



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

DECISION AND RATE ORDER

EB-2022-0058

OTTAWA RIVER POWER CORPORATION

Application for rates and other charges to be effective May 1, 2023

BY DELEGATION, BEFORE: Theodore Antonopoulos
Vice President
Applications

[date]

1. OVERVIEW

The Ontario Energy Board is approving changes to the rates that Ottawa River Power Corporation (Ottawa River Power) charges to distribute electricity to its customers, effective January 1, 2023.

As a result of this Decision, there will be a monthly total bill increase of \$6.79 for a residential customer consuming 750 kWh. This change does not factor in applicable taxes or the Ontario Electricity Rebate.

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2. CONTEXT AND PROCESS

Ottawa River Power filed its application on November 16, 2022 under section 78 of the *Ontario Energy Board Act, 1998* and in accordance with Chapter 3 of the OEB's [Filing Requirements for Incentive Rate-Setting Applications](#) (Filing Requirements). The application was based on the Price Cap Incentive Rate-setting (Price Cap IR) option, with a five-year term.

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

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

Ottawa River Power serves approximately 11,500 mostly residential and commercial electricity customers in the City of Pembroke, the Township of Whitewater (Beachburg only), the Town of Mississippi Mills (Almonte Ward only) and the Township of Killaloe, Hagarty and Richards (Killaloe only).

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

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

3. DECISION OUTLINE

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

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

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

This Decision does not address rates and charges approved by the OEB in prior proceedings, such as specific service charges² and loss factors, which are out of the scope of an IRM proceeding and for which no further approvals are required to continue to include them on the distributor's Tariff of Rates and Charges.

² Certain service charges are subject to annual inflationary adjustments to be determined by the OEB through a generic order. For example, the Decision and Order EB-2022-0220, issued November 3, 2022 established the adjustment for energy retailer service charges, effective January 1, 2023; and the Decision and Order EB-2022-0221, issued November 3, 2022, established the 2023 Wireline Pole Attachment Charge, effective January 1, 2023.

4. ANNUAL ADJUSTMENT MECHANISM

Ottawa River Power has applied to change its rates, effective May 1, 2023, based on a mechanistic rate adjustment using the OEB-approved **inflation minus X-factor** formula applicable to IRM applications. The adjustment applies to distribution rates (fixed and variable) uniformly across all customer classes.³

The components of the Price Cap adjustment formula applicable to Ottawa River Power are set out in the table below. Inserting these components into the formula results in a 3.55% increase to Ottawa River Power's rates: **3.55% = 3.70% - (0.00% + 0.15%)**.

Table 4.1: Price Cap IR/Annual IR Adjustment Formula

Components		Amount
Inflation factor ⁴		3.70%
Less: X-factor	Productivity factor ⁵	0.00%
	Stretch factor (0.00% to 0.60%) ⁶	0.15%

An inflation factor of 3.70% applies to all IRM applications for the 2023 rate year. The X-factor is the sum of the productivity factor and the stretch factor. It is a productivity offset that varies among different groupings of distributors. Subtracting the X-factor from inflation ensures that rates decline in real, constant-dollar terms, providing distributors with a tangible incentive to improve efficiency or else experience declining net income. The productivity component of the X-factor is based on industry conditions over a historical study period and applies to all IRM applications for the 2023 rate year. The stretch factor component of the X-factor is distributor specific. The OEB has established five stretch factor groupings, ranging from 0.00% to 0.60%. The stretch factor assigned to any distributor is based on the distributor's total cost performance as benchmarked against other distributors in Ontario. The stretch factor assigned to Ottawa River Power is 0.15%, resulting in a rate adjustment of 3.55%.

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

⁴ [OEB Letter, 2023 Inflation Parameters, issued October 20, 2022](#)

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

⁶ Report to the Ontario Energy Board – “Empirical Research in Support of Incentive Rate-Setting: 2021 Benchmarking Update”, prepared by Pacific Economics Group LLC., July 2022

Findings

Ottawa River Power's request for a 3.55% rate adjustment is in accordance with the annually updated parameters set by the OEB. The adjustment is approved, and Ottawa River Power's new rates shall be effective May 1, 2023.

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5. SHARED TAX ADJUSTMENTS

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

The application identifies a total tax decrease of \$3,751, resulting in a shared amount of \$1,875 to be refunded to ratepayers.

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

Findings

The OEB approves the tax sharing refund of \$1,875.

As the allocated tax sharing amount does not produce a rate rider in one or more rate classes, the OEB directs Ottawa Power to record the credit amount of \$1,875 into Account 1595 - Sub-account Principal Balances Approved for Disposition (2023).

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

6. RETAIL TRANSMISSION SERVICE RATES

Ottawa River Power is fully embedded within the systems of Hydro One Networks Inc. and Brookfield Energy Management Inc.

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

Findings

Ottawa River Power's proposed adjustment to its RTSRs is approved. The RTSRs have been adjusted based on the current OEB-approved host-RTSRs.^{8 9}

Host-RTSRs are typically approved annually by the OEB. In the event that host-RTSRs take effect during Ottawa River Power's 2023 rate year, any resulting differences (from the prior-approved host-RTSRs) are to be captured in Retail Settlement Variance Accounts 1584 (Retail Transmission Network Charge) and 1586 (Retail Transmission Connection Charge).

⁸ EB-2021-0110, Decision and Rate Order, November 29, 2022

⁹ Brookfield Energy Management Inc. RTSRs are 50% of the Hydro One Sub-Transmission Network, Line Connection and Transformation Connection charges, EB-2020-0237, Appendix A Power Purchase Agreement, p. 5

7. GROUP 1 DEFERRAL AND VARIANCE ACCOUNTS

In each year of an IRM term, the OEB will review a distributor's Group 1 deferral and variance accounts to determine whether those balances should be disposed. OEB policy states that Group 1 account balances should be disposed if they exceed, on a net basis (as a debit or credit), a pre-set disposition threshold of \$0.001 per kWh, unless a distributor justifies why balances should not be disposed.¹⁰ If the net balance does not exceed the threshold, a distributor may still request disposition.¹¹

The 2021 year-end net balance for Ottawa River Power's Group 1 accounts eligible for disposition, including interest projected to December 31, 2022, is a debit of \$672,117. This amount represents a total claim of \$0.0037 per kWh, which exceeds the disposition threshold. Ottawa River Power has requested the disposition of Group 1 account variances (excluding accounts 1588 and 1589) accumulated during the 2021 calendar year, and Group 1 accounts 1588 and 1589 variances accumulated during the 2015 to 2017 calendar years. Ottawa River Power has proposed a 24-month recovery for the Group 1 accounts to minimize the overall bill impacts on customers.

In the 2018 rate proceeding, Ottawa River Power did not seek the disposition of its Group 1 account balances, as they did not exceed the disposition threshold.¹² In 2018, the OEB suspended its approvals of Group 1 rate riders on a final basis pending the development of further accounting guidance on commodity pass-through variance accounts.¹³ In the 2019 rate proceeding, the OEB approved the disposition of the Group 1 account balances on an interim basis.¹⁴

In the 2020 rate proceeding, Ottawa River Power confirmed that it has implemented the OEB's accounting guidance¹⁵ by August 31, 2019, and gathered data to support balances retroactive to January 1, 2019. However, it also disclosed an error regarding its settlement with Hydro One. The OEB approved Ottawa River Power's request that it not dispose of the Group 1 balances until the error associated with its settlement with Hydro One is resolved.¹⁶ On August 6, 2020, the OEB directed its Inspection &

¹⁰ Report of the OEB – "Electricity Distributors' Deferral and Variance Account Review Initiative (EDDVAR)." EB-2008-0046, July 31, 2009

¹¹ OEB letter, "Update to the Electricity Distributors' Deferral and Variance Account Review ("EDDVAR Report"), released July 2009 (EB-2008-0246)", issued July 25, 2014

¹² EB-2017-0070, Decision and Rate Order, March 22, 2018

¹³ OEB letter to all rate-regulated licensed electricity distributors – "Re: OEB's Plan to Standardize Processes to Improve Accuracy of Commodity Pass-Through Variance Accounts." July 20, 2018.

¹⁴ EB-2018-0063, Decision and Rate Order, March 28, 2019

¹⁵ [Accounting Guidance Related to Commodity Pass-Through Accounts 1588 & 1589 \(February 21, 2019\)](https://www.oeb.ca/accounting-guidance-related-to-commodity-pass-through-accounts-1588-1589) (oeb.ca)

¹⁶ EB-2019-0063, Decision and rate Order, April 16, 2020

Enforcement department to review the Group 1 accounts 1588 and 1589 from January 1, 2015 to December 31, 2019.¹⁷ The review was conducted because of concerns identified in Ottawa River Power's 2020 rate proceeding regarding the high balance in Account 1588 given the size of the utility.¹⁸ As noted on the Inspection report, the methodology was based on the OEB's Inspection Procedures Manual. The scope of the review was to inspect Ottawa River Power's procedures, systems, and controls with respect to the tracking, recording, calculating, and reporting of the balances in accounts 1588 and 1589.¹⁹

In this proceeding, Ottawa River Power confirmed that it has made the principal adjustments for 2015, 2016, and 2017 based on the OEB review performed on accounts 1588 and 1589. Ottawa River Power also noted that balances for 2018, 2019, 2020, and 2021 are anticipated to be presented in the next IRM proceeding.²⁰ Therefore, these balances are not being requested in the current rate application. In its response to OEB staff's question regarding the outcomes of the review, Ottawa River Power confirmed that the inspection matter has been resolved between the Inspection team and Ottawa River Power, however, the true-ups and differences have not yet been settled with Hydro One.

Included in the Group 1 accounts are certain variances related to costs that are paid for by a distributor's customers on different bases, depending on their classification. Namely, "Class A" customers, who participate in the Industrial Conservation Initiative, pay for Global Adjustment (GA) charges based on their contribution to the five highest Ontario demand peaks over a 12-month period. "Class B" customers pay for GA charges based on their monthly consumption totals, either as a standalone charge or embedded in the Regulated Price Plan (RPP).²¹ A similar mechanism applies to Class A and Class B customers for Capacity Based Recovery (CBR) charges.²² The balance in the GA variance account is attributable to non-RPP Class B customers and is disposed through a separate rate rider. The balance in the CBR Class B variance account is attributable to all Class B customers.

The balance of the Group 1 accounts includes the Capacity Based Recovery (CBR) sub-account for Class B customers, relating to the Independent Electricity System Operator's wholesale energy market for the CBR program. Ottawa River Power notes in

¹⁷ OEB letter, issued August 6, 2020, Notice of Compliance Inspection – Deferral and Variance Accounts

¹⁸ EB-2019-0063, Decision and rate Order, April 16, 2020

¹⁹ Inspection Report, Ottawa River Power Corporation, Inspection of Group 1 Deferral and Variance Accounts 1588 and 1589, issued on December 2021, p. 3

²⁰ Manager's Summary, EB-2022-0058, filed November 16, 2022, p. 16

²¹ For additional details on the Global Adjustment charge, refer to the Independent Electricity System Operator (IESO)'s [website](#).

²² All Class B customers (RPP and non-RPP) pay the CBR as a separate charge based on their monthly consumption. For additional details on the CBR for Class A customers, refer to the IESO's [website](#).

the application that it is a fully embedded distributor and is not charged CBR for its Class B customers. Ottawa River Power also notes that it is charged CBR for its sole Class A customer who enrolled as of July 1, 2019 with a small balance pertaining to this customer in Account 1580 as at December 31, 2021.²³

Findings

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

The OEB approves the disposition of a debit balance of \$471,010 as of December 31, 2021, including interest projected to December 31, 2022, for Group 1 accounts (excluding accounts 1588 and 1589) on a final basis. The OEB is also satisfied with the adjustments made to the balances previously approved on an interim basis and approves the disposition of a remaining debit balance of \$201,107 as of December 31, 2017, including interest projected to December 31, 2022, for Group 1 accounts 1588 and 1589, on a final basis.

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

²³ Manager's Summary, EB-2022-0058, filed November 16, 2022, p. 21

Table 7.1: Group 1 Deferral and Variance Account Balances

Account Name	Account Number	Principal Balance (\$) A	Interest Balance (\$) B	Total Claim (\$) C=A+B
LV Variance Account	1550	443,813	16,954	460,767
Smart Meter Entity Variance Charge	1551	(6,476)	(269)	(6,745)
RSVA - Wholesale Market Service Charge	1580	(94,697)	(3,670)	(98,366)
RSVA - Retail Transmission Network Charge	1584	75,443	2,102	77,545
RSVA - Retail Transmission Connection Charge	1586	36,762	1,049	37,811
RSVA – Power	1588*	581,170	53,925	635,094
RSVA - Global Adjustment	1589*	(418,087)	(15,901)	(433,987)
Total for Group 1 accounts		617,928	54,190	672,117

*Balances up to December 31, 2017

The balance of each of the Group 1 accounts approved for disposition shall be transferred to the applicable principal and interest carrying charge sub-accounts of Account 1595. Such transfer shall be pursuant to the requirements specified in the *Accounting Procedures Handbook for Electricity Distributors*.²⁴ The date of the transfer must be the same as the effective date for the associated rates, which is generally the start of the rate year.

The OEB approves these balances to be disposed through final rate riders, charges, or payments, as calculated in the Rate Generator Model. The final rate riders, charges, and payments, as applicable, will be in effect over a two-year period from May 1, 2023 to April 30, 2025.²⁵

²⁴ Article 220, Account Descriptions, Accounting Procedures Handbook for Electricity Distributors, effective January 1, 2012

²⁵ 2023 IRM Rate Generator Model Tab 6.1 GA, Tab 6.1a GA Allocation, Tab 6.2 CBR B, Tab 6.2a CBR B_Allocation and Tab 7 Calculation of Def-Var RR

8. IMPLEMENTATION

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

Table 8.1: Regulatory Charges

Rate	per kWh
Rural or Remote Electricity Rate Protection (RRRP)	\$0.0007
Wholesale Market Service (WMS) billed to Class A and B Customers	\$0.0041
Capacity Based Recovery (CBR) billed to Class B Customers	\$0.0004

Each of these rates is a component of the “Regulatory Charge” on a customer’s bill, established annually by the OEB through a separate, generic order. The RRRP and WMS rates were set by the OEB on December 8, 2022.²⁶

The Smart Metering Entity Charge is a component of the “Distribution Charge” on a customer’s bill, established by the OEB through a separate order. The Smart Metering Entity Charge was set by the OEB at \$0.42 on September 8, 2022.²⁷

In the *Report of the Board: Review of Electricity Distribution Cost Allocation Policy*,²⁸ the OEB indicated that it will review the default province-wide microFIT charge annually to ensure it continues to reflect actual costs in accordance with the established methodology. On December 8, 2022, the OEB issued a letter advising electricity distributors that the microFIT charge shall remain at \$4.55 for the duration of the 2023 calendar year.²⁹

²⁶ EB-2022-0269, Decision and Order, December 8, 2022

²⁷ EB-2022-0137, Decision and Order, September 8, 2022

²⁸ EB-2010-0219, Report of the Board “Review of Electricity Distribution Cost Allocation Policy”, March 31, 2011

²⁹ OEB Letter, issued December 8, 2022

9. ORDER

THE ONTARIO ENERGY BOARD ORDERS THAT

1. The Tariff of Rates and Charges set out in Schedule A of this Decision and Rate Order is approved effective May 1, 2023 for electricity consumed or estimated to have been consumed on and after such date. Ottawa River Power Corporation shall notify its customers of the rate changes no later than the delivery of the first bill reflecting the new rates.

DATED at Toronto, [date]

ONTARIO ENERGY BOARD

[Draft]

Nancy Marconi
Registrar

SCHEDULE A
DECISION AND RATE ORDER
OTTAWA RIVER POWER CORPORATION
TARIFF OF RATES AND CHARGES

EB-2022-0058

[date]

Ottawa River Power Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2023

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

EB-2022-0058

RESIDENTIAL SERVICE CLASSIFICATION

This classification refers to the supply of electrical energy to customers residing in residential dwelling units. Energy is generally supplied as single phase, 3-wire, 60-Hertz, having nominal voltage of 120/240 volts and up to 400 amps. There shall be only one delivery point to a dwelling. The Basic Connection for Residential consumers is defined as 100 amp 120/240 volt overhead service. A Residential building is supplied at one service voltage per land parcel. Depending upon the location of the building the supply voltage will be one of the following:

- 120/240 volts 1 phase 3 wire
- 120/208 volts 1 phase 3 wire
- 120/208 volts 3 phase 4 wire
- 347/600 volts 3 phase 4 wire

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	\$	26.48
Smart Metering Entity Charge - effective until December 31, 2027	\$	0.42
Low Voltage Service Rate	\$/kWh	0.0027
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until April 30, 2025		
Applicable only for Non-RPP Customers	\$/kWh	(0.0035)
Rate Rider for Disposition of Deferral/Variance Accounts (2023) - effective until April 30, 2025	\$/kWh	0.0030
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0086
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0066

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0007
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Ottawa River Power Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2023

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

EB-2022-0058

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification refers to the supply of electrical energy to customers residing in residential dwelling units. Energy is generally supplied as single phase, 3-wire, 60-Hertz, having nominal voltage of 120/240 volts and up to 400 amps. There shall be only one delivery point to a dwelling. The Basic Connection for Residential consumers is defined as 100 amp 120/240 volt overhead service. A Residential building is supplied at one service voltage per land parcel. Depending upon the location of the building the supply voltage will be one of the following:

- 120/240 volts 1 phase 3 wire
- 120/208 volts 1 phase 3 wire
- 120/208 volts 3 phase 4 wire
- 347/600 volts 3 phase 4 wire

Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	24.58
Smart Metering Entity Charge - effective until December 31, 2027	\$	0.42
Distribution Volumetric Rate	\$/kWh	0.0145
Low Voltage Service Rate	\$/kWh	0.0024
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until April 30, 2025 Applicable only for Non-RPP Customers	\$/kWh	(0.0035)
Rate Rider for Disposition of Deferral/Variance Accounts (2023) - effective until April 30, 2025	\$/kWh	0.0030
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0077
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0059

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0007
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Ottawa River Power Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2023

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EB-2022-0058

GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION

This classification refers to the supply of electrical energy to General Service Customers requiring a connection with a connected load equal to or greater than 50 kW but less than 5,000kW. A General Service building is supplied at one service voltage per land parcel. Depending upon the location of the building the supply voltage will be one of the following:

- 120/240 volts 1 phase 3 wire
- 120/208 volts 3 phase 4 wire
- 347/600 volts 3 phase 4 wire

Depending upon the location of the building, primary supplies to transformers and customer owned Sub-Stations will be one of the following as determined by the Distributor:

- 7,200/12,400 volts 3 phase 4 wire
- 44,000 volts 3 phase 3 wire

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 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 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.

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.

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.

Ottawa River Power Corporation
TARIFF OF RATES AND CHARGES
Effective and Implementation Date May 1, 2023
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EB-2022-0058

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	92.51
Distribution Volumetric Rate	\$/kW	3.5406
Low Voltage Service Rate	\$/kW	0.9102
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until April 30, 2025 Applicable only for Non-RPP Customers	\$/kWh	(0.0035)
Rate Rider for Disposition of Deferral/Variance Accounts (2023) - effective until April 30, 2025	\$/kW	1.1042
Retail Transmission Rate - Network Service Rate	\$/kW	3.1921
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.3674

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0007
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

DRAFT

Ottawa River Power Corporation
TARIFF OF RATES AND CHARGES
Effective and Implementation Date May 1, 2023
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EB-2022-0058

SENTINEL LIGHTING SERVICE CLASSIFICATION

This classification refers to privately owned roadway lighting controlled by photo cells. Consumption is based on calculated connected load times the required lighting hours. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	3.87
Distribution Volumetric Rate	\$/kW	11.9429
Low Voltage Service Rate	\$/kW	0.7186
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until April 30, 2025 Applicable only for Non-RPP Customers	\$/kWh	(0.0035)
Rate Rider for Disposition of Deferral/Variance Accounts (2023) - effective until April 30, 2025	\$/kW	1.1338
Retail Transmission Rate - Network Service Rate	\$/kW	2.4193
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.8690

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0007
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Ottawa River Power Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2023

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

EB-2022-0058

STREET LIGHTING SERVICE CLASSIFICATION

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

APPLICATION

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

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	2.64
Distribution Volumetric Rate	\$/kW	14.4904
Low Voltage Service Rate	\$/kW	0.7037
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until April 30, 2025 Applicable only for Non-RPP Customers	\$/kWh	(0.0035)
Rate Rider for Disposition of Deferral/Variance Accounts (2023) - effective until April 30, 2025	\$/kW	1.0961
Retail Transmission Rate - Network Service Rate	\$/kW	2.4074
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.8304

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0007
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Ottawa River Power Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2023

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EB-2022-0058

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

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

APPLICATION

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per customer)	\$	25.45
Distribution Volumetric Rate	\$/kWh	0.0086
Low Voltage Service Rate	\$/kWh	0.0024
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until April 30, 2025 Applicable only for Non-RPP Customers	\$/kWh	(0.0035)
Rate Rider for Disposition of Deferral/Variance Accounts (2023) - effective until April 30, 2025	\$/kWh	0.0031
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0077
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0059

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0007
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Ottawa River Power Corporation
TARIFF OF RATES AND CHARGES
Effective and Implementation Date May 1, 2023
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microFIT SERVICE CLASSIFICATION

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

APPLICATION

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	4.55
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Ottawa River Power Corporation
TARIFF OF RATES AND CHARGES
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EB-2022-0058

ALLOWANCES

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

SPECIFIC SERVICE CHARGES**APPLICATION**

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

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Customer Administration

Arrears certificate	\$	15.00
Account history	\$	15.00
Returned Cheque (plus bank charges)	\$	20.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	45.00

Non-Payment of Account

Late Payment - per month (effective annual rate 19.56% per annum or 0.04896% compounded daily rate) %		1.50
Late payment - per annum	%	19.56
Collection of account charge - no disconnection	\$	30.00
Reconnection at meter - during regular hours	\$	65.00
Reconnection charge at meter - after hours	\$	185.00
Specific charge for access to the power poles - \$/pole/year (with the exception of wireless attachments)	\$	36.05

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EB-2022-0058

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	\$	111.66
Monthly Fixed Charge, per retailer	\$	44.67
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)	\$	4.47
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)	\$	2.23

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	1.0410
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0349