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DECISION AND RATE ORDER

EB-2022-0056

Orangeville Hydro Limited

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

BEFORE: **David Sword**
 Presiding Commissioner

Pankaj Sardana
Commissioner

March 23, 2023

1. OVERVIEW

Orangeville Hydro Limited applied to increase the rates it charges to distribute electricity to its customers, effective May 1, 2023. For the reasons that follow, the Ontario Energy Board approves the application.

As a result of this Decision, there will be a monthly total bill increase of \$4.16 for a residential customer consuming 750 kWh. This change does not factor in applicable taxes or the Ontario Electricity Rebate.

2. CONTEXT AND PROCESS

Orangeville Hydro filed its application on October 12, 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](#). The application was based on the Annual IR Index (Annual IR) option.

The Annual IR option is one of three incentive rate-setting mechanisms (IRM) approved by the OEB.¹ Under this methodology, existing rates are subject to an annual price cap adjustment. Distributors under the Annual IR are not required to periodically set base rates using a cost-of-service process, but they are required to apply the highest stretch factor in the price cap adjustment.

The OEB follows a standardized and streamlined process for hearing IRM applications filed under Annual IR. In each adjustment year of an Annual IR mechanism, the OEB prepares a Rate Generator Model that includes, as a placeholder, information from the distributor's past proceedings and annual reporting requirements.

The distributor then reviews, completes, and includes 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.

Annual IR is normally the most mechanistic of the three IRM options. In this case, however, in addition to requesting the formulaic annual adjustment (based on inflation minus expected productivity improvements including the stretch factor), Orangeville Hydro asked for the disposition of certain deferral and variance accounts and for certain other non-routine adjustments to rates.

Orangeville Hydro serves approximately 13,000 mostly residential and commercial electricity customers in the Town of Orangeville and the Town of Grand Valley.

Notice of the application was issued on October 27, 2022. Only the Vulnerable Energy Consumers Coalition (VECC) asked to intervene, and they were granted approval as an intervenor seeking to address the issue of Orangeville Hydro's proposed change to the Low Voltage Service Rate.

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

3. DECISION OUTLINE

The following issues are addressed in this Decision:

- Annual Adjustment Mechanism
- Shared Tax Adjustments
- Retail Transmission Service Rates
- Group 1 Deferral and Variance Accounts
- Lost Revenue Adjustment Mechanism Variance Account
- Low Voltage (LV) Service Rate

Instructions for implementing Orangeville Hydro'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 in 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

Orangeville Hydro 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 Annual IR adjustment formula applicable to Orangeville Hydro are set out in the table below. Inserting these components into the formula results in a 3.10% increase to Orangeville Hydro's rates: **3.10% = 3.70% - (0.00% + 0.60%)**.

Table 4.1: 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	0.60%

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%.

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

The stretch factor assigned to any distributor is based on the distributor's total cost performance as benchmarked against other distributors in Ontario. For Annual IR Index applications, the OEB applies a default stretch factor of 0.60%, resulting in this case in a rate adjustment of 3.10%.

Findings

Orangeville Hydro's request for a 3.10% rate adjustment, effective May 1, 2023, is in accordance with the annually updated parameters set by the OEB. The adjustment is therefore approved.

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.

Orangeville Hydro's application identified a total tax increase of \$36,645 due to legislated tax changes, related to the corporate tax rate Orangeville Hydro was exposed to, resulting in a shared amount of \$18,323 to be collected from ratepayers.

Findings

The OEB approves the tax sharing charge of \$18,323.

The amount shall be collected through a fixed monthly rate rider for residential customers, and through riders calculated on a volumetric basis for all other customers over a one-year period from May 1, 2023, to April 30, 2024.

⁷ 2008 Supplemental Report of the Board on 3rd Generation Incentive Regulation for Ontario's Electricity Distributors, EB-2007-0673, p.35. 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

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

To recover its cost of transmission services, Orangeville Hydro requested 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

Orangeville Hydro's proposed adjustment to its RTSRs is approved and. The RTSRs have been adjusted based on the current OEB-approved host-RTSRs.⁸

Host-RTSRs are typically approved annually by the OEB. In the event that new host-RTSRs take effect during Orangeville Hydro'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 Order, November 29, 2022

7. GROUP 1 DEFERRAL AND VARIANCE ACCOUNTS

In each year of an IRM term, the OEB reviews 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.⁹ If the net balance does not exceed the threshold, a distributor may still request disposition.¹⁰

The 2021 year-end net balance for Orangeville Hydro's Group 1 accounts eligible for disposition (excluding Accounts 1588 and 1589), including interest projected to April 30, 2023, is a debit of \$1,231,694 and pertains to variances accumulated during the 2021 calendar year. This amount represents a total claim of \$0.0048 per kWh, which exceeds the disposition threshold. Orangeville Hydro has requested the disposition of this amount over a one-year period on an interim basis.

Orangeville Hydro's Group 1 balances were last approved for disposition, on an interim basis, in its 2022 rate application, excluding Accounts 1588 and 1589.¹¹

In the current proceeding, OEB staff supported the request by Orangeville Hydro to dispose of the December 31, 2021 Group 1 balances (excluding Accounts 1588 and 1589) on an interim basis over one year.¹²

Included in the Group 1 accounts are certain variances related to costs that are paid for by Orangeville Hydro'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).¹³ A similar mechanism applies to Class A and Class B customers for Capacity Based Recovery (CBR) charges.¹⁴

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

¹⁰ OEB letter, "Update to the Electricity Distributors' Deferral and Variance Account Review ("EDDVAR Report"), released July 2009 (EB-2008-0046)", issued July 25, 2014

¹¹ EB-2021-0049, 2022 IRM Decision and Rate Order, March 24, 2022, page 9

¹² OEB Staff Submission, January 26, 2023, page 3

¹³ For additional details on the Global Adjustment charge refer to the Independent Electricity System Operator (IESO)'s website.

¹⁴ 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 balance in the GA variance account is attributable to non-RPP Class B customers and is not being disposed through a separate rate rider, since Orangeville Hydro agreed that the GA balance will not be disposed in the current proceeding, as discussed further below in this decision. The balance in the CBR Class B variance account is attributable to all Class B customers.

Orangeville Hydro had Class A customers during the period in which variances accumulated so it has applied to have the balance of the CBR Class B variance account disposed through a separate rate rider for Class B customers to ensure proper allocation between Class A and Class B customers.

During the period in which variances accumulated, Orangeville Hydro had customers transition between Class A and Class B. Under the general principle of cost causality, customer groups that cause variances that are recorded in Group 1 accounts should be responsible for paying (or receiving credits) for their disposal. Orangeville Hydro has proposed to allocate a portion of the CBR Class B balance to customers transitioning between Class and Class B, based on their customer-specific consumption levels.¹⁵

The amounts allocated to each transition customer are proposed to be recovered (or refunded, as applicable), by way of 12 equal monthly installments. Orangeville Hydro has proposed not to allocate a portion of the GA balance to these transitioning customers, since Orangeville Hydro agreed that the GA balance will not be disposed in the current proceeding, as discussed further below in this decision.

Accounts 1588 and 1589

The OEB, in its decision on Orangeville Hydro's 2019 rates application, did not approve Orangeville Hydro's request to recover \$385,933 in Account 1589 from its Class B customers, relating to a Class A GA administrative error.¹⁶ The OEB referred this matter to the OEB's compliance review process.

The OEB, in its decision on Orangeville Hydro's 2021 rates application, cited concerns that were noted in prior decisions with respect to inaccuracies in Accounts 1588 and 1589.¹⁷ The matter was referred to the OEB's Inspection & Enforcement department for the consideration of an inspection of Orangeville Hydro's internal controls and associated accounting practices relating to those two accounts.

¹⁵ 2023 IRM Rate Generator Model, Tab 6.1a "GA Allocation" and Tab 6.2a "CBR B_Allocation"

¹⁶ EB-2018-0060, 2019 IRM Decision and Rate Order, March 28, 2019, page 11

¹⁷ EB-2020-0046, 2021 IRM Decision and Rate Order, March 25, 2021, page 13

In its submission, OEB staff referred to the OEB's compliance review (as per the 2019 IRM decision) and the additional OEB inspection (as per the 2021 IRM decision) collectively as "the Inspection".¹⁸

In Orangeville Hydro's 2022 IRM decision, the OEB noted that, while the scope of the Inspection is focused on Accounts 1588 and 1589, other Group 1 account balances may also potentially be impacted by the outcomes of the Inspection.¹⁹ The OEB determined that deferring the disposition of Accounts 1588 and 1589 while disposing of the remaining Group 1 balances (other than Accounts 1588 and 1589) on an interim basis, was appropriate at that time. In the current proceeding, OEB staff submitted that a similar approach for the current application is appropriate.²⁰

In its current application, Orangeville Hydro initially sought interim disposition of its Group 1 balances over a one-year basis, excluding Accounts 1588 and 1589, until the Inspection is completed. At the time the application was filed, Orangeville Hydro expected the completion of the Inspection to occur prior to a decision being issued in this case.

In response to interrogatories, Orangeville Hydro confirmed that it is not requesting disposition of Accounts 1588 and 1589 balances in the current proceeding, as it was likely that the Inspection would not be completed by the February 10, 2023 close of record of this proceeding (i.e., the date of Orangeville Hydro's reply submission).²¹ Orangeville Hydro also confirmed that it still requests the disposition of the Group 1 balances (other than Accounts 1588 and 1589) on an interim basis in the current proceeding.²² In its reply submission, Orangeville Hydro requested that the OEB approve the deferral of the disposition of Accounts 1588 and 1589 until the conclusion of the Inspection.²³

Given the ongoing Inspection, OEB staff submitted that it is appropriate that the Accounts 1588 and 1589 balances not be disposed in the current proceeding.²⁴

In the 2022 IRM decision, the OEB directed Orangeville Hydro to provide the outcomes of the Inspection for the OEB's consideration in the first rate application following the conclusion of the Inspection.²⁵ In the current proceeding, OEB staff submitted that the

¹⁸ OEB Staff Submission, January 26, 2023, page 3

¹⁹ EB-2021-0049, 2022 IRM Decision and Rate Order, March 24, 2022, page 9

²⁰ OEB Staff Submission, January 26, 2023, page 4

²¹ OEB Staff – 9

²² OEB Staff – 9

²³ Reply Submission, February 7, 2023, page 4

²⁴ OEB Staff Submission, January 26, 2023, page 4

²⁵ EB-2021-0049, 2022 IRM Decision and Rate Order, March 24, 2022, page 9

question of final disposition of these balances can be revisited at that time.²⁶ In its reply submission, Orangeville Hydro agreed that it will provide the outcomes of the Inspection in the first rate application following the conclusion of the Inspection.²⁷

Findings

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

In the 2022 IRM decision, the OEB determined that deferring the disposition of Accounts 1588 and 1589, while disposing of the remaining Group 1 balances (other than Accounts 1588 and 1589) on an interim basis, was appropriate at that time, given the pending Inspection. The OEB finds that a similar approach for the current application is appropriate with respect to variances that accumulated during the 2021 calendar year, as the Inspection is ongoing.

The OEB reiterates its findings from the 2022 IRM decision that Orangeville Hydro shall provide the outcomes of the Inspection for the OEB's consideration in the first-rate application following the conclusion of the Inspection.

The OEB approves the disposition of a debit balance of \$1,231,694 as of December 31, 2021, including interest projected to April 30, 2023, for Group 1 accounts on an interim basis.

Table 7.1 identifies the principal and interest amounts, which the OEB approves for disposition on an interim basis.

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	925,639	22,640	948,279
Smart Metering Entity Charge Variance	1551	(7,863)	(193)	(8,056)
RSVA - Wholesale Market Service Charge	1580	214,688	5,506	220,193
Variance WMS - Sub-account CBR Class B	1580	(23,144)	(577)	(23,721)

²⁶ OEB Staff Submission, January 26, 2023, page 4

²⁷ Reply Submission, February 7, 2023, page 4

Account Name	Account Number	Principal Balance (\$) A	Interest Balance (\$) B	Total Claim (\$) C=A+B
RSVA - Retail Transmission Network Charge	1584	71,204	1,475	72,678
RSVA - Retail Transmission Connection Charge	1586	29,264	517	29,782
Disposition and Recovery/Refund of Regulatory Balances (2019)	1595	(9,212)	1,751	(7,461)
Total for Group 1 accounts		1,200,575	31,119	1,231,694

The balance of each of the Group 1 accounts approved for disposition shall be transferred to the applicable principal and carrying charge sub-accounts of Account 1595. Such transfer shall be pursuant to the requirements specified in the *Accounting Procedures Handbook for Electricity Distributors*.²⁸ 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 interim rate riders, charges, or payments, as calculated in the Rate Generator Model. The interim rate riders, charges, and payments, as applicable, will be in effect over a one-year period from May 1, 2023 to April 30, 2024.²⁹

²⁸ Article 220, Account Descriptions, Accounting Procedures Handbook for Electricity Distributors, effective January 1, 2012

²⁹ 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. LOST REVENUE ADJUSTMENT MECHANISM VARIANCE ACCOUNT

The OEB has historically utilized a Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) to capture a distributor's revenue implications resulting from differences between actual and forecast conservation and demand management (CDM) savings included in its last OEB-approved load forecast. The use of the LRAMVA is no longer the default approach for CDM activities.³⁰

Distributors delivered CDM programs to their customers through the Conservation First Framework (CFF) that began on January 1, 2015, until March 20, 2019, when the CFF was revoked.³¹

Distributors filing an application for 2023 rates are required to seek disposition of all outstanding LRAMVA balances related to program savings for CFF programs or other conservation programs they delivered unless they do not have complete information on eligible program savings.³²

Distributors are also eligible under the LRAM for persisting impacts of conservation programs until their next rebasing. The OEB provided direction for distributors to seek approval of LRAM-eligible amounts for 2023 onwards on a prospective basis, and a rate rider in the corresponding rate year, to address amounts that would otherwise be recorded in the LRAMVA for all years until their next rebasing application.³³

Orangeville Hydro has applied to dispose of its LRAMVA debit balance of \$124,351. The balance consists of lost revenues from 2021 to 2022 from CDM programs delivered during the period from 2011 to 2021 and carrying charges. The actual conservation savings claimed by Orangeville Hydro under the CFF were validated with reports from the IESO, project level savings files, or both.

Actual conservation savings were compared against Orangeville Hydro's forecasted conservation savings of 5,006,667 kWh included in its last OEB-approved load forecast.³⁴

³⁰ Conservation and Demand Management Guidelines for Electricity Distributors, December 20, 2021, chapter 8.

³¹ On March 20, 2019 the Minister of Energy, Northern Development and Mines issued separate Directives to the OEB and the IESO.

³² Chapter 3 Filing Requirements, section 3.2.6.1

³³ [Guidance on Prospective Lost Revenue Adjustment Mechanism \(LRAM\) Amounts – 2023 Rates](#), June 16, 2022

³⁴ EB-2013-0160, Decision and Rate Order, April 3, 2014

Orangeville Hydro also applied for approval of LRAM-eligible amounts for the years 2023 to 2027 on a prospective basis, arising from persisting savings from completed CDM programs.

OEB staff supported Orangeville Hydro's request to dispose of its LRAMVA balances on a final basis and to also approve the 2023-2027 LRAM-eligible amounts, including recovering these amounts, subject to adjustment by the approved inflation minus X factor, beginning with the 2023 rate year.

Findings

The OEB finds that Orangeville Hydro's LRAMVA balance has been calculated in accordance with the OEB's CDM-related guidelines and updated LRAMVA policy. The OEB approves the disposition of Orangeville Hydro's LRAMVA debit balance of \$124,351, as set out in Table 8.1 below.

Table 8.1 LRAMVA Balance for Disposition

Account Name	Account Number	Actual CDM Savings (\$) A	Forecasted CDM Savings (\$) B	Carrying Charges (\$) C	Total Claim (\$) D=(A-B)+C
LRAMVA	1568	167,130	44,862	2,083	124,351

The balance in the LRAMVA is now zero, and no further entries to the LRAMVA are permitted at this time. The LRAMVA will not be discontinued, so that Orangeville Hydro may request the use of the LRAMVA for a CDM activity in a future application, which the OEB will consider on a case-by-case basis.³⁵

The OEB also approves the LRAM-eligible amounts for the years 2023 to 2027, arising from persisting savings from completed CDM programs, as set out in Table 8.2 below. These amounts will be adjusted mechanistically by the approved inflation minus X factor applicable to IRM applications and recovered through a rate rider in the corresponding rate year, beginning with the 2023 rate year.

³⁵ Conservation and Demand Management Guidelines for Electricity Distributors, December 20, 2021, p. 28

For the 2023 rate year, the OEB approves the requested LRAM-eligible amount of \$58,857,³⁶ a debit to be recovered from customers, and the associated rate riders. Should Orangeville Hydro rebase in, or prior to, the last year in table 8.2, amounts shown in table 8.2 in the year of rebasing or later will not be recoverable, as any persisting impacts of CDM can be taken into consideration in setting new base rates.

Table 8.2 LRAM-Eligible Amounts for Prospective Disposition

Year	LRAM-Eligible Amount (in 2022 \$)
2023	\$58,057
2024	\$47,598
2025	\$37,007
2026	\$33,617
2027	\$27,568

³⁶ This amount is arrived at by applying the applicant's approved rate adjustment of 3.1% for the 2023 rate year to the applicant's approved 2023 LRAM-eligible amount of \$58,057 calculated based on the rates in effect for 2022."

9. LOW VOLTAGE SERVICE RATES

Orangeville Hydro requested to adjust its Low Voltage Service Rate (LVSR) in this proceeding. Orangeville Hydro made this request during an IRM proceeding to set its LVSRs at an appropriate level to reflect actual costs and to minimize the variance accumulated in Account 1550 – Low Voltage Variance Account, by reducing the differential between the Low Voltage (LV) charges and the LVSRs charged to its customers.³⁷

LV charges relate to the cost of a host distributor to distribute electricity to an embedded distributor. Any variance between the LV charges paid to the host distributor and the LVSRs billed to customers every month is captured in Account 1550 – LV Variance Account. Account 1550 is a Group 1 pass-through account, and as such, a distributor typically disposes of these balances annually as part of the IRM process.

Orangeville Hydro is fully embedded within Hydro One's distribution system and pays Hydro One's host distributor LV charges. An embedded distributor can only adjust its LVSRs during a cost-of-service application. Orangeville Hydro is on the Annual IR rate-setting method and last rebased in 2014. Since an Annual IR does not have a defined IRM term, Orangeville Hydro's LVSRs are still based on Hydro One's 2014 LV charges.

Orangeville Hydro provided the following table which shows the differential between Hydro One's LV charges and the LV revenues collected from customers through LVSRs from 2014 to 2022.³⁸ This table 9.1 shows the magnitude of the variance that accumulated in Account 1550 due to Orangeville Hydro's inability to update its LVSR since 2014.

Table 9.1 Low Voltage Costs and Revenues 2014 - 2022

Year	Low Voltage Costs (Payments to Hydro One)	LV Revenues	Variance Cost vs Revenues
2014 Actual	\$ 534,011	\$ 333,412	\$ 200,600
2015 Actual	\$ 675,954	\$ 378,662	\$ 297,291
2016 Actual	\$ 799,803	\$ 387,932	\$ 411,871
2017 Actual	\$ 775,365	\$ 379,177	\$ 396,188
2018 Actual	\$ 668,075	\$ 394,845	\$ 273,230
2019 Actual	\$ 912,091	\$ 386,690	\$ 525,401
2020 Actual	\$ 1,249,117	\$ 386,835	\$ 862,283
2021 Actual	\$ 1,319,832	\$ 394,193	\$ 925,639

³⁷ Reply Submission, p.5

³⁸ VECC Interrogatory Response No. 3

2022 Actual	\$ 942,601	\$ 405,265	\$ 537,338
Total	\$ 7,876,849	\$ 3,447,011	\$ 4,429,841

In its application, Orangeville Hydro requested that the OEB adjust its LVSRs for the 2023 rate year.³⁹ Orangeville Hydro proposed to set its 2023 LVSRs by forecasting the 2023 LV charges. Orangeville Hydro proposed to multiply its 2022 demand values by Hydro One's 's 2023 OEB-approved sub-transmission rates. This resulted in forecasted LV charges of \$835,475 for the 2023 rate year. This amount was then allocated to its customer classes on the same basis as the Transmission Connection Charges (in proportion to transmission connection rate revenues) using Reporting and Record Keeping Requirements (RRR) data.⁴⁰ Orangeville Hydro used the OEB's RTSR model to complete its final LVSR calculation, resulting in the following LVSR.

Table 9.2 2023 Low Voltage Service Rates

Rate Class	Unit	Low Voltage Service Rates
RESIDENTIAL SERVICE CLASSIFICATION	\$/kWh	0.0036
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	\$/kWh	0.0033
GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION	\$/kW	1.2728
SENTINEL LIGHTING SERVICE CLASSIFICATION	\$/kW	1.0049
STREET LIGHTING SERVICE CLASSIFICATION	\$/kW	0.9840
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	\$/kWh	0.0033

Both OEB staff and VECC supported Orangeville Hydro's request and the methodology proposed to update its 2023 LVSRs. OEB staff noted that this approach will minimize the balance in the Account 1550 LV Variance going forward. VECC supported the request primarily because of the significant increase in the 1550 LV Variance Account balance. VECC noted that adjusting the LVSRs now will better match costs to revenues, resulting in a smaller variance balance to be disposed of in a future period. This minimizes the risk of intergenerational inequity.

In its reply submission, Orangeville Hydro stated that the request to adjust its LVSRs is in the best interest of its customers for the following reasons:⁴¹

³⁹ Manager's Summary, p. 16

⁴⁰ LV costs are allocated to rate classes in proportion to transmission connection rate revenues. Transmission connection amounts for each customer class is based on the customer class's current RTSR connection charge multiplied by loss-adjusted billed kWh.

⁴¹ Reply Submission, p. 6

- Mitigates the potential rate increases associated with its next rebasing
- Prevents a larger balance from accumulating in the variance account
- Ensures rate stability for customers if Orangeville Hydro can better match costs to revenues
- Mitigates intergenerational inequities which occur when variance account balances are recovered/returned in future periods

Findings

The OEB approves Orangeville Hydro's request to adjust its LVSRs for its 2023 rate year.

The OEB accepts Orangeville Hydro's proposed methodology and is approving this atypical adjustment because of the accumulating build-up of balances in Account 1550. Adjusting the LVSRs at this time should lead to a closer alignment of collections from this rate with the amounts paid to Hydro One.

The OEB acknowledges that Orangeville Hydro is only seeking to reset the LVSR for the 2023 rate year and not for future IRM years

10. 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 10.1.

Table 10.1: 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, 2022.⁴²

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 per smart meter per month on September 8, 2022.⁴³

In the *Report of the Board: Review of Electricity Distribution Cost Allocation Policy*,⁴⁴ 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.⁴⁵

⁴² EB-2022-0269, Decision and Order, December 8, 2022

⁴³ EB-2022-0137, Decision and Order, September 8, 2022

⁴⁴ EB-2010-0219, Report of the Board “Review of Electricity Distribution Cost Allocation Policy”, March 31, 2011⁴⁵ OEB Letter, issued December

⁴⁵ OEB Letter, issued December

11. ORDER

THE ONTARIO ENERGY BOARD ORDERS THAT:

1. Orangeville Hydro Limited's new final and interim distribution rates shall be effective May 1, 2023, in accordance with the Tariff of Rates and Charges set out in Schedule A.
2. The Tariff of Rates and Charges is deemed draft until Orangeville Hydro Limited has complied with the subsequent procedural steps.
3. Orangeville Hydro Limited shall review the Tariff of Rates and Charges and shall file with the OEB, as applicable, a written confirmation of its completeness and accuracy, or provide a detailed explanation of any inaccuracies or missing information, by March 30, 2023.
4. This Decision and Rate Order will be considered a final rate order if Orangeville Hydro Limited does not provide a submission to the OEB that inaccuracies were found or information was missing pursuant to item 3.
5. If the OEB receives a submission from Orangeville Hydro Limited to the effect that inaccuracies were found or information was missing pursuant to item 3, the OEB will consider the submission prior to issuing a final rate order.
6. Orangeville Hydro Limited shall notify its customers of the rate changes no later than the delivery of the first bill reflecting the new rates.

COST AWARDS

The OEB will issue a separate decision on cost awards once the following steps are completed:

1. VECC shall submit to the OEB and copy Orangeville Hydro Limited its cost claims no later than March 30, 2023.
2. Orangeville Hydro Limited may file with the OEB and forward to VECC any objections to the claimed costs by April 11, 2023.
3. VECC may file with the OEB and forward to Orangeville Hydro Limited any responses to any objections for cost claims by April 18, 2023.
4. Orangeville Hydro Limited shall pay the OEB's costs of and incidental to this proceeding upon receipt of the OEB's invoice.

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-2022-0056** 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 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, Birgit Armstrong at birgit.armstrong@oeb.ca, and OEB Counsel, Ian Richler at ian.richler@oeb.ca

Email: registrar@oeb.ca

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

DATED at Toronto, March 23, 2023

ONTARIO ENERGY BOARD

Nancy Marconi
Registrar

SCHEDULE A
DECISION AND RATE ORDER
ORANGEVILLE HYDRO LIMITED
TARIFF OF RATES AND CHARGES
EB-2022-0056
March 23, 2023

Orangeville Hydro Limited
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-2022-0056

RESIDENTIAL SERVICE CLASSIFICATION

This classification refers to the supply of electrical energy to residential customers residing in detached, semi detached, townhouse (freehold or condominium) dwelling units duplexes or triplexes. Basic connection is defined as 100 amp 120/240 volt overhead service. 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	\$	29.16
Smart Metering Entity Charge - effective until December 31, 2027	\$	0.42
Rate Rider for Application of Tax Change (2023) - effective until April 30, 2024	\$	0.08
Low Voltage Service Rate	\$/kWh	0.0036
Rate Rider for Disposition of Capacity Based Recovery Account (2023) - effective until April 30, 2024 Applicable only for Class B Customers - Approved on an Interim Basis	\$/kWh	(0.0001)
Rate Rider for Disposition of Deferral/Variance Accounts (2023) - effective until April 30, 2024 - Approved on an Interim Basis	\$/kWh	0.0048
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0096
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0060

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0041
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

Orangeville Hydro Limited
TARIFF OF RATES AND CHARGES
Effective and Implementation Date May 1, 2023
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EB-2022-0056

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification refers to a non-residential account taking electricity at 750 volts or less whose monthly peak demand is less than or expected to be less than 50 kW. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	36.65
Smart Metering Entity Charge - effective until December 31, 2027	\$	0.42
Distribution Volumetric Rate	\$/kWh	0.0112
Low Voltage Service Rate	\$/kWh	0.0033
Rate Rider for Disposition of Capacity Based Recovery Account (2023) - effective until April 30, 2024 Applicable only for Class B Customers - Approved on an Interim Basis	\$/kWh	(0.0001)
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2023) - effective until April 30, 2024	\$/kWh	0.0016
Rate Rider for Disposition of Deferral/Variance Accounts (2023) - effective until April 30, 2024 Approved on an Interim Basis	\$/kWh	0.0048
Rate Rider for Application of Tax Change (2023) - effective until April 30, 2024	\$/kWh	0.0001
Rate Rider for Prospective LRAM Disposition (2023) - effective until April 30, 2024	\$/kWh	0.0007
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0089
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0055

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

Orangeville Hydro Limited
TARIFF OF RATES AND CHARGES
Effective and Implementation Date May 1, 2023
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EB-2022-0056

GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION

This classification refers to a non-residential account whose monthly average peak demand is equal to or greater than, or is expected to be equal to or greater than, 50 kW but less than 5000 kW. Class A and Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

If included in the following listing of monthly rates and charges, the rate rider for the disposition of Global Adjustment is only applicable to non-RPP Class B customers. It is not applicable to Wholesale Market Participant (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	\$	187.83
Distribution Volumetric Rate	\$/kW	2.5219
Low Voltage Service Rate	\$/kW	1.2728
Rate Rider for Disposition of Capacity Based Recovery Account (2023) - effective until April 30, 2024 Applicable only for Class B Customers - Approved on an Interim Basis	\$/kW	(0.0429)
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2023) - effective until April 30, 2024	\$/kW	0.1586
Rate Rider for Disposition of Deferral/Variance Accounts (2023) - effective until April 30, 2024 Applicable only for Non-Wholesale Market Participants - Approved on an Interim Basis	\$/kW	0.3710
Rate Rider for Disposition of Deferral/Variance Accounts (2023) - effective until April 30, 2024 - Approved on an Interim Basis	\$/kW	1.7578
Rate Rider for Application of Tax Change (2023) - effective until April 30, 2024	\$/kW	0.0110
Rate Rider for Prospective LRAM Disposition (2023) - effective until April 30, 2024	\$/kW	0.0755
Retail Transmission Rate - Network Service Rate	\$/kW	3.6514
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.2421

Orangeville Hydro Limited
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-2022-0056

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

Orangeville Hydro Limited
TARIFF OF RATES AND CHARGES
Effective and Implementation Date May 1, 2023
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EB-2022-0056

SENTINEL LIGHTING SERVICE CLASSIFICATION

This classification refers to accounts that are an unmetered lighting load supplied to a sentinel light. 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)	\$	3.65
Distribution Volumetric Rate	\$/kW	14.2889
Low Voltage Service Rate	\$/kW	1.0049
Rate Rider for Disposition of Capacity Based Recovery Account (2023) - effective until April 30, 2024 Applicable only for Class B Customers - Approved on an Interim Basis	\$/kW	(0.0426)
Rate Rider for Disposition of Deferral/Variance Accounts (2023) - effective until April 30, 2024 Approved on an Interim Basis	\$/kW	1.7856
Rate Rider for Application of Tax Change (2023) - effective until April 30, 2024	\$/kW	0.1334
Retail Transmission Rate - Network Service Rate	\$/kW	2.7673
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.7701

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

Orangeville Hydro Limited
TARIFF OF RATES AND CHARGES
Effective and Implementation Date May 1, 2023
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EB-2022-0056

STREET LIGHTING SERVICE CLASSIFICATION

This classification refers to accounts concerning roadway lighting for a Municipality, Regional Municipality, and/or the Ministry of Transportation. This lighting will be controlled by photocells. The consumption for these customers will be based on the calculated connected load times as established in the approved Ontario Energy Board Street Lighting Load Shape Template. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	1.66
Distribution Volumetric Rate	\$/kW	9.2027
Low Voltage Service Rate	\$/kW	0.9840
Rate Rider for Disposition of Capacity Based Recovery Account (2023) - effective until April 30, 2024 Applicable only for Class B Customers - Approved on an Interim Basis	\$/kW	(0.0434)
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2023) - effective until April 30, 2024	\$/kW	9.8540
Rate Rider for Disposition of Deferral/Variance Accounts (2023) - effective until April 30, 2024 Approved on an Interim Basis	\$/kW	1.2733
Rate Rider for Application of Tax Change (2023) - effective until April 30, 2024	\$/kW	0.1407
Rate Rider for Prospective LRAM Disposition (2023) - effective until April 30, 2024	\$/kW	5.0749
Retail Transmission Rate - Network Service Rate	\$/kW	2.7537
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.7333

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

Orangeville Hydro Limited
TARIFF OF RATES AND CHARGES
Effective and Implementation Date May 1, 2023
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EB-2022-0056

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

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

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	7.00
Distribution Volumetric Rate	\$/kWh	0.0097
Low Voltage Service Rate	\$/kWh	0.0033
Rate Rider for Disposition of Capacity Based Recovery Account (2023) - effective until April 30, 2024 Applicable only for Class B Customers - Approved on an Interim Basis	\$/kWh	(0.0001)
Rate Rider for Disposition of Deferral/Variance Accounts (2023) - effective until April 30, 2024 - Approved on an Interim Basis	\$/kWh	0.0049
Rate Rider for Application of Tax Change (2023) - effective until April 30, 2024	\$/kWh	0.0001
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0089
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0055

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

Orangeville Hydro Limited
TARIFF OF RATES AND CHARGES
Effective and Implementation Date May 1, 2023
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EB-2022-0056

microFIT SERVICE CLASSIFICATION

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

APPLICATION

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

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

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	4.55
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Orangeville Hydro Limited
TARIFF OF RATES AND CHARGES
Effective and Implementation Date May 1, 2023
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ALLOWANCES

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

SPECIFIC SERVICE CHARGES

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

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

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Customer Administration

Arrears certificate	\$	15.00
Pulling post dated cheques	\$	15.00
Notification charge	\$	15.00
Account history	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Returned cheque (plus bank charges)	\$	15.00
Charge to certify cheque	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00
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 at meter - during regular hours	\$	65.00
Reconnection at meter - after regular hours	\$	185.00
Reconnection at pole - during regular hours	\$	185.00
Reconnection at pole - after regular hours	\$	415.00

Other

Temporary service - install & remove - overhead - no transformer	\$	500.00
Temporary service - install & remove - underground - no transformer	\$	300.00
Temporary service - install & remove - overhead - with transformer	\$	1,000.00
Specific charge for access to the power poles - per pole/year (with the exception of wireless attachments)	\$	36.05

Orangeville Hydro Limited
TARIFF OF RATES AND CHARGES
Effective and Implementation Date May 1, 2023
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EB-2022-0056

RETAIL SERVICE CHARGES (if applicable)

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

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

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

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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	1.0481
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0376