|                                                             | Rate (\$)            | Volume | Charge (\$)      | Rate (\$)   | Volume | Charge (\$)      | \$ Change        | % Change      |
| Monthly Service Charge                                      | \$ 18.38             | 1      | \$ 18.38         | \$ 20.48    | 1      | \$ 20.48         | \$ 2.10          | 11.43%        |
| Distribution Volumetric Rate                                | \$ 0.0194            | 2000   | \$ 38.80         | \$ 0.0216   | 2000   | \$ 43.20         | \$ 4.40          | 11.34%        |
| Fixed Rate Riders                                           | \$ -                 | 1      | \$ -             | \$ -        | 1      | \$ -             | \$ -             |               |
| Volumetric Rate Riders                                      | \$ 0.0051            | 2000   | \$ 10.20         | \$ (0.0001) | 2000   | \$ (0.20)        | \$ (10.40)       | -101.96%      |
| <b>Sub-Total A (excluding pass through)</b>                 |                      |        | <b>\$ 67.38</b>  |             |        | <b>\$ 63.48</b>  | <b>\$ (3.90)</b> | <b>-5.79%</b> |
| Line Losses on Cost of Power                                | \$ 0.1031            | 75     | \$ 7.73          | \$ 0.1031   | 77     | \$ 7.94          | \$ 0.21          | 2.67%         |
| Total Deferral/Variance Account Rate Riders                 | \$ (0.0003)          | 2,000  | \$ (0.60)        | \$ -        | 2,000  | \$ -             | \$ 0.60          | -100.00%      |
| 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                                  | \$ 0.0010            | 2,000  | \$ 2.00          | \$ 0.0014   | 2,000  | \$ 2.80          | \$ 0.80          | 40.00%        |
| Smart Meter Entity Charge (if applicable)                   | \$ 0.43              | 1      | \$ 0.43          | \$ 0.43     | 1      | \$ 0.43          | \$ -             | 0.00%         |
| Additional Fixed Rate Riders                                | \$ -                 | 1      | \$ -             | \$ -        | 1      | \$ -             | \$ -             |               |
| Additional Volumetric Rate Riders                           |                      | 2,000  | \$ -             | \$ 0.0013   | 2,000  | \$ 2.60          | \$ 2.60          |               |
| <b>Sub-Total B - Distribution (includes Sub-Total A)</b>    |                      |        | <b>\$ 76.54</b>  |             |        | <b>\$ 77.25</b>  | <b>\$ 0.71</b>   | <b>0.92%</b>  |
| RTSR - Network                                              | \$ 0.0081            | 2,075  | \$ 16.81         | \$ 0.0091   | 2,077  | \$ 18.90         | \$ 2.09          | 12.45%        |
| RTSR - Connection and/or Line and Transformation Connection | \$ 0.0060            | 2,075  | \$ 12.45         | \$ 0.0065   | 2,077  | \$ 13.50         | \$ 1.05          | 8.44%         |
| <b>Sub-Total C - Delivery (including Sub-Total B)</b>       |                      |        | <b>\$ 105.80</b> |             |        | <b>\$ 109.65</b> | <b>\$ 3.85</b>   | <b>3.64%</b>  |
| Wholesale Market Service Charge (WMSC)                      | \$ 0.0034            | 2,075  | \$ 7.06          | \$ 0.0034   | 2,077  | \$ 7.06          | \$ 0.01          | 0.10%         |
| Rural and Remote Rate Protection (RRRP)                     | \$ 0.0005            | 2,075  | \$ 1.04          | \$ 0.0005   | 2,077  | \$ 1.04          | \$ 0.00          | 0.10%         |
| 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>\$ 320.36</b> |             |        | <b>\$ 324.22</b> | <b>\$ 3.86</b>   | <b>1.20%</b>  |
| HST                                                         | 13%                  |        | \$ 41.65         | 13%         |        | \$ 42.15         | \$ 0.50          | 1.20%         |
| Ontario Electricity Rebate                                  | 17.0%                |        | \$ (54.46)       | 17.0%       |        | \$ (55.12)       | \$ (0.66)        |               |
| <b>Total Bill on TOU</b>                                    |                      |        | <b>\$ 307.55</b> |             |        | <b>\$ 311.25</b> | <b>\$ 3.70</b>   | <b>1.20%</b>  |

|                               |                                                            |     |
|-------------------------------|------------------------------------------------------------|-----|
| Customer Class:               | <b>GENERAL SERVICE 50 TO 999 KW SERVICE CLASSIFICATION</b> |     |
| RPP / Non-RPP:                | Non-RPP (Other)                                            |     |
| Consumption                   | 50,000                                                     | kWh |
| Demand                        | 150                                                        | kW  |
| Current Loss Factor           | 1.0375                                                     |     |
| Proposed/Approved Loss Factor | 1.0385                                                     |     |

|                                                             | Current OEB-Approved |        |                    | Proposed    |        |                    | Impact            |               |
|-------------------------------------------------------------|----------------------|--------|--------------------|-------------|--------|--------------------|-------------------|---------------|
|                                                             | Rate (\$)            | Volume | Charge (\$)        | Rate (\$)   | Volume | Charge (\$)        | \$ Change         | % Change      |
| Monthly Service Charge                                      | \$ 86.74             | 1      | \$ 86.74           | \$ 86.74    | 1      | \$ 86.74           | \$ -              | 0.00%         |
| Distribution Volumetric Rate                                | \$ 3.3568            | 150    | \$ 503.52          | \$ 3.7993   | 150    | \$ 569.90          | \$ 66.38          | 13.18%        |
| Fixed Rate Riders                                           | \$ -                 | 1      | \$ -               | \$ -        | 1      | \$ -               | \$ -              | -             |
| Volumetric Rate Riders                                      | \$ 0.3546            | 150    | \$ 53.19           | \$ (0.2867) | 150    | \$ (43.01)         | \$ (96.20)        | -180.85%      |
| <b>Sub-Total A (excluding pass through)</b>                 |                      |        | <b>\$ 643.45</b>   |             |        | <b>\$ 613.63</b>   | <b>\$ (29.82)</b> | <b>-4.63%</b> |
| Line Losses on Cost of Power                                | \$ -                 | -      | \$ -               | \$ -        | -      | \$ -               | \$ -              | -             |
| Total Deferral/Variance Account Rate Riders                 | \$ (0.1048)          | 150    | \$ (15.72)         | \$ -        | 150    | \$ -               | \$ 15.72          | -100.00%      |
| CBR Class B Rate Riders                                     | \$ (0.0817)          | 150    | \$ (12.26)         | \$ -        | 150    | \$ -               | \$ 12.26          | -100.00%      |
| GA Rate Riders                                              | \$ (0.0012)          | 50,000 | \$ (60.00)         | \$ (0.0012) | 50,000 | \$ (60.00)         | \$ -              | 0.00%         |
| Low Voltage Service Charge                                  | \$ 0.4570            | 150    | \$ 68.55           | \$ 0.6345   | 150    | \$ 95.18           | \$ 26.63          | 38.84%        |
| Smart Meter Entity Charge (if applicable)                   | \$ -                 | 1      | \$ -               | \$ -        | 1      | \$ -               | \$ -              | -             |
| Additional Fixed Rate Riders                                | \$ -                 | 1      | \$ -               | \$ -        | 1      | \$ -               | \$ -              | -             |
| Additional Volumetric Rate Riders                           | \$ -                 | 150    | \$ -               | \$ 0.4373   | 150    | \$ 65.60           | \$ 65.60          | -             |
| <b>Sub-Total B - Distribution (includes Sub-Total A)</b>    |                      |        | <b>\$ 624.03</b>   |             |        | <b>\$ 714.40</b>   | <b>\$ 90.38</b>   | <b>14.48%</b> |
| RTSR - Network                                              | \$ 3.6525            | 150    | \$ 547.88          | \$ 4.0939   | 150    | \$ 614.09          | \$ 66.21          | 12.08%        |
| RTSR - Connection and/or Line and Transformation Connection | \$ 2.7264            | 150    | \$ 408.96          | \$ 2.9644   | 150    | \$ 444.66          | \$ 35.70          | 8.73%         |
| <b>Sub-Total C - Delivery (including Sub-Total B)</b>       |                      |        | <b>\$ 1,580.86</b> |             |        | <b>\$ 1,773.15</b> | <b>\$ 192.29</b>  | <b>12.16%</b> |
| Wholesale Market Service Charge (WMSC)                      | \$ 0.0034            | 51,875 | \$ 176.38          | \$ 0.0034   | 51,925 | \$ 176.55          | \$ 0.17           | 0.10%         |
| Rural and Remote Rate Protection (RRRP)                     | \$ 0.0005            | 51,875 | \$ 25.94           | \$ 0.0005   | 51,925 | \$ 25.96           | \$ 0.02           | 0.10%         |
| Standard Supply Service Charge                              | \$ 0.25              | 1      | \$ 0.25            | \$ 0.25     | 1      | \$ 0.25            | \$ -              | 0.00%         |
| Average IESO Wholesale Market Price                         | \$ 0.1060            | 51,875 | \$ 5,498.75        | \$ 0.1060   | 51,925 | \$ 5,504.05        | \$ 5.30           | 0.10%         |
| <b>Total Bill on Average IESO Wholesale Market Price</b>    |                      |        | <b>\$ 7,282.17</b> |             |        | <b>\$ 7,479.95</b> | <b>\$ 197.78</b>  | <b>2.72%</b>  |
| HST                                                         | 13%                  |        | \$ 946.68          | 13%         |        | \$ 972.39          | \$ 25.71          | 2.72%         |
| Ontario Electricity Rebate                                  | 17.0%                |        | \$ -               | 17.0%       |        | \$ -               | \$ -              | -             |
| <b>Total Bill on Average IESO Wholesale Market Price</b>    |                      |        | <b>\$ 8,228.85</b> |             |        | <b>\$ 8,452.35</b> | <b>\$ 223.49</b>  | <b>2.72%</b>  |

|                               |                                                                 |     |
|-------------------------------|-----------------------------------------------------------------|-----|
| Customer Class:               | <b>GENERAL SERVICE 1,000 TO 4,999 KW SERVICE CLASSIFICATION</b> |     |
| RPP / Non-RPP:                | Non-RPP (Other)                                                 |     |
| Consumption                   | 1,265,000                                                       | kWh |
| Demand                        | 1,800                                                           | kW  |
| Current Loss Factor           | 1.0375                                                          |     |
| Proposed/Approved Loss Factor | 1.0385                                                          |     |

|                                                             | Current OEB-Approved |           |                      | Proposed    |           |                      | Impact             |                |
|-------------------------------------------------------------|----------------------|-----------|----------------------|-------------|-----------|----------------------|--------------------|----------------|
|                                                             | Rate (\$)            | Volume    | Charge (\$)          | Rate (\$)   | Volume    | Charge (\$)          | \$ Change          | % Change       |
| Monthly Service Charge                                      | \$ 682.42            | 1         | \$ 682.42            | \$ 682.42   | 1         | \$ 682.42            | \$ -               | 0.00%          |
| Distribution Volumetric Rate                                | \$ 2.3534            | 1800      | \$ 4,236.12          | \$ 2.6089   | 1800      | \$ 4,696.02          | \$ 459.90          | 10.86%         |
| Fixed Rate Riders                                           | \$ -                 | 1         | \$ -                 | \$ -        | 1         | \$ -                 | \$ -               | -              |
| Volumetric Rate Riders                                      | \$ 0.3201            | 1800      | \$ 576.18            | \$ (0.2791) | 1800      | \$ (502.38)          | \$ (1,078.56)      | -187.19%       |
| <b>Sub-Total A (excluding pass through)</b>                 |                      |           | <b>\$ 5,494.72</b>   |             |           | <b>\$ 4,876.06</b>   | <b>\$ (618.66)</b> | <b>-11.26%</b> |
| Line Losses on Cost of Power                                | \$ -                 | -         | \$ -                 | \$ -        | -         | \$ -                 | \$ -               | -              |
| Total Deferral/Variance Account Rate Riders                 | \$ (0.1321)          | 1,800     | \$ (237.78)          | \$ -        | 1,800     | \$ -                 | \$ 237.78          | -100.00%       |
| CBR Class B Rate Riders                                     | \$ (0.0271)          | 1,800     | \$ (48.78)           | \$ -        | 1,800     | \$ -                 | \$ 48.78           | -100.00%       |
| GA Rate Riders                                              | \$ (0.0012)          | 1,265,000 | \$ (1,518.00)        | \$ (0.0012) | 1,265,000 | \$ (1,518.00)        | \$ -               | 0.00%          |
| Low Voltage Service Charge                                  | \$ 0.4496            | 1,800     | \$ 809.28            | \$ 0.6241   | 1,800     | \$ 1,123.38          | \$ 314.10          | 38.81%         |
| Smart Meter Entity Charge (if applicable)                   | \$ -                 | 1         | \$ -                 | \$ -        | 1         | \$ -                 | \$ -               | -              |
| Additional Fixed Rate Riders                                | \$ -                 | 1         | \$ -                 | \$ -        | 1         | \$ -                 | \$ -               | -              |
| Additional Volumetric Rate Riders                           | \$ -                 | 1,800     | \$ -                 | \$ 0.5864   | 1,800     | \$ 1,055.52          | \$ 1,055.52        | -              |
| <b>Sub-Total B - Distribution (includes Sub-Total A)</b>    |                      |           | <b>\$ 4,499.44</b>   |             |           | <b>\$ 5,536.96</b>   | <b>\$ 1,037.52</b> | <b>23.06%</b>  |
| RTSR - Network                                              | \$ 3.5922            | 1,800     | \$ 6,465.96          | \$ 4.0263   | 1,800     | \$ 7,247.34          | \$ 781.38          | 12.08%         |
| RTSR - Connection and/or Line and Transformation Connection | \$ 2.6821            | 1,800     | \$ 4,827.78          | \$ 2.9162   | 1,800     | \$ 5,249.16          | \$ 421.38          | 8.73%          |
| <b>Sub-Total C - Delivery (including Sub-Total B)</b>       |                      |           | <b>\$ 15,793.18</b>  |             |           | <b>\$ 18,033.46</b>  | <b>\$ 2,240.28</b> | <b>14.19%</b>  |
| Wholesale Market Service Charge (WMSC)                      | \$ 0.0034            | 1,312,438 | \$ 4,462.29          | \$ 0.0034   | 1,313,703 | \$ 4,466.59          | \$ 4.30            | 0.10%          |
| Rural and Remote Rate Protection (RRRP)                     | \$ 0.0005            | 1,312,438 | \$ 656.22            | \$ 0.0005   | 1,313,703 | \$ 656.85            | \$ 0.63            | 0.10%          |
| Standard Supply Service Charge                              | \$ 0.25              | 1         | \$ 0.25              | \$ 0.25     | 1         | \$ 0.25              | \$ -               | 0.00%          |
| Average IESO Wholesale Market Price                         | \$ 0.1060            | 1,312,438 | \$ 139,118.38        | \$ 0.1060   | 1,313,703 | \$ 139,252.47        | \$ 134.09          | 0.10%          |
| <b>Total Bill on Average IESO Wholesale Market Price</b>    |                      |           | <b>\$ 160,030.31</b> |             |           | <b>\$ 162,409.61</b> | <b>\$ 2,379.30</b> | <b>1.49%</b>   |
| HST                                                         | 13%                  |           | \$ 20,803.94         | 13%         |           | \$ 21,113.25         | \$ 309.31          | 1.49%          |
| Ontario Electricity Rebate                                  | 17.0%                |           | \$ -                 | 17.0%       |           | \$ -                 | \$ -               | -              |
| <b>Total Bill on Average IESO Wholesale Market Price</b>    |                      |           | <b>\$ 180,834.25</b> |             |           | <b>\$ 183,522.86</b> | <b>\$ 2,688.61</b> | <b>1.49%</b>   |

|                               |                                         |     |
|-------------------------------|-----------------------------------------|-----|
| Customer Class:               | <b>LARGE USE SERVICE CLASSIFICATION</b> |     |
| RPP / Non-RPP:                | Non-RPP (Other)                         |     |
| Consumption                   | 2,400,000                               | kWh |
| Demand                        | 5,400                                   | kW  |
| Current Loss Factor           | 1.0375                                  |     |
| Proposed/Approved Loss Factor | 1.0385                                  |     |

|                                                             | Current OEB-Approved |           |                      | Proposed    |           |                      | Impact               |                |
|-------------------------------------------------------------|----------------------|-----------|----------------------|-------------|-----------|----------------------|----------------------|----------------|
|                                                             | Rate (\$)            | Volume    | Charge (\$)          | Rate (\$)   | Volume    | Charge (\$)          | \$ Change            | % Change       |
| Monthly Service Charge                                      | \$ 2,725.12          | 1         | \$ 2,725.12          | \$ 2,725.12 | 1         | \$ 2,725.12          | \$ -                 | 0.00%          |
| Distribution Volumetric Rate                                | \$ 1.6315            | 5400      | \$ 8,810.10          | \$ 1.8599   | 5400      | \$ 10,043.46         | \$ 1,233.36          | 14.00%         |
| Fixed Rate Riders                                           | \$ -                 | 1         | \$ -                 | \$ -        | 1         | \$ -                 | \$ -                 | -              |
| Volumetric Rate Riders                                      | \$ 0.3208            | 5400      | \$ 1,732.32          | \$ (0.3619) | 5400      | \$ (1,954.26)        | \$ (3,686.58)        | -212.81%       |
| <b>Sub-Total A (excluding pass through)</b>                 |                      |           | <b>\$ 13,267.54</b>  |             |           | <b>\$ 10,814.32</b>  | <b>\$ (2,453.22)</b> | <b>-18.49%</b> |
| Line Losses on Cost of Power                                | \$ -                 | -         | \$ -                 | \$ -        | -         | \$ -                 | \$ -                 | -              |
| Total Deferral/Variance Account Rate Riders                 | \$ (0.1326)          | 5,400     | \$ (716.04)          | \$ -        | 5,400     | \$ -                 | \$ 716.04            | -100.00%       |
| CBR Class B Rate Riders                                     | \$ -                 | 5,400     | \$ -                 | \$ -        | 5,400     | \$ -                 | \$ -                 | -              |
| GA Rate Riders                                              | \$ -                 | 2,400,000 | \$ -                 | \$ -        | 2,400,000 | \$ -                 | \$ -                 | -              |
| Low Voltage Service Charge                                  | \$ 0.5028            | 5,400     | \$ 2,715.12          | \$ 0.6980   | 5,400     | \$ 3,769.20          | \$ 1,054.08          | 38.82%         |
| Smart Meter Entity Charge (if applicable)                   | \$ -                 | 1         | \$ -                 | \$ -        | 1         | \$ -                 | \$ -                 | -              |
| Additional Fixed Rate Riders                                | \$ -                 | 1         | \$ -                 | \$ -        | 1         | \$ -                 | \$ -                 | -              |
| Additional Volumetric Rate Riders                           | \$ -                 | 5,400     | \$ -                 | \$ 0.6849   | 5,400     | \$ 3,698.46          | \$ 3,698.46          | -              |
| <b>Sub-Total B - Distribution (includes Sub-Total A)</b>    |                      |           | <b>\$ 15,266.62</b>  |             |           | <b>\$ 18,281.98</b>  | <b>\$ 3,015.36</b>   | <b>19.75%</b>  |
| RTSR - Network                                              | \$ -                 | 5,400     | \$ -                 | \$ -        | 5,400     | \$ -                 | \$ -                 | -              |
| RTSR - Connection and/or Line and Transformation Connection | \$ -                 | 5,400     | \$ -                 | \$ -        | 5,400     | \$ -                 | \$ -                 | -              |
| <b>Sub-Total C - Delivery (including Sub-Total B)</b>       |                      |           | <b>\$ 15,266.62</b>  |             |           | <b>\$ 18,281.98</b>  | <b>\$ 3,015.36</b>   | <b>19.75%</b>  |
| Wholesale Market Service Charge (WMSC)                      | \$ 0.0034            | 2,490,000 | \$ 8,466.00          | \$ 0.0034   | 2,492,400 | \$ 8,474.16          | \$ 8.16              | 0.10%          |
| Rural and Remote Rate Protection (RRRP)                     | \$ 0.0005            | 2,490,000 | \$ 1,245.00          | \$ 0.0005   | 2,492,400 | \$ 1,246.20          | \$ 1.20              | 0.10%          |
| Standard Supply Service Charge                              | \$ 0.25              | 1         | \$ 0.25              | \$ 0.25     | 1         | \$ 0.25              | \$ -                 | 0.00%          |
| Average IESO Wholesale Market Price                         | \$ 0.1060            | 2,490,000 | \$ 263,940.00        | \$ 0.1060   | 2,492,400 | \$ 264,194.40        | \$ 254.40            | 0.10%          |
| <b>Total Bill on Average IESO Wholesale Market Price</b>    |                      |           | <b>\$ 288,917.87</b> |             |           | <b>\$ 292,196.99</b> | <b>\$ 3,279.12</b>   | <b>1.13%</b>   |
| HST                                                         | 13%                  |           | \$ 37,559.32         | 13%         |           | \$ 37,985.61         | \$ 426.29            | 1.13%          |
| Ontario Electricity Rebate                                  | 17.0%                |           | \$ -                 | 17.0%       |           | \$ -                 | \$ -                 | -              |
| <b>Total Bill on Average IESO Wholesale Market Price</b>    |                      |           | <b>\$ 326,477.19</b> |             |           | <b>\$ 330,182.60</b> | <b>\$ 3,705.41</b>   | <b>1.13%</b>   |

|                               |                                                        |     |
|-------------------------------|--------------------------------------------------------|-----|
| Customer Class:               | <b>UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION</b> |     |
| RPP / Non-RPP:                | RPP                                                    |     |
| Consumption                   | 405                                                    | kWh |
| Demand                        | -                                                      | kW  |
| Current Loss Factor           | 1.0375                                                 |     |
| Proposed/Approved Loss Factor | 1.0385                                                 |     |

|                                                             | Current OEB-Approved |        |             | Proposed    |        |             | Impact    |          |
|-------------------------------------------------------------|----------------------|--------|-------------|-------------|--------|-------------|-----------|----------|
|                                                             | Rate (\$)            | Volume | Charge (\$) | Rate (\$)   | Volume | Charge (\$) | \$ Change | % Change |
| Monthly Service Charge                                      | \$ 8.76              | 1      | \$ 8.76     | \$ 9.76     | 1      | \$ 9.76     | \$ 1.00   | 11.42%   |
| Distribution Volumetric Rate                                | \$ 0.0186            | 405    | \$ 7.53     | \$ 0.0207   | 405    | \$ 8.38     | \$ 0.85   | 11.29%   |
| Fixed Rate Riders                                           | \$ -                 | 1      | \$ -        | \$ -        | 1      | \$ -        | \$ -      |          |
| Volumetric Rate Riders                                      | \$ -                 | 405    | \$ -        | \$ (0.0019) | 405    | \$ (0.77)   | \$ (0.77) |          |
| <b>Sub-Total A (excluding pass through)</b>                 |                      |        | \$ 16.29    |             |        | \$ 17.37    | \$ 1.08   | 6.63%    |
| Line Losses on Cost of Power                                | \$ 0.1031            | 15     | \$ 1.57     | \$ 0.1031   | 16     | \$ 1.61     | \$ 0.04   | 2.67%    |
| Total Deferral/Variance Account Rate Riders                 | \$ (0.0003)          | 405    | \$ (0.12)   | \$ -        | 405    | \$ -        | \$ 0.12   | -100.00% |
| CBR Class B Rate Riders                                     | \$ (0.0002)          | 405    | \$ (0.08)   | \$ -        | 405    | \$ -        | \$ 0.08   | -100.00% |
| GA Rate Riders                                              | \$ -                 | 405    | \$ -        | \$ -        | 405    | \$ -        | \$ -      |          |
| Low Voltage Service Charge                                  | \$ 0.0010            | 405    | \$ 0.41     | \$ 0.0014   | 405    | \$ 0.57     | \$ 0.16   | 40.00%   |
| Smart Meter Entity Charge (if applicable)                   | \$ -                 | 1      | \$ -        | \$ -        | 1      | \$ -        | \$ -      |          |
| Additional Fixed Rate Riders                                | \$ -                 | 1      | \$ -        | \$ -        | 1      | \$ -        | \$ -      |          |
| Additional Volumetric Rate Riders                           | \$ -                 | 405    | \$ -        | \$ 0.0014   | 405    | \$ 0.57     | \$ 0.57   |          |
| <b>Sub-Total B - Distribution (includes Sub-Total A)</b>    |                      |        | \$ 18.06    |             |        | \$ 20.12    | \$ 2.05   | 11.37%   |
| RTSR - Network                                              | \$ 0.0081            | 420    | \$ 3.40     | \$ 0.0091   | 421    | \$ 3.83     | \$ 0.42   | 12.45%   |
| RTSR - Connection and/or Line and Transformation Connection | \$ 0.0060            | 420    | \$ 2.52     | \$ 0.0065   | 421    | \$ 2.73     | \$ 0.21   | 8.44%    |
| <b>Sub-Total C - Delivery (including Sub-Total B)</b>       |                      |        | \$ 23.99    |             |        | \$ 26.68    | \$ 2.69   | 11.22%   |
| Wholesale Market Service Charge (WMSC)                      | \$ 0.0034            | 420    | \$ 1.43     | \$ 0.0034   | 421    | \$ 1.43     | \$ 0.00   | 0.10%    |
| Rural and Remote Rate Protection (RRRP)                     | \$ 0.0005            | 420    | \$ 0.21     | \$ 0.0005   | 421    | \$ 0.21     | \$ 0.00   | 0.10%    |
| Standard Supply Service Charge                              | \$ 0.25              | 1      | \$ 0.25     | \$ 0.25     | 1      | \$ 0.25     | \$ -      | 0.00%    |
| TOU - Off Peak                                              | \$ 0.0820            | 263    | \$ 21.59    | \$ 0.0820   | 263    | \$ 21.59    | \$ -      | 0.00%    |
| TOU - Mid Peak                                              | \$ 0.1130            | 69     | \$ 7.78     | \$ 0.1130   | 69     | \$ 7.78     | \$ -      | 0.00%    |
| TOU - On Peak                                               | \$ 0.1700            | 73     | \$ 12.39    | \$ 0.1700   | 73     | \$ 12.39    | \$ -      | 0.00%    |
| <b>Total Bill on TOU (before Taxes)</b>                     |                      |        | \$ 67.63    |             |        | \$ 70.33    | \$ 2.69   | 3.98%    |
| HST                                                         | 13%                  |        | \$ 8.79     | 13%         |        | \$ 9.14     | \$ 0.35   | 3.98%    |
| Ontario Electricity Rebate                                  | 17.0%                |        | \$ (11.50)  | 17.0%       |        | \$ (11.96)  | \$ (0.46) |          |
| <b>Total Bill on TOU</b>                                    |                      |        | \$ 64.93    |             |        | \$ 67.51    | \$ 2.58   | 3.98%    |

|                               |                                                 |     |  |
|-------------------------------|-------------------------------------------------|-----|--|
| Customer Class:               | <b>SENTINEL LIGHTING SERVICE CLASSIFICATION</b> |     |  |
| RPP / Non-RPP:                | Non-RPP (Other)                                 |     |  |
| Consumption                   | 50                                              | kWh |  |
| Demand                        | 0                                               | kW  |  |
| Current Loss Factor           | 1.0375                                          |     |  |
| Proposed/Approved Loss Factor | 1.0385                                          |     |  |

|                                                             | Current OEB-Approved |        |                 | Proposed    |        |                 | Impact         |               |
|-------------------------------------------------------------|----------------------|--------|-----------------|-------------|--------|-----------------|----------------|---------------|
|                                                             | Rate (\$)            | Volume | Charge (\$)     | Rate (\$)   | Volume | Charge (\$)     | \$ Change      | % Change      |
| Monthly Service Charge                                      | \$ 5.63              | 1      | \$ 5.63         | \$ 6.45     | 1      | \$ 6.45         | \$ 0.82        | 14.56%        |
| Distribution Volumetric Rate                                | \$ 42.6426           | 0.15   | \$ 6.40         | \$ 48.8868  | 0.15   | \$ 7.33         | \$ 0.94        | 14.64%        |
| Fixed Rate Riders                                           | \$ -                 | 1      | \$ -            | \$ -        | 1      | \$ -            | \$ -           |               |
| Volumetric Rate Riders                                      | \$ -                 | 0.15   | \$ -            | \$ (2.8627) | 0.15   | \$ (0.43)       | \$ (0.43)      |               |
| <b>Sub-Total A (excluding pass through)</b>                 |                      |        | <b>\$ 12.03</b> |             |        | <b>\$ 13.35</b> | <b>\$ 1.33</b> | <b>11.04%</b> |
| Line Losses on Cost of Power                                | \$ 0.1060            | 2      | \$ 0.20         | \$ 0.1060   | 2      | \$ 0.20         | \$ 0.01        | 2.67%         |
| Total Deferral/Variance Account Rate Riders                 | \$ (0.0958)          | 0      | \$ (0.01)       | \$ -        | 0      | \$ -            | \$ 0.01        | -100.00%      |
| CBR Class B Rate Riders                                     | \$ (0.0779)          | 0      | \$ (0.01)       | \$ -        | 0      | \$ -            | \$ 0.01        | -100.00%      |
| GA Rate Riders                                              | \$ -                 | 50     | \$ -            | \$ -        | 50     | \$ -            | \$ -           |               |
| Low Voltage Service Charge                                  | \$ 0.3139            | 0      | \$ 0.05         | \$ 0.4358   | 0      | \$ 0.07         | \$ 0.02        | 38.83%        |
| Smart Meter Entity Charge (if applicable)                   | \$ -                 | 1      | \$ -            | \$ -        | 1      | \$ -            | \$ -           |               |
| Additional Fixed Rate Riders                                | \$ -                 | 1      | \$ -            | \$ -        | 1      | \$ -            | \$ -           |               |
| Additional Volumetric Rate Riders                           | \$ -                 | 0      | \$ -            | \$ 0.4873   | 0      | \$ 0.07         | \$ 0.07        |               |
| <b>Sub-Total B - Distribution (includes Sub-Total A)</b>    |                      |        | <b>\$ 12.25</b> |             |        | <b>\$ 13.70</b> | <b>\$ 1.45</b> | <b>11.84%</b> |
| RTSR - Network                                              | \$ 2.4866            | 0      | \$ 0.37         | \$ 2.7871   | 0      | \$ 0.42         | \$ 0.05        | 12.08%        |
| RTSR - Connection and/or Line and Transformation Connection | \$ 1.8726            | 0      | \$ 0.28         | \$ 2.0361   | 0      | \$ 0.31         | \$ 0.02        | 8.73%         |
| <b>Sub-Total C - Delivery (including Sub-Total B)</b>       |                      |        | <b>\$ 12.90</b> |             |        | <b>\$ 14.42</b> | <b>\$ 1.52</b> | <b>11.78%</b> |
| Wholesale Market Service Charge (WMSC)                      | \$ 0.0034            | 52     | \$ 0.18         | \$ 0.0034   | 52     | \$ 0.18         | \$ 0.00        | 0.10%         |
| Rural and Remote Rate Protection (RRRP)                     | \$ 0.0005            | 52     | \$ 0.03         | \$ 0.0005   | 52     | \$ 0.03         | \$ 0.00        | 0.10%         |
| Standard Supply Service Charge                              | \$ 0.25              | 1      | \$ 0.25         | \$ 0.25     | 1      | \$ 0.25         | \$ -           | 0.00%         |
| Average IESO Wholesale Market Price                         | \$ 0.1060            | 50     | \$ 5.30         | \$ 0.1060   | 50     | \$ 5.30         | \$ -           | 0.00%         |
| <b>Total Bill on Average IESO Wholesale Market Price</b>    |                      |        | <b>\$ 18.65</b> |             |        | <b>\$ 20.17</b> | <b>\$ 1.52</b> | <b>8.15%</b>  |
| HST                                                         | 13%                  |        | \$ 2.42         | 13%         |        | \$ 2.62         | \$ 0.20        | 8.15%         |
| Ontario Electricity Rebate                                  | 17.0%                |        | \$ (3.17)       | 17.0%       |        | \$ (3.43)       | \$ -           |               |
| <b>Total Bill on Average IESO Wholesale Market Price</b>    |                      |        | <b>\$ 17.91</b> |             |        | <b>\$ 19.37</b> | <b>\$ 1.46</b> | <b>8.15%</b>  |



|                               |                                               |     |
|-------------------------------|-----------------------------------------------|-----|
| Customer Class:               | <b>STREET LIGHTING SERVICE CLASSIFICATION</b> |     |
| RPP / Non-RPP:                | Non-RPP (Other)                               |     |
| Consumption                   | 440,624                                       | kWh |
| Demand                        | 1,185                                         | kW  |
| Current Loss Factor           | 1.0375                                        |     |
| Proposed/Approved Loss Factor | 1.0385                                        |     |

|                                                             | Current OEB-Approved |         |                     | Proposed    |         |                     | Impact             |               |
|-------------------------------------------------------------|----------------------|---------|---------------------|-------------|---------|---------------------|--------------------|---------------|
|                                                             | Rate (\$)            | Volume  | Charge (\$)         | Rate (\$)   | Volume  | Charge (\$)         | \$ Change          | % Change      |
| Monthly Service Charge                                      | \$ 2.68              | 2890    | \$ 7,745.20         | \$ 2.68     | 2890    | \$ 7,745.20         | \$ -               | 0.00%         |
| Distribution Volumetric Rate                                | \$ 11.7399           | 1185    | \$ 13,911.78        | \$ 13.8341  | 1185    | \$ 16,393.41        | \$ 2,481.63        | 17.84%        |
| Fixed Rate Riders                                           | \$ -                 | 1       | \$ -                | \$ -        | 1       | \$ -                | \$ -               | -             |
| Volumetric Rate Riders                                      | \$ 5.0207            | 1185    | \$ 5,949.53         | \$ 2.8197   | 1185    | \$ 3,341.34         | \$ (2,608.19)      | -43.84%       |
| <b>Sub-Total A (excluding pass through)</b>                 |                      |         | <b>\$ 27,606.51</b> |             |         | <b>\$ 27,479.95</b> | <b>\$ (126.56)</b> | <b>-0.46%</b> |
| Line Losses on Cost of Power                                | \$ -                 | -       | \$ -                | \$ -        | -       | \$ -                | \$ -               | -             |
| Total Deferral/Variance Account Rate Riders                 | \$ (0.0951)          | 1,185   | \$ (112.69)         | \$ -        | 1,185   | \$ -                | \$ 112.69          | -100.00%      |
| CBR Class B Rate Riders                                     | \$ (0.0783)          | 1,185   | \$ (92.79)          | \$ -        | 1,185   | \$ -                | \$ 92.79           | -100.00%      |
| GA Rate Riders                                              | \$ (0.0012)          | 440,624 | \$ (528.75)         | \$ (0.0012) | 440,624 | \$ (528.75)         | \$ -               | 0.00%         |
| Low Voltage Service Charge                                  | \$ 0.3074            | 1,185   | \$ 364.27           | \$ 0.4268   | 1,185   | \$ 505.76           | \$ 141.49          | 38.84%        |
| Smart Meter Entity Charge (if applicable)                   | \$ -                 | 1       | \$ -                | \$ -        | 1       | \$ -                | \$ -               | -             |
| Additional Fixed Rate Riders                                | \$ -                 | 1       | \$ -                | \$ -        | 1       | \$ -                | \$ -               | -             |
| Additional Volumetric Rate Riders                           | \$ -                 | 1,185   | \$ -                | \$ 0.3835   | 1,185   | \$ 454.45           | \$ 454.45          | -             |
| <b>Sub-Total B - Distribution (includes Sub-Total A)</b>    |                      |         | <b>\$ 27,236.55</b> |             |         | <b>\$ 27,911.41</b> | <b>\$ 674.86</b>   | <b>2.48%</b>  |
| RTSR - Network                                              | \$ 2.4736            | 1,185   | \$ 2,931.22         | \$ 2.7725   | 1,185   | \$ 3,285.41         | \$ 354.20          | 12.08%        |
| RTSR - Connection and/or Line and Transformation Connection | \$ 1.8340            | 1,185   | \$ 2,173.29         | \$ 1.9941   | 1,185   | \$ 2,363.01         | \$ 189.72          | 8.73%         |
| <b>Sub-Total C - Delivery (including Sub-Total B)</b>       |                      |         | <b>\$ 32,341.06</b> |             |         | <b>\$ 33,559.83</b> | <b>\$ 1,218.77</b> | <b>3.77%</b>  |
| Wholesale Market Service Charge (WMSC)                      | \$ 0.0034            | 457,147 | \$ 1,554.30         | \$ 0.0034   | 457,588 | \$ 1,555.80         | \$ 1.50            | 0.10%         |
| Rural and Remote Rate Protection (RRRP)                     | \$ 0.0005            | 457,147 | \$ 228.57           | \$ 0.0005   | 457,588 | \$ 228.79           | \$ 0.22            | 0.10%         |
| Standard Supply Service Charge                              | \$ 0.25              | 1       | \$ 0.25             | \$ 0.25     | 1       | \$ 0.25             | \$ -               | 0.00%         |
| Average IESO Wholesale Market Price                         | \$ 0.1060            | 457,147 | \$ 48,457.62        | \$ 0.1060   | 457,588 | \$ 48,504.33        | \$ 46.71           | 0.10%         |
| <b>Total Bill on Average IESO Wholesale Market Price</b>    |                      |         | <b>\$ 82,581.81</b> |             |         | <b>\$ 83,849.00</b> | <b>\$ 1,267.20</b> | <b>1.53%</b>  |
| HST                                                         | 13%                  |         | \$ 10,735.63        | 13%         |         | \$ 10,900.37        | \$ 164.74          | 1.53%         |
| Ontario Electricity Rebate                                  | 17.0%                |         | \$ -                | 17.0%       |         | \$ -                | \$ -               | -             |
| <b>Total Bill on Average IESO Wholesale Market Price</b>    |                      |         | <b>\$ 93,317.44</b> |             |         | <b>\$ 94,749.38</b> | <b>\$ 1,431.93</b> | <b>1.53%</b>  |

|                               |                                           |     |
|-------------------------------|-------------------------------------------|-----|
| Customer Class:               | <b>RESIDENTIAL SERVICE CLASSIFICATION</b> |     |
| RPP / Non-RPP:                | RPP                                       |     |
| Consumption                   | 375                                       | kWh |
| Demand                        | -                                         | kW  |
| Current Loss Factor           | 1.0375                                    |     |
| Proposed/Approved Loss Factor | 1.0385                                    |     |

|                                                             | Current OEB-Approved |        |                 | Proposed  |        |                 | Impact         |              |
|-------------------------------------------------------------|----------------------|--------|-----------------|-----------|--------|-----------------|----------------|--------------|
|                                                             | Rate (\$)            | Volume | Charge (\$)     | Rate (\$) | Volume | Charge (\$)     | \$ Change      | % Change     |
| Monthly Service Charge                                      | \$ 29.88             | 1      | \$ 29.88        | \$ 33.30  | 1      | \$ 33.30        | \$ 3.42        | 11.45%       |
| Distribution Volumetric Rate                                | \$ -                 | 375    | \$ -            | \$ -      | 375    | \$ -            | \$ -           | -            |
| Fixed Rate Riders                                           | \$ -                 | 1      | \$ -            | \$ (1.42) | 1      | \$ (1.42)       | \$ (1.42)      | -100.00%     |
| Volumetric Rate Riders                                      | \$ 0.0008            | 375    | \$ 0.30         | \$ -      | 375    | \$ -            | \$ (0.30)      | -100.00%     |
| <b>Sub-Total A (excluding pass through)</b>                 |                      |        | <b>\$ 30.18</b> |           |        | <b>\$ 31.88</b> | <b>\$ 1.70</b> | <b>5.63%</b> |
| Line Losses on Cost of Power                                | \$ 0.1031            | 14     | \$ 1.45         | \$ 0.1031 | 14     | \$ 1.49         | \$ 0.04        | 2.67%        |
| Total Deferral/Variance Account Rate Riders                 | \$ (0.0004)          | 375    | \$ (0.15)       | \$ -      | 375    | \$ -            | \$ 0.15        | -100.00%     |
| CBR Class B Rate Riders                                     | \$ (0.0002)          | 375    | \$ (0.08)       | \$ -      | 375    | \$ -            | \$ 0.08        | -100.00%     |
| GA Rate Riders                                              | \$ -                 | 375    | \$ -            | \$ -      | 375    | \$ -            | \$ -           | -            |
| Low Voltage Service Charge                                  | \$ 0.0012            | 375    | \$ 0.45         | \$ 0.0016 | 375    | \$ 0.60         | \$ 0.15        | 33.33%       |
| Smart Meter Entity Charge (if applicable)                   | \$ 0.43              | 1      | \$ 0.43         | \$ 0.43   | 1      | \$ 0.43         | \$ -           | 0.00%        |
| Additional Fixed Rate Riders                                | \$ -                 | 1      | \$ -            | \$ -      | 1      | \$ -            | \$ -           | -            |
| Additional Volumetric Rate Riders                           | \$ -                 | 375    | \$ -            | \$ 0.0013 | 375    | \$ 0.49         | \$ 0.49        | -            |
| <b>Sub-Total B - Distribution (includes Sub-Total A)</b>    |                      |        | <b>\$ 32.28</b> |           |        | <b>\$ 34.89</b> | <b>\$ 2.60</b> | <b>8.06%</b> |
| RTSR - Network                                              | \$ 0.0090            | 389    | \$ 3.50         | \$ 0.0101 | 389    | \$ 3.93         | \$ 0.43        | 12.33%       |
| RTSR - Connection and/or Line and Transformation Connection | \$ 0.0067            | 389    | \$ 2.61         | \$ 0.0073 | 389    | \$ 2.84         | \$ 0.24        | 9.06%        |
| <b>Sub-Total C - Delivery (including Sub-Total B)</b>       |                      |        | <b>\$ 38.39</b> |           |        | <b>\$ 41.66</b> | <b>\$ 3.27</b> | <b>8.51%</b> |
| Wholesale Market Service Charge (WMSC)                      | \$ 0.0034            | 389    | \$ 1.32         | \$ 0.0034 | 389    | \$ 1.32         | \$ 0.00        | 0.10%        |
| Rural and Remote Rate Protection (RRRP)                     | \$ 0.0005            | 389    | \$ 0.19         | \$ 0.0005 | 389    | \$ 0.19         | \$ 0.00        | 0.10%        |
| Standard Supply Service Charge                              | \$ 0.25              | 1      | \$ 0.25         | \$ 0.25   | 1      | \$ 0.25         | \$ -           | 0.00%        |
| TOU - Off Peak                                              | \$ 0.0820            | 244    | \$ 19.99        | \$ 0.0820 | 244    | \$ 19.99        | \$ -           | 0.00%        |
| TOU - Mid Peak                                              | \$ 0.1130            | 64     | \$ 7.20         | \$ 0.1130 | 64     | \$ 7.20         | \$ -           | 0.00%        |
| TOU - On Peak                                               | \$ 0.1700            | 68     | \$ 11.48        | \$ 0.1700 | 68     | \$ 11.48        | \$ -           | 0.00%        |
| <b>Total Bill on TOU (before Taxes)</b>                     |                      |        | <b>\$ 78.83</b> |           |        | <b>\$ 82.10</b> | <b>\$ 3.27</b> | <b>4.15%</b> |
| HST                                                         | 13%                  |        | \$ 10.25        | 13%       |        | \$ 10.67        | \$ 0.43        | 4.15%        |
| Ontario Electricity Rebate                                  | 17.0%                |        | \$ (13.40)      | 17.0%     |        | \$ (13.96)      | \$ (0.56)      | -            |
| <b>Total Bill on TOU</b>                                    |                      |        | <b>\$ 75.67</b> |           |        | <b>\$ 78.81</b> | <b>\$ 3.14</b> | <b>4.15%</b> |

Customer Class: **RESIDENTIAL SERVICE CLASSIFICATION**

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

Consumption 750 kWh

Demand - kW

Current Loss Factor 1.0375

Proposed/Approved Loss Factor 1.0385

|                                                             | Current OEB-Approved |        |                  | Proposed    |        |                  | Impact         |              |
|-------------------------------------------------------------|----------------------|--------|------------------|-------------|--------|------------------|----------------|--------------|
|                                                             | Rate (\$)            | Volume | Charge (\$)      | Rate (\$)   | Volume | Charge (\$)      | \$ Change      | % Change     |
| Monthly Service Charge                                      | \$ 29.88             | 1      | \$ 29.88         | \$ 33.30    | 1      | \$ 33.30         | \$ 3.42        | 11.45%       |
| Distribution Volumetric Rate                                | \$ -                 | 750    | \$ -             | \$ -        | 750    | \$ -             | \$ -           |              |
| Fixed Rate Riders                                           | \$ -                 | 1      | \$ -             | \$ (1.42)   | 1      | \$ (1.42)        | \$ (1.42)      |              |
| Volumetric Rate Riders                                      | \$ 0.0008            | 750    | \$ 0.60          | \$ -        | 750    | \$ -             | \$ (0.60)      | -100.00%     |
| <b>Sub-Total A (excluding pass through)</b>                 |                      |        | <b>\$ 30.48</b>  |             |        | <b>\$ 31.88</b>  | <b>\$ 1.40</b> | <b>4.59%</b> |
| Line Losses on Cost of Power                                | \$ 0.1060            | 28     | \$ 2.98          | \$ 0.1060   | 29     | \$ 3.06          | \$ 0.08        | 2.67%        |
| Total Deferral/Variance Account Rate Riders                 | \$ (0.0004)          | 750    | \$ (0.30)        | \$ -        | 750    | \$ -             | \$ 0.30        | -100.00%     |
| CBR Class B Rate Riders                                     | \$ (0.0002)          | 750    | \$ (0.15)        | \$ -        | 750    | \$ -             | \$ 0.15        | -100.00%     |
| GA Rate Riders                                              | \$ (0.0012)          | 750    | \$ (0.90)        | \$ (0.0012) | 750    | \$ (0.90)        | \$ -           | 0.00%        |
| Low Voltage Service Charge                                  | \$ 0.0012            | 750    | \$ 0.90          | \$ 0.0016   | 750    | \$ 1.20          | \$ 0.30        | 33.33%       |
| Smart Meter Entity Charge (if applicable)                   | \$ 0.43              | 1      | \$ 0.43          | \$ 0.43     | 1      | \$ 0.43          | \$ -           | 0.00%        |
| Additional Fixed Rate Riders                                | \$ -                 | 1      | \$ -             | \$ -        | 1      | \$ -             | \$ -           |              |
| Additional Volumetric Rate Riders                           |                      | 750    | \$ -             | \$ 0.0013   | 750    | \$ 0.98          | \$ 0.98        |              |
| <b>Sub-Total B - Distribution (includes Sub-Total A)</b>    |                      |        | <b>\$ 33.44</b>  |             |        | <b>\$ 36.65</b>  | <b>\$ 3.20</b> | <b>9.58%</b> |
| RTSR - Network                                              | \$ 0.0090            | 778    | \$ 7.00          | \$ 0.0101   | 779    | \$ 7.87          | \$ 0.86        | 12.33%       |
| RTSR - Connection and/or Line and Transformation Connection | \$ 0.0067            | 778    | \$ 5.21          | \$ 0.0073   | 779    | \$ 5.69          | \$ 0.47        | 9.06%        |
| <b>Sub-Total C - Delivery (including Sub-Total B)</b>       |                      |        | <b>\$ 45.66</b>  |             |        | <b>\$ 50.20</b>  | <b>\$ 4.54</b> | <b>9.94%</b> |
| Wholesale Market Service Charge (WMSC)                      | \$ 0.0034            | 778    | \$ 2.65          | \$ 0.0034   | 779    | \$ 2.65          | \$ 0.00        | 0.10%        |
| Rural and Remote Rate Protection (RRRP)                     | \$ 0.0005            | 778    | \$ 0.39          | \$ 0.0005   | 779    | \$ 0.39          | \$ 0.00        | 0.10%        |
| Standard Supply Service Charge                              |                      |        |                  |             |        |                  |                |              |
| Non-RPP Retailer Avg. Price                                 | \$ 0.1060            | 750    | \$ 79.50         | \$ 0.1060   | 750    | \$ 79.50         | \$ -           | 0.00%        |
| <b>Total Bill on Non-RPP Avg. Price</b>                     |                      |        | <b>\$ 128.19</b> |             |        | <b>\$ 132.74</b> | <b>\$ 4.54</b> | <b>3.54%</b> |
| HST                                                         | 13%                  |        | \$ 16.67         | 13%         |        | \$ 17.26         | \$ 0.59        | 3.54%        |
| Ontario Electricity Rebate                                  | 17.0%                |        | \$ (21.79)       | 17.0%       |        | \$ (22.57)       | \$ (0.78)      | -3.57%       |
| <b>Total Bill on Non-RPP Avg. Price</b>                     |                      |        | <b>\$ 123.06</b> |             |        | <b>\$ 127.43</b> | <b>\$ 4.36</b> | <b>3.54%</b> |

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

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

Consumption **2,000** kWh

Demand **-** kW

Current Loss Factor **1.0375**

Proposed/Approved Loss Factor **1.0385**

|                                                             | Current OEB-Approved |        |                  | Proposed    |        |                  | Impact           |               |
|-------------------------------------------------------------|----------------------|--------|------------------|-------------|--------|------------------|------------------|---------------|
|                                                             | Rate (\$)            | Volume | Charge (\$)      | Rate (\$)   | Volume | Charge (\$)      | \$ Change        | % Change      |
| Monthly Service Charge                                      | \$ 18.38             | 1      | \$ 18.38         | \$ 20.48    | 1      | \$ 20.48         | \$ 2.10          | 11.43%        |
| Distribution Volumetric Rate                                | \$ 0.0194            | 2000   | \$ 38.80         | \$ 0.0216   | 2000   | \$ 43.20         | \$ 4.40          | 11.34%        |
| Fixed Rate Riders                                           | \$ -                 | 1      | \$ -             | \$ -        | 1      | \$ -             | \$ -             |               |
| Volumetric Rate Riders                                      | \$ 0.0051            | 2000   | \$ 10.20         | \$ (0.0001) | 2000   | \$ (0.20)        | \$ (10.40)       | -101.96%      |
| <b>Sub-Total A (excluding pass through)</b>                 |                      |        | <b>\$ 67.38</b>  |             |        | <b>\$ 63.48</b>  | <b>\$ (3.90)</b> | <b>-5.79%</b> |
| Line Losses on Cost of Power                                | \$ 0.1060            | 75     | \$ 7.95          | \$ 0.1060   | 77     | \$ 8.16          | \$ 0.21          | 2.67%         |
| Total Deferral/Variance Account Rate Riders                 | \$ (0.0003)          | 2,000  | \$ (0.60)        | \$ -        | 2,000  | \$ -             | \$ 0.60          | -100.00%      |
| CBR Class B Rate Riders                                     | \$ (0.0002)          | 2,000  | \$ (0.40)        | \$ -        | 2,000  | \$ -             | \$ 0.40          | -100.00%      |
| GA Rate Riders                                              | \$ (0.0012)          | 2,000  | \$ (2.40)        | \$ (0.0012) | 2,000  | \$ (2.40)        | \$ -             | 0.00%         |
| Low Voltage Service Charge                                  | \$ 0.0010            | 2,000  | \$ 2.00          | \$ 0.0014   | 2,000  | \$ 2.80          | \$ 0.80          | 40.00%        |
| Smart Meter Entity Charge (if applicable)                   | \$ 0.43              | 1      | \$ 0.43          | \$ 0.43     | 1      | \$ 0.43          | \$ -             | 0.00%         |
| Additional Fixed Rate Riders                                | \$ -                 | 1      | \$ -             | \$ -        | 1      | \$ -             | \$ -             |               |
| Additional Volumetric Rate Riders                           |                      | 2,000  | \$ -             | \$ 0.0013   | 2,000  | \$ 2.60          | \$ 2.60          |               |
| <b>Sub-Total B - Distribution (includes Sub-Total A)</b>    |                      |        | <b>\$ 74.36</b>  |             |        | <b>\$ 75.07</b>  | <b>\$ 0.71</b>   | <b>0.96%</b>  |
| RTSR - Network                                              | \$ 0.0081            | 2,075  | \$ 16.81         | \$ 0.0091   | 2,077  | \$ 18.90         | \$ 2.09          | 12.45%        |
| RTSR - Connection and/or Line and Transformation Connection | \$ 0.0060            | 2,075  | \$ 12.45         | \$ 0.0065   | 2,077  | \$ 13.50         | \$ 1.05          | 8.44%         |
| <b>Sub-Total C - Delivery (including Sub-Total B)</b>       |                      |        | <b>\$ 103.62</b> |             |        | <b>\$ 107.47</b> | <b>\$ 3.86</b>   | <b>3.72%</b>  |
| Wholesale Market Service Charge (WMSC)                      | \$ 0.0034            | 2,075  | \$ 7.06          | \$ 0.0034   | 2,077  | \$ 7.06          | \$ 0.01          | 0.10%         |
| Rural and Remote Rate Protection (RRRP)                     | \$ 0.0005            | 2,075  | \$ 1.04          | \$ 0.0005   | 2,077  | \$ 1.04          | \$ 0.00          | 0.10%         |
| Standard Supply Service Charge                              |                      |        |                  |             |        |                  |                  |               |
| Non-RPP Retailer Avg. Price                                 | \$ 0.1060            | 2,000  | \$ 212.00        | \$ 0.1060   | 2,000  | \$ 212.00        | \$ -             | 0.00%         |
| <b>Total Bill on Non-RPP Avg. Price</b>                     |                      |        | <b>\$ 323.71</b> |             |        | <b>\$ 327.57</b> | <b>\$ 3.86</b>   | <b>1.19%</b>  |
| HST                                                         | 13%                  |        | \$ 42.08         | 13%         |        | \$ 42.58         | \$ 0.50          | 1.19%         |
| Ontario Electricity Rebate                                  | 17.0%                |        | \$ (55.03)       | 17.0%       |        | \$ (55.69)       | \$ (0.66)        | -1.19%        |
| <b>Total Bill on Non-RPP Avg. Price</b>                     |                      |        | <b>\$ 310.76</b> |             |        | <b>\$ 314.47</b> | <b>\$ 3.71</b>   | <b>1.19%</b>  |

Customer Class: **RESIDENTIAL SERVICE CLASSIFICATION**

RPP / Non-RPP: **RPP**

Consumption **2,500** kWh

Demand **-** kW

Current Loss Factor **1.0375**

Proposed/Approved Loss Factor **1.0385**

|                                                             | Current OEB-Approved |        |                  | Proposed  |        |                  | Impact          |               |
|-------------------------------------------------------------|----------------------|--------|------------------|-----------|--------|------------------|-----------------|---------------|
|                                                             | Rate (\$)            | Volume | Charge (\$)      | Rate (\$) | Volume | Charge (\$)      | \$ Change       | % Change      |
| Monthly Service Charge                                      | \$ 29.88             | 1      | \$ 29.88         | \$ 33.30  | 1      | \$ 33.30         | \$ 3.42         | 11.45%        |
| Distribution Volumetric Rate                                | \$ -                 | 2500   | \$ -             | \$ -      | 2500   | \$ -             | \$ -            | -             |
| Fixed Rate Riders                                           | \$ -                 | 1      | \$ -             | \$ (1.42) | 1      | \$ (1.42)        | \$ (1.42)       | -100.00%      |
| Volumetric Rate Riders                                      | \$ 0.0008            | 2500   | \$ 2.00          | \$ -      | 2500   | \$ -             | \$ (2.00)       | -100.00%      |
| <b>Sub-Total A (excluding pass through)</b>                 |                      |        | <b>\$ 31.88</b>  |           |        | <b>\$ 31.88</b>  | <b>\$ -</b>     | <b>0.00%</b>  |
| Line Losses on Cost of Power                                | \$ 0.1031            | 94     | \$ 9.67          | \$ 0.1031 | 96     | \$ 9.92          | \$ 0.26         | 2.67%         |
| Total Deferral/Variance Account Rate Riders                 | \$ (0.0004)          | 2,500  | \$ (1.00)        | \$ -      | 2,500  | \$ -             | \$ 1.00         | -100.00%      |
| CBR Class B Rate Riders                                     | \$ (0.0002)          | 2,500  | \$ (0.50)        | \$ -      | 2,500  | \$ -             | \$ 0.50         | -100.00%      |
| GA Rate Riders                                              | \$ -                 | 2,500  | \$ -             | \$ -      | 2,500  | \$ -             | \$ -            | -             |
| Low Voltage Service Charge                                  | \$ 0.0012            | 2,500  | \$ 3.00          | \$ 0.0016 | 2,500  | \$ 4.00          | \$ 1.00         | 33.33%        |
| Smart Meter Entity Charge (if applicable)                   | \$ 0.43              | 1      | \$ 0.43          | \$ 0.43   | 1      | \$ 0.43          | \$ -            | 0.00%         |
| Additional Fixed Rate Riders                                | \$ -                 | 1      | \$ -             | \$ -      | 1      | \$ -             | \$ -            | -             |
| Additional Volumetric Rate Riders                           | \$ -                 | 2,500  | \$ -             | \$ 0.0013 | 2,500  | \$ 3.25          | \$ 3.25         | -             |
| <b>Sub-Total B - Distribution (includes Sub-Total A)</b>    |                      |        | <b>\$ 43.48</b>  |           |        | <b>\$ 49.48</b>  | <b>\$ 6.01</b>  | <b>13.82%</b> |
| RTSR - Network                                              | \$ 0.0090            | 2,594  | \$ 23.34         | \$ 0.0101 | 2,596  | \$ 26.22         | \$ 2.88         | 12.33%        |
| RTSR - Connection and/or Line and Transformation Connection | \$ 0.0067            | 2,594  | \$ 17.38         | \$ 0.0073 | 2,596  | \$ 18.95         | \$ 1.57         | 9.06%         |
| <b>Sub-Total C - Delivery (including Sub-Total B)</b>       |                      |        | <b>\$ 84.20</b>  |           |        | <b>\$ 94.66</b>  | <b>\$ 10.46</b> | <b>12.42%</b> |
| Wholesale Market Service Charge (WMSC)                      | \$ 0.0034            | 2,594  | \$ 8.82          | \$ 0.0034 | 2,596  | \$ 8.83          | \$ 0.01         | 0.10%         |
| Rural and Remote Rate Protection (RRRP)                     | \$ 0.0005            | 2,594  | \$ 1.30          | \$ 0.0005 | 2,596  | \$ 1.30          | \$ 0.00         | 0.10%         |
| Standard Supply Service Charge                              | \$ 0.25              | 1      | \$ 0.25          | \$ 0.25   | 1      | \$ 0.25          | \$ -            | 0.00%         |
| TOU - Off Peak                                              | \$ 0.0820            | 1,625  | \$ 133.25        | \$ 0.0820 | 1,625  | \$ 133.25        | \$ -            | 0.00%         |
| TOU - Mid Peak                                              | \$ 0.1130            | 425    | \$ 48.03         | \$ 0.1130 | 425    | \$ 48.03         | \$ -            | 0.00%         |
| TOU - On Peak                                               | \$ 0.1700            | 450    | \$ 76.50         | \$ 0.1700 | 450    | \$ 76.50         | \$ -            | 0.00%         |
| <b>Total Bill on TOU (before Taxes)</b>                     |                      |        | <b>\$ 352.34</b> |           |        | <b>\$ 362.81</b> | <b>\$ 10.47</b> | <b>2.97%</b>  |
| HST                                                         | 13%                  |        | \$ 45.80         | 13%       |        | \$ 47.17         | \$ 1.36         | 2.97%         |
| Ontario Electricity Rebate                                  | 17.0%                |        | \$ (59.90)       | 17.0%     |        | \$ (61.68)       | \$ (1.78)       | -             |
| <b>Total Bill on TOU</b>                                    |                      |        | <b>\$ 338.25</b> |           |        | <b>\$ 348.30</b> | <b>\$ 10.05</b> | <b>2.97%</b>  |

# Appendix E

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2023 Proposed Tariff of Rates and Charges

**Milton Hydro Distribution Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2023**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2022-0049

**RESIDENTIAL SERVICE CLASSIFICATION**

This classification refers to the supply of electrical energy to detached, semi-detached and townhouse residential buildings as defined in local zoning bylaws. A residential service is a single-family unit used for domestic or household purposes, including seasonal occupancy. At Milton Hydro's discretion, residential rates may be applied to apartment buildings with 6 or less units by simple application of the residential rate by blocking the residential rate by the number of 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.

Where the residential dwelling comprises the entire electrical load of a farm, it is defined as a residential service. Where the residential dwelling does not comprise the entire electrical load of the farm:

- The service will be defined as a General Service if the occupant derives his/her principal livelihood from the working of the farm;
- The service will be defined as a Residential Service if the occupant does not derive his/her principal livelihood from the working of the farm;
- Where the residential farm dwelling is supplied by one separately metered service and the electrical loads in other buildings are supplied by a different separately metered service, then the former is defined as a Residential Service and the latter is defined as a General 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                                                                                                                           | \$     | 33.30    |
| Rate Rider for Disposition of Group 2B Accounts (2023) - effective until December 31, 2024                                               | \$     | 0.29     |
| Rate Rider for Disposition of Group 2A Accounts (2023) - effective until December 31, 2023                                               | \$     | (1.71)   |
| Smart Metering Entity Charge - effective until December 31, 2027                                                                         | \$     | 0.43     |
| Low Voltage Service Rate                                                                                                                 | \$/kWh | 0.0016   |
| Rate Rider for Disposition of Global Adjustment Account (2023) Applicable only for Non-RPP Customers - effective until December 31, 2024 | \$/kWh | (0.0012) |
| Rate Rider for Disposition of Group 1 Accounts (2023) - effective until December 31, 2024                                                | \$/kWh | 0.0013   |
| Retail Transmission Rate - Network Service Rate                                                                                          | \$/kWh | 0.0101   |
| Retail Transmission Rate - Line and Transformation Connection Service Rate                                                               | \$/kWh | 0.0073   |

**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   |

**Milton Hydro Distribution Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2023**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2022-0049

## GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification refers to a non-residential customer with an average peak demand below 50 kW over the past twelve months. For a new customer without prior billing history, the peak demand will be based on the customer's proposed capacity. 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                                                                                                                           | \$     | 20.48    |
| Smart Metering Entity Charge - effective until December 31, 2027                                                                         | \$     | 0.43     |
| Distribution Volumetric Rate                                                                                                             | \$/kWh | 0.0216   |
| Low Voltage Service Rate                                                                                                                 | \$/kWh | 0.0014   |
| Rate Rider for Disposition of Global Adjustment Account (2023) Applicable only for Non-RPP Customers - effective until December 31, 2024 | \$/kWh | (0.0012) |
| Rate Rider for Disposition of Group 2A Accounts (2023) - effective until December 31, 2023                                               | \$/kWh | (0.0019) |
| Rate Rider for Disposition of Group 1 Accounts (2023) - effective until December 31, 2024                                                | \$/kWh | 0.0013   |
| Rate Rider for Disposition of Group 2B Accounts (2023) - effective until December 31, 2024                                               | \$/kWh | 0.0004   |
| Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2023) - effective until December 31, 2024     | \$/kWh | 0.0014   |
| Retail Transmission Rate - Network Service Rate                                                                                          | \$/kWh | 0.0091   |
| Retail Transmission Rate - Line and Transformation Connection Service Rate                                                               | \$/kWh | 0.0065   |

### 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   |



**Milton Hydro Distribution Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2023**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2022-0049

**GENERAL SERVICE 50 TO 999 KW SERVICE CLASSIFICATION**

This classification refers to a non-residential customer with an average peak demand equal to or greater than 50 kW and less than 1,000 kW over the past twelve months. For a new customer without prior billing history, the peak demand will be based on the customer's proposed capacity. 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                                                                                                                                    | \$     | 86.74    |
| Distribution Volumetric Rate                                                                                                                      | \$/kW  | 3.7993   |
| Minimum Distribution Charge - per kW of maximum billing demand in the previous 11 months                                                          | \$/kW  | 0.0000   |
| Low Voltage Service Rate                                                                                                                          | \$/kW  | 0.6345   |
| Rate Rider for Disposition of Global Adjustment Account (2023) Applicable only for Non-RPP Customers - effective until December 31, 2024          | \$/kWh | (0.0012) |
| Rate Rider for Disposition of Group 2A Accounts (2023) - effective until December 31, 2023                                                        | \$/kW  | (0.5208) |
| Rate Rider for Disposition of Group 1 Accounts (2023) - effective until December 31, 2024                                                         | \$/kW  | 0.2840   |
| Rate Rider for Disposition of Group 1 Accounts (2023) - Applicable only for Non-Wholesale Market Participants - effective until December 31, 2024 | \$/kW  | 0.1533   |
| Rate Rider for Disposition of Group 2B Accounts (2023) - effective until December 31, 2024                                                        | \$/kW  | 0.1482   |
| Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2023) - effective until December 31, 2024              | \$/kW  | 0.0859   |
| Retail Transmission Rate - Network Service Rate                                                                                                   | \$/kW  | 4.0939   |
| Retail Transmission Rate - Line and Transformation Connection Service Rate                                                                        | \$/kW  | 2.9644   |

**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   |

**Milton Hydro Distribution Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2023**  
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EB-2022-0049

## GENERAL SERVICE 1,000 TO 4,999 KW SERVICE CLASSIFICATION

This classification refers to a non-residential customer with an average peak demand equal to or greater than 1,000 kW and less than 5,000 kW, regardless of when the demand occurs, averaged over twelve months. For a new customer without prior billing history, the peak demand will be based on the customer's proposed capacity. 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                                                                                                                           | \$     | 682.42   |
| Distribution Volumetric Rate                                                                                                             | \$/kW  | 2.6089   |
| Minimum Distribution Charge - per kW of maximum billing demand in the previous 11 months                                                 | \$/kW  | 0.0000   |
| Low Voltage Service Rate                                                                                                                 | \$/kW  | 0.6241   |
| Rate Rider for Disposition of Global Adjustment Account (2023) Applicable only for Non-RPP Customers - effective until December 31, 2024 | \$/kWh | (0.0012) |
| Rate Rider for Disposition of Group 2A Accounts (2023) - effective until December 31, 2023                                               | \$/kW  | (0.5693) |
| Rate Rider for Disposition of Group 1 Accounts (2023) - effective until December 31, 2024                                                | \$/kW  | 0.5864   |
| Rate Rider for Disposition of Group 2B Accounts (2023) - effective until December 31, 2024                                               | \$/kW  | 0.1839   |
| Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2023) - effective until December 31, 2024     | \$/kW  | 0.1063   |
| Retail Transmission Rate - Network Service Rate                                                                                          | \$/kW  | 4.0263   |
| Retail Transmission Rate - Line and Transformation Connection Service Rate                                                               | \$/kW  | 2.9162   |

### 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   |

**Milton Hydro Distribution Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2023**  
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EB-2022-0049

**LARGE USE SERVICE CLASSIFICATION**

This classification refers to a non-residential customer with an average peak demand equal to or greater than 5,000 kW, regardless of when the demand occurs, averaged over twelve months. For a new customer without prior billing history, the peak demand will be based on the customer's proposed capacity. 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 the Global Adjustment and the HST.

**MONTHLY RATES AND CHARGES - Delivery Component**

|                                                                                                                                      |       |          |
|--------------------------------------------------------------------------------------------------------------------------------------|-------|----------|
| Service Charge                                                                                                                       | \$    | 2,725.12 |
| Distribution Volumetric Rate                                                                                                         | \$/kW | 1.8599   |
| Minimum Distribution Charge - per kW of maximum billing demand in the previous 11 months                                             | \$/kW | 0.0000   |
| Low Voltage Service Rate                                                                                                             | \$/kW | 0.6980   |
| Rate Rider for Disposition of Group 2A Accounts (2023) - effective until December 31, 2023                                           | \$/kW | (0.6102) |
| Rate Rider for Disposition of Group 1 Accounts (2023) - effective until December 31, 2024                                            | \$/kW | 0.6849   |
| Rate Rider for Disposition of Group 2B Accounts (2023) - effective until December 31, 2024                                           | \$/kW | 0.2019   |
| Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2023) - effective until December 31, 2024 | \$/kW | 0.0464   |
| Retail Transmission Rate - Network Service Rate - Interval Metered                                                                   | \$/kW | 4.3601   |
| Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered                                        | \$/kW | 3.2612   |

**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   |

**Milton Hydro Distribution Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2023**  
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EB-2022-0049

### UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification refers to the supply of electricity to unmetered loads less than 50 kW including traffic signals and pedestrian X-walks signals/beacons, bus shelters, telephone booths, signs, Cable TV amplifiers and decorative lighting and tree lighting connected to Milton Hydro's distribution system, and similar small unmetered loads. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

### APPLICATION

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

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

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

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

### MONTHLY RATES AND CHARGES - Delivery Component

|                                                                                                                                          |        |          |
|------------------------------------------------------------------------------------------------------------------------------------------|--------|----------|
| Service Charge (per connection)                                                                                                          | \$     | 9.76     |
| Distribution Volumetric Rate                                                                                                             | \$/kWh | 0.0207   |
| Low Voltage Service Rate                                                                                                                 | \$/kWh | 0.0014   |
| Rate Rider for Disposition of Global Adjustment Account (2023) Applicable only for Non-RPP Customers - effective until December 31, 2024 | \$/kWh | (0.0012) |
| Rate Rider for Disposition of Group 2A Accounts (2023) - effective until December 31, 2023                                               | \$/kWh | (0.0023) |
| Rate Rider for Disposition of Group 1 Accounts (2023) - effective until December 31, 2024                                                | \$/kWh | 0.0014   |
| Rate Rider for Disposition of Group 2B Accounts (2023) - effective until December 31, 2024                                               | \$/kWh | 0.0004   |
| Retail Transmission Rate - Network Service Rate                                                                                          | \$/kWh | 0.0091   |
| Retail Transmission Rate - Line and Transformation Connection Service Rate                                                               | \$/kWh | 0.0065   |

### 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   |

**Milton Hydro Distribution Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2023**  
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EB-2022-0049

**SENTINEL LIGHTING SERVICE CLASSIFICATION**

This classification refers to all services supported to supply sentinel lighting equipment. 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)                                                            | \$    | 6.45     |
| Distribution Volumetric Rate                                                               | \$/kW | 48.8868  |
| Low Voltage Service Rate                                                                   | \$/kW | 0.4358   |
| Rate Rider for Disposition of Group 2A Accounts (2023) - effective until December 31, 2023 | \$/kW | (3.0056) |
| Rate Rider for Disposition of Group 1 Accounts (2023) - effective until December 31, 2024  | \$/kW | 0.4873   |
| Rate Rider for Disposition of Group 2B Accounts (2023) - effective until December 31, 2024 | \$/kW | 0.1429   |

|                                                 |       |        |
|-------------------------------------------------|-------|--------|
| Retail Transmission Rate - Network Service Rate | \$/kW | 2.7871 |
|-------------------------------------------------|-------|--------|

|                                                                            |       |        |
|----------------------------------------------------------------------------|-------|--------|
| Retail Transmission Rate - Line and Transformation Connection Service Rate | \$/kW | 2.0361 |
|----------------------------------------------------------------------------|-------|--------|

**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   |

**Milton Hydro Distribution Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2023**  
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EB-2022-0049

**STREET LIGHTING SERVICE CLASSIFICATION**

This classification refers to all services supplied to street lighting equipment owned by or operated for a municipality or the Province of Ontario. 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)                                                                                                          | \$     | 2.68     |
| Distribution Volumetric Rate                                                                                                             | \$/kW  | 13.8341  |
| Low Voltage Service Rate                                                                                                                 | \$/kW  | 0.4268   |
| Rate Rider for Disposition of Global Adjustment Account (2023) Applicable only for Non-RPP Customers - effective until December 31, 2024 | \$/kWh | (0.0012) |
| Rate Rider for Disposition of Group 2A Accounts (2023) - effective until December 31, 2023                                               | \$/kW  | (0.9465) |
| Rate Rider for Disposition of Group 1 Accounts (2023) - effective until December 31, 2024                                                | \$/kW  | 0.3835   |
| Rate Rider for Disposition of Group 2B Accounts (2023) - effective until December 31, 2024                                               | \$/kW  | 0.1434   |
| Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2023) - effective until December 31, 2024     | \$/kW  | 3.6228   |
| Retail Transmission Rate - Network Service Rate                                                                                          | \$/kW  | 2.7725   |
| Retail Transmission Rate - Line and Transformation Connection Service Rate                                                               | \$/kW  | 1.9941   |

**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   |

**Milton Hydro Distribution Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2023**  
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EB-2022-0049

**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**

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**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**

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**Customer Administration**

|                                                                                           |    |       |
|-------------------------------------------------------------------------------------------|----|-------|
| Arrears certificate                                                                       | \$ | 15.00 |
| Statement of account                                                                      | \$ | 15.00 |
| Easement letter                                                                           | \$ | 15.00 |
| Credit reference/credit check (plus credit agency costs)                                  | \$ | 15.00 |
| Account set up charge/change of occupancy charge (plus credit agency costs if applicable) | \$ | 30.00 |
| Returned cheque (plus bank charges)                                                       | \$ | 15.00 |
| Special meter reads                                                                       | \$ | 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 for non payment of account - at meter during regular hours    | \$ | 65.00  |
| Reconnection for non payment of account - at meter after regular hours     | \$ | 185.00 |

**Other**

|                                                                                                           |    |       |
|-----------------------------------------------------------------------------------------------------------|----|-------|
| Optional interval/TOU meter charge \$/month                                                               | \$ | 5.50  |
| Specific charge for access to the power poles - \$/pole/year (with the exception of wireless attachments) | \$ | 34.76 |
| Clearance pole attachment charge \$/pole/year                                                             | \$ | 5.59  |

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**RETAIL SERVICE CHARGES (if applicable)**

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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                                                                                                                                                                 | \$       | 111.23    |
| Monthly fixed charge, per retailer                                                                                                                                                                                                                                         | \$       | 44.50     |
| Monthly variable charge, per customer, per retailer                                                                                                                                                                                                                        | \$/cust. | 1.11      |
| Distributor-consolidated billing monthly charge, per customer, per retailer                                                                                                                                                                                                | \$/cust. | 0.66      |
| Retailer-consolidated billing monthly credit, per customer, per retailer                                                                                                                                                                                                   | \$/cust. | (0.66)    |
| Service Transaction Requests (STR)                                                                                                                                                                                                                                         |          |           |
| Request fee, per request, applied to the requesting party                                                                                                                                                                                                                  | \$       | 0.56      |
| Processing fee, per request, applied to the requesting party                                                                                                                                                                                                               | \$       | 1.11      |
| 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)                                                                                                                                                                                                      | \$       | 4.45      |
| 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)                                                                    | \$       | 2.22      |

**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 | 1.0385 |
| Total Loss Factor - Secondary Metered Customer > 5,000 kW | 1.0133 |
| Total Loss Factor - Primary Metered Customer < 5,000 kW   | 1.0281 |
| Total Loss Factor - Primary Metered Customer > 5,000 kW   | 1.0031 |