

1 **LOAD AND CUSTOMERS**

2

3 **1. INTRODUCTION**

4 This exhibit provides information on Toronto Hydro’s revenue load forecast used in  
 5 developing rates for 2025 to 2029. This exhibit also provides information on the utility’s  
 6 revenues, customer counts, historical annual loads and the incorporation of conservation  
 7 demand management (“CDM”) into the load forecast. This exhibit also describes the  
 8 methodology used to incorporate the impacts of electric vehicles (“EVs”) and distributed  
 9 energy resources (“DERs”) in the revenue load forecast for the period 2025 to 2029.

10

11 Toronto Hydro’s total load, customer, and revenue forecast is summarized in Table 1. The  
 12 revenue forecast is calculated based on proposed distribution rates, excluding commodity  
 13 charges, rate riders, and all other non-distribution rates.

14

15 **Table 1: Total Load, Revenues, and Customers**

		Total Normalized GWh	Total Normalized MVA	Total Distribution Revenue (\$Million)	Total Customers
<b>2018</b>	Actual	24,701.0	39,823.2	736.6	770,333
<b>2019</b>	Actual	24,429.6	39,126.0	766.2	777,369
<b>2020</b>	Actual	23,674.7	36,813.7	727.8	781,374
<b>2021</b>	Actual	23,575.0	36,638.0	761.8	786,258
<b>2022</b>	Actual	23,990.1	37,648.0	786.5	790,699
<b>2023</b>	Bridge	23,678.6	37,199.3	834.3	794,025
<b>2024</b>	Bridge	23,676.2	36,993.9	874.3	797,318
<b>2025</b>	Forecast	23,458.7	36,384.5	972.4	800,374
<b>2026</b>	Forecast	23,416.5	36,063.4	1,019.7	803,344
<b>2027</b>	Forecast	23,389.6	35,698.8	1,059.1	806,017

		Total Normalized GWh	Total Normalized MVA	Total Distribution Revenue (\$Million)	Total Customers
<b>2028</b>	Forecast	23,498.8	35,507.1	1,151.0	808,731
<b>2029</b>	Forecast	23,458.5	35,093.4	1,185.1	811,245

1. Total Normalized GWh are purchased GWh (before losses) and are weather normalized to the Test Year heating and cooling degree day assumptions.
2. Total Normalized MVA are weather normalized MVA.
3. Total Distribution Revenue is weather normalized and includes an adjustment for the Transformer Allowance.
4. Total Customers are an annual average and exclude street lighting devices and unmetered load connections.

1

2 Toronto Hydro’s detailed revenue load forecast by rate class, customer forecast by rate class  
 3 and forecast of distribution revenues by rate class (OEB Appendix 2-IB) are shown in Exhibit  
 4 3, Tab 1, Schedule 2.

5

6 The information provided for this exhibit has been prepared in accordance with of the OEB’s  
 7 Filing Requirements for Electricity Distribution Rate Applications (December 15, 2022).

8

9 **2. CUSTOMER FORECAST**

10 The customer base within Toronto Hydro’s service territory has displayed continuous growth  
 11 over the past five years, driven mainly by Residential and Competitive Sector Multi-Unit  
 12 Residential (“CSMUR”) customer additions.

13

14 Table 2 shows a summary of the historical and forecasted customer numbers:

1 **Table 2: Customer Numbers by Rate Class**

Year		Residential	Competitive Sector Multi-Unit Residential	General Service <50 kW	General Service 50-999 kW	General Service 1,000-4,999 kW	Large Use	Street Lighting	Unmetered Load	Total
<b>2018</b>	Actual	612,262	75,028	71,266	10,470	427	42	1	839	<b>770,333</b>
<b>2019</b>	Actual	614,206	79,882	71,515	10,444	455	40	1	827	<b>777,369</b>
<b>2020</b>	Actual	614,229	83,686	71,899	10,213	480	44	1	824	<b>781,374</b>
<b>2021</b>	Actual	614,181	88,478	72,408	9,846	482	45	1	819	<b>786,258</b>
<b>2022</b>	Actual	614,926	92,126	72,614	9,731	461	42	1	799	<b>790,699</b>
<b>2023</b>	Bridge	615,795	94,391	72,871	9,672	455	47	1	793	<b>794,025</b>
<b>2024</b>	Bridge	616,778	96,411	73,152	9,685	453	46	1	793	<b>797,318</b>
<b>2025</b>	Forecast	617,563	98,427	73,396	9,699	451	45	1	793	<b>800,374</b>
<b>2026</b>	Forecast	618,292	100,404	73,632	9,712	462	48	1	793	<b>803,344</b>
<b>2027</b>	Forecast	618,985	102,150	73,857	9,725	460	47	1	793	<b>806,017</b>
<b>2028</b>	Forecast	619,849	103,674	74,165	9,740	463	46	1	793	<b>808,731</b>
<b>2029</b>	Forecast	620,742	104,994	74,455	9,754	461	46	1	793	<b>811,245</b>

1 In the 2020-2024 rate application decision, the OEB directed Toronto Hydro to enhance  
2 its approach to forecasting the number of customers by incorporating economic and  
3 demographic conditions.<sup>1</sup> In response to the OEB’s direction, Toronto Hydro considered  
4 economic, demographic, market knowledge, and reclassification as it developed the  
5 forecast for the 2025-2029 period.

6

7 The utility enhanced its forecasting methodologies by using stepwise regression  
8 techniques where applicable. Numerous explanatory variables were tested with the  
9 ultimate model being determined based on model statistics and expert judgment. The  
10 methodology was used for the Residential, General Service (“GS”) <50 kW, and GS 50-999  
11 kW rate classes. The customer forecast for these rate classes considers customer  
12 population, employment, customer trends, and lagged variables.<sup>2</sup> The forecasts of  
13 Toronto’s employment and population are based on the Conference Board of Canada  
14 forecasts.<sup>3</sup> Exhibit 3, Tab 1, Schedule 1, Appendix H contains the historical and forecast  
15 customer and input variable details. The model statistics for each class model are shown  
16 in Exhibit 3, Tab 1, Schedule 1, Appendix I.

17

18 The customer forecast for GS 1000-4999 kW, Large Use, CSMUR, and Street Lighting rate  
19 classes are based on market knowledge of construction in Toronto Hydro’s service area,  
20 as well as an application of expert judgement. Toronto Hydro regularly communicates  
21 with developers, municipal representatives and commercial and residential associations  
22 to identify new larger connection projects and their expected connection years. Large

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<sup>1</sup> EB-2018-0165 Decision and Order, (December 19, 2019) at page 126.

<sup>2</sup> To account for the influence of the previous period’s customer numbers, in what is known as an autoregression. This is a way to avoid error terms reflecting a systematic pattern (Gujarati, 2004); and rid the model of autocorrelation (Keele and Kelly, 2006.)

<sup>3</sup> Conference Board of Canada, *Major City Insights – Toronto Census Metropolitan Area* (February 2023).

1 connection types include data centres, transit electrification, and commercial and  
2 residential buildings.

3

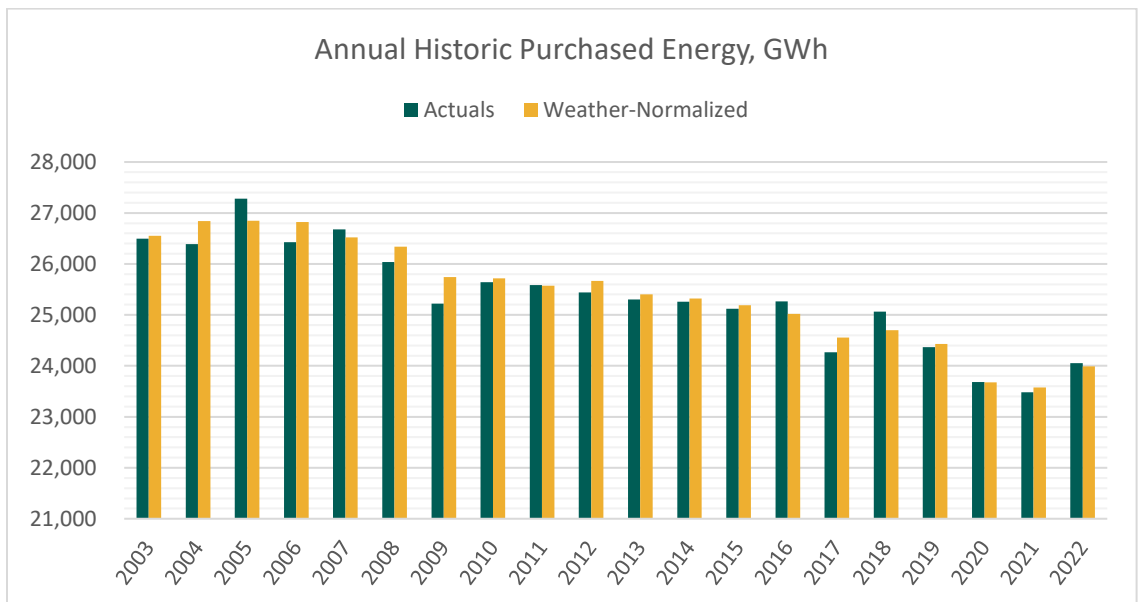
4 Toronto Hydro’s detailed forecast of customers by rate class is found in Exhibit 3, Tab 1,  
5 Schedule 2 (OEB Appendix 2-IB).

6

7 **3. HISTORICAL LOADS**

8 Toronto Hydro’s historical total system load (actual and weather-normalized) is illustrated  
9 in Figure 1 below.

10



11

**Figure 1: Historical Purchased Energy**

12

13 Since 2006, Toronto Hydro has experienced a significant decrease in total energy  
14 consumption. The flat growth over the 2004-2006 period has been replaced by declining  
15 loads over the 2007-2022 period. Conservation activities – both program driven and

1 naturally occurring – are likely continuing to impact the overall load change, as supported  
 2 by the statistical significance of the CDM explanatory variable in the regression models.

3

4 Table 3, below, shows a summary of the total historical normalized annual loads and  
 5 growth.

6

7 **Table 3: Historical Annual Load**

Year	Total Normalized GWh	Growth GWh	Percentage Change (%)
2003	26,550.6		
2004	26,839.3	289	1.1%
2005	26,845.7	6	0.0%
2006	26,823.2	(22)	-0.1%
2007	26,519.9	(303)	-1.1%
2008	26,341.1	(179)	-0.7%
2009	25,744.0	(597)	-2.3%
2010	25,720.1	(24)	-0.1%
2011	25,573.2	(147)	-0.6%
2012	25,665.6	92	0.4%
2013	25,401.4	(264)	-1.0%
2014	25,323.7	(78)	-0.3%
2015	25,188.6	(135)	-0.5%
2016	25,021.5	(167)	-0.7%
2017	24,557.7	(464)	-1.9%
2018	24,701.0	143	0.6%
2019	24,429.6	(271)	-1.1%
2020	23,674.7	(755)	-3.1%
2021	23,575.0	(100)	-0.4%
2022	23,990.1	415	1.8%

1     **4. BASE REVENUE LOAD FORECAST**

2     Toronto Hydro developed separate load forecasts for each rate class. For rate classes  
3     whose billing units are monthly peak demand, the forecasted monthly non-coincident  
4     peak by class is forecast based on historical relationships between energy and demand;  
5     The summation of the individual rate class loads is referred to as the base revenue load  
6     forecast. The impacts of EVs and DERs was accounted for using an integration model  
7     described below in Section 10 to arrive at the total load revenue forecast. Revenues are  
8     determined by applying the proposed distribution rates to the rate class billing  
9     determinants for the forecast period.

10

11     **4.1 Multivariate Regression Model**

12     Toronto Hydro's process of developing a model of energy usage for each rate class  
13     involves estimating multifactor regression models using different input variables to  
14     determine the best fit. Different models were fit based on reasoned assumptions about  
15     which input variables impact energy use. Using stepwise regression techniques,  
16     numerous explanatory variables were tested with the ultimate model being determined  
17     based on model statistics and experience.

18

19     The models are developed separately for each rate class. This approach allows for greater  
20     detail in modelling loads and allows for the different interactions to be modelled  
21     independently. All of Toronto Hydro's regression models use monthly kWh per day as the  
22     dependent variable and monthly values of independent variables from July 2002 through  
23     to the latest actual values (December 2022) to determine the monthly regression  
24     coefficients.

1 The main drivers of energy consumption over time are weather and energy conservation  
2 activities (both program and naturally occurring), as well as calendar, economic, and  
3 demographic conditions.

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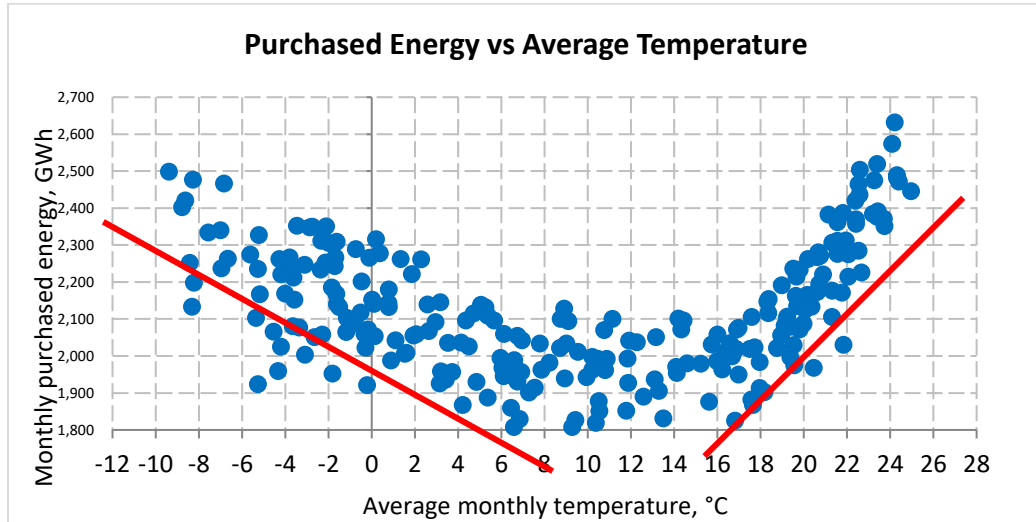
## 5 **5. WEATHER**

6 The primary driver of consumption variance between years is weather. Weather impacts  
7 on load are apparent in both the winter heating season and in the summer cooling season.  
8 For that reason, both Heating Degree Days (“HDD” – a measure of coldness in winter) and  
9 Cooling Degree Days (“CDD” – a measure of summer heat) are captured in the multifactor  
10 regression model for all classes except Streetlighting and Unmetered Scattered Load. In  
11 previous rate filings, Toronto Hydro had demonstrated that the standard definition of  
12 HDD, which uses 18 degrees Celsius as the point at which loads start to be impacted by  
13 temperature, was not as effective as a measure which uses 10 degrees Celsius as the  
14 “balance point” for the HDD measure. This methodology is consistent with previous  
15 Toronto Hydro rate applications (EB-2014-0116 and EB-2018-0165).

16

17 Figure 2, below, shows the relationship between temperatures and loads for the period  
18 of July 2002 to December 2022. It is clear that the relationship between heating loads and  
19 temperature changes at 10 degrees Celsius.





**Figure 2: Purchased Energy vs Average Temperature**

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Positive dew point temperature is another type of weather factor included as an explanatory variable for the CSMUR, GS <50 kW, GS 50-999 kW, and GS 1000-4999 kW customer classes. This variable captures the impact of humidity on consumption and shows the positive impact of temperature on loads during summer months.

The forecast for heating and cooling degree-days, and positive dew point temperature inputs is based on a ten-year historical average of HDD, CDD, and positive dew point. Toronto Pearson International Airport station was used as the climatological measurement point for establishing monthly HDD and CDD.

### 5.1 Weather Normalization Methodology

Toronto Hydro's forecasts are future (out-of-sample) estimates of monthly load, obtained by extrapolating patterns and relationships from historical (in-sample) observations. These data points are monthly energy (load) purchases that get weather-normalized through adjustments for any deviations relative to the amount of energy that would have

1 been purchased under normal weather conditions. Specifically, any energy amounts  
2 either in excess or below what would be purchased under normal weather conditions, are  
3 subtracted or added to the purchases of a given month. Calculations are made by using  
4 regression coefficients as quantitative measures of the effect of weather conditions on  
5 load purchases. In other words, a regression is estimated to model load variations as a  
6 function of explanatory variables including weather conditions such as HDD, CDD, and  
7 positive dew point temperature. The “beta” or slope coefficients thus obtained are used  
8 to measure load increases or decreases resulting from a unit increase in each of those  
9 weather determinants. To illustrate the process, if, for example a given summer month  
10 was much hotter compared to normal historical actual patterns then the process would  
11 involve: a) that month’s number of CDD is subtracted from the number of CDD one would  
12 observe in an average year; and b) the difference is multiplied by the partial effect, or  
13 beta coefficient of CDD, in order to calculate the effect attributable to that weather-  
14 related determinant. This is done for all the weather determinants, thus allowing Toronto  
15 Hydro to re-calculate load net of abnormal weather effects. This is referred to as a  
16 weather normalized load.

17

## 18 **6. CONSERVATION AND DEMAND MANAGEMENT (CDM)**

19 Consistent with its previously approved load forecasts in EB-2014-0116 and EB-2018-  
20 0165, Toronto Hydro has included CDM activities and their impacts into its forecast for  
21 the 2025 to 2029 period. Changes to the availability of CDM savings forecasts and results  
22 has necessitated a change in Toronto Hydro’s methodology for accounting for CDM.

23

24 As noted in the OEB’s Chapter 3 filing requirements, on March 20, 2019, the Minister of  
25 Energy, Northern Development and Mines issued separate directives to the OEB and the  
26 Independent Electricity System Operator (“IESO”) in respect of CDM programs. The

1 directive to the IESO concluded the Conservation First Framework (“CFF”) effective  
2 immediately. New CDM program activity has since been provincially-centralized under  
3 the IESO’s Interim Framework and 2021-2024 CDM Framework. As a result, the IESO is no  
4 longer providing CDM savings forecasts or program results for distributors’ service  
5 territories.

6

7 The latest CDM guidelines for Electricity Distributors (EB-2021-0106) state that  
8 distributors may choose to include CDM as a variable in a multivariate regression, based  
9 on the historical and forecast level of savings from applicable CDM activities in a given  
10 year. Toronto Hydro has moved towards including CDM as a multivariate regression  
11 variable to represent conservation that occurs through both CDM program delivery and  
12 naturally. The utility previously used a three-step process that explicitly considered  
13 cumulative historical and forecast CDM impacts that were added to metered loads (gross  
14 of CDM), forecasted based on regression modelling, and then subsequently deducted to  
15 derive the load forecast (net of CDM).

16

17 Incorporating CDM as a multivariate regression variable allows Toronto Hydro to account  
18 for conservation activities through regression techniques with the limited LDC-level  
19 information available. Due to the change in methodology, the metered loads are no  
20 longer manually adjusted for CDM impacts. The CDM regression variable reflects the  
21 declining customer usage from conservation activities, as well as avoids any double-  
22 counting of savings. Section 6.1 provides a detailed explanation of the CDM savings used  
23 to develop the CDM variables.

1 Toronto Hydro is currently not planning to establish a Lost Revenue Adjustment Variance  
2 Account (LRAMVA) threshold for the 2025-2029 period.<sup>4</sup>

3  
4 **6.1 CDM Multivariate Variables**

5 Toronto Hydro incorporated CDM variables into the multivariate regression: a residential  
6 CDM variable for the Residential class, and a business CDM variable for the General  
7 Service classes. Both variables are based on the cumulative historical and forecast level  
8 of savings from 2006 to 2029, and separated by residential and business program savings  
9 for each variable respectively. The variables were found to be statistically significant in  
10 the Residential, GS <50 kW, GS 50-999 kW, GS 1000-4999 kW, and Large Use class models.  
11 The calculations for each CDM variable are shown in Exhibit 3, Tab 1, Schedule 1,  
12 Appendix C.

13  
14 Toronto Hydro's historical and forecasted annual CDM savings for the 2006 to 2029 period  
15 are determined in four separate components:

- 16 1) Verified historical savings (2006 to 2017);  
17 2) Post-CFF historical savings (2015 to 2022);  
18 3) 2021-2024 CDM Framework forecast savings (2021 to 2024); and  
19 4) Forecast savings beyond the 2021-2024 CDM Framework (2025 to 2029).

20  
21 *Verified Historical Savings (2006 to 2017)*

22 Toronto Hydro's CDM savings include impacts of historical CDM achievement. The annual  
23 impacts of CDM completed between 2006 and 2017 have been verified by the IESO, and  
24 represent the full suite of energy efficiency and demand response programs offered to  
25 Toronto Hydro's residential and business customer segments.

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<sup>4</sup> EB-2021-0106, Ontario Energy Board, *Conservation and Demand Management Guidelines for Electricity Distributors* (December 20, 2021) at page 23-24.

1 Post-CFF Historical Savings (2015 to 2022)

2 The second component includes unverified 2015 - 2022 achievements, as well as an  
3 extrapolation of CDM savings from the IESO's provincial CDM program delivery. In the  
4 absence of final verified annual CDM program results and CDM Plan, Toronto Hydro used  
5 the following additional information to determine these savings:

- 6 • the IESO's Participation and Cost Reports for January 1, 2018 through April  
7 2019; these reports include incremental first-year energy savings;
- 8 • third-party Measurement and Verification Reports for specific projects  
9 under the Process and System Upgrades Program, which is not captured in  
10 the IESO's Participation and Cost Reports;
- 11 • for savings to December 31, 2022 that are related to CFF programs,  
12 project-level savings for projects that were completed within the 2015-  
13 2022 period which a distributor is contractually obligated to finish. For the  
14 Retrofit Projects, energy savings and demand reductions are based on the  
15 list of projects for which Toronto Hydro paid incentives to customers and  
16 which had their status updated to "Project Closed" in CDM-IS system post  
17 March 1, 2019. For non-Retrofit CFF Projects, savings are based on the list  
18 of projects for which Toronto Hydro has paid incentives and submitted  
19 project-level details to the IESO; and
- 20 • IESO's 2019-2020 Interim Framework for the province, extrapolated for  
21 savings in Toronto Hydro's service area. The extrapolation is based on  
22 Toronto Hydro's 2015-2017 historic ratio of LDC program savings to  
23 provincial savings under CFF.

24

25 Exhibit 3, Tab 1, Schedule 1, Appendix D contains the summary of 2015 to 2022 Post-CFF  
26 historical savings. Exhibit 3, Tab 1, Schedule 1, Appendix F contains the IESO's 2019-2020

1 Interim Framework CDM plan for the province; the extrapolation for savings in Toronto  
2 Hydro’s service area are shown in Exhibit 3, Tab 1, Schedule 1, Appendix E.

3

4 2021-2024 CDM Framework Forecasted Savings (2021 to 2024)

5 The third component is based on the IESO’s 2021-2024 Conservation and Demand  
6 Management Framework for the province, extrapolated for savings in Toronto Hydro’s  
7 service area. The extrapolation is based on Toronto Hydro’s 2015-2017 historic ratio of  
8 distributor program savings to provincial savings under CFF. For newer programs that did  
9 not exist under CFF, the historic ratio is based on the total sector savings (residential or  
10 business).

11

12 Exhibit 3, Tab 1, Schedule 1, Appendix G contains the IESO’s 2021-2024 CDM plan for the  
13 province; the extrapolation for savings in Toronto Hydro’s service area are shown in  
14 Exhibit 3, Tab 1, Schedule 1, Appendix E.

15

16 Forecast savings beyond the 2021-2024 CDM Framework (2025 to 2029)

17 Toronto Hydro’s annual forecasted savings for 2025 to 2029 were developed based on  
18 the assumption that there will be a continuation of CDM program delivery by the IESO.  
19 In the absence of a new framework, the projected impact is based on the anticipated  
20 “status quo” CDM delivery objectives and expectations assigned for the post-2024  
21 conservation planning period. Toronto Hydro has determined this to be the best estimate  
22 at this time given the absence of conservation planning detail for this period. This method  
23 is consistent with Toronto Hydro’s previous application methodology.

1 **7. OTHER MULTIVARIATE VARIABLES**

2 The multivariate regression model captures a number of other multivariate variables in  
3 addition to CDM impacts, including demographic and economic conditions, COVID-19  
4 pandemic impacts, time trends and calendar factors.

5

6 Demographic and economic conditions are captured within the model by using customer  
7 numbers, the Toronto unemployment rate, the Toronto employment numbers, Toronto  
8 gross domestic product (“GDP”) and time trend variables discussed below. The Toronto  
9 unemployment rate, employment numbers and GDP reflect the level of economic  
10 fluctuations, and were found to be statistically significant in the Residential, CSMUR, GS  
11 <50 kW, GS 50-999 kW, GS 1000-4999 kW, and Large Use class models. Customer  
12 variables capture overall levels of demographic fluctuations, and were found to be  
13 statistically significant in the CSMUR, GS <50 kW, GS 50-999 kW, and Large Use class  
14 models. The forecasts of Toronto’s unemployment rate, employment numbers and GDP  
15 are based on the Conference Board of Canada forecasts.<sup>5</sup>

16

17 Load impacts from the COVID-19 pandemic are captured through a lockdown binary  
18 variable. This variable is based on the provincial lockdown periods announced during the  
19 pandemic in 2020-2021. Additional load impacts from the pandemic are captured through  
20 the economic variables used in the model, such as GDP. The lockdown binary variable was  
21 found to be statistically significant in the Residential, GS <50 kW, GS 50-999 kW, and Large  
22 Use class models.

23

24 The time trend variables used in the model are designed to capture trends which are not  
25 otherwise explained by the other driver variables, as well as to improve the overall model

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<sup>5</sup>*Supra* note 3.

1 fit over the period. The Residential, GS<50 kW, and Large Use classes use a linear spline  
2 time trend in the 2012 to 2022 period, the General Service 1,000-4,999 kW class uses a  
3 linear spline time trend in the 2018 to 2022 period, and the GS 50-999 kW uses a simple  
4 time trend over historical period 2018 to 2022.

5

6 One additional factor determining energy use in the monthly model are “calendar  
7 factors.” For example, the number of business days in a month will impact total monthly  
8 load. To capture the different number of days in the calendar months, the modelling of  
9 purchased energy was performed on a per-day basis. To reflect different numbers of  
10 business days in the month and, consequently, different number of peak hours, business  
11 day percentage was used in those class models. A binary variable was also included to  
12 reflect the impact of the 2003 August blackout on energy use in that month.

13

14 Exhibit 3, Tab 1, Schedule 1, Appendix A contains the historical and forecast load and input  
15 variable details. The model statistics for each class model are shown in Exhibit 3, Tab 1,  
16 Schedule 1, Appendix B.

17

18 From the regression models, the forecast of energy usage is determined by applying the  
19 model coefficients to forecasts of the input variables.

20

21 Table 4 summarizes the variables included in each of the rate class energy models.



1 **Table 4: Regression Variables by Rate Class**

Residential	Competitive Sector Multi-Unit Residential	General Service <50 kW	General Service 50-999 kW	General Service 1,000-4,999 kW	Large Use	Street Lighting	Unmetered Load
HDD 10 per day	HDD 10 per day	HDD 10 per day	HDD 10 per day	HDD 10 per day	HDD 10 per day	Average use per device	Simple extrapolation
CDD per day	CDD per day	CDD per day	CDD per day	CDD per day	CDD per day		
Blackout binary variable	Number of CSMUR customers	Number of GS<50 kW customers	Number of GS 50-999 kW customers	Business days percent	Number of Large Use customers		
Time trend	Positive dew point temp	Lockdown binary variable	Lockdown binary variable	Business CDM Variable	Lockdown binary variable		
Unemployment rate	Unemployment rate	Business CDM Variable	Business CDM Variable	Time trend	Business CDM Variable		
Residential CDM variable		Time trend	Time trend	GDP	Time trend		
		GDP	Employment	Positive dew point temp	GDP		
			Positive dew point temp		Positive dew point temp		
			Business days percent		Business days percent		
			Blackout binary variable				

1 **8. ALIGNMENT WITH PEAK DEMAND FORECAST**

2 Toronto Hydro prepares forecasts in addition to the revenue load forecast for other  
3 important purposes, including a peak demand forecast.<sup>6</sup> Where the revenue load forecast  
4 provides a view of customer consumption and demand over the coming rate period, the  
5 peak demand forecast shows the anticipated peak demand at all transformer station  
6 buses that supply Toronto Hydro’s distribution grid. The peak demand forecast and the  
7 revenue load forecast have important differences. The peak demand forecast focuses on  
8 the sufficiency of the distribution system’s capacity to serve the potential draw on the  
9 grid by aggregations of customers at singular points in time, while the revenue load  
10 forecast focuses on projecting customer consumption within billing cycles.

11

12 The peak demand forecast is a 10-year weather-adjusted peak demand forecast prepared  
13 to assist with the planning of capital work programs mainly at the distribution station level  
14 (e.g., feeder level) to meet capacity need. The peak demand forecast considers localized  
15 growth and density intensification from new high-rise developments, EVs, and other large  
16 connections that are driving the need for investments. The forecast is dependent on  
17 historical peak load at the bus level as well as bus weather sensitivity. The peak demand  
18 forecast is also used to help inform the IESO’s regional forecasting process and, internally,  
19 in long-term planning. Please see Exhibit 2B, Section B – Coordinated Planning, Appendix  
20 A for the Toronto Region System Needs Assessment Report.

21

22 In contrast to the peak demand forecast, the revenue load forecast provides an outlook  
23 of customer consumption and demand. The revenue load forecast is dependent on  
24 monthly historic billing consumption by rate class (as a dependent variable) as well as  
25 independent variables from external sources. As described above in section 6,

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<sup>6</sup> Exhibit 2B, Section D4.

1 conservation activities continue to contribute to the overall decline in customer load and  
2 demand.

3

4 Toronto Hydro ensures alignment between the two forecasts through the use of common  
5 growth base inputs, including large connections and electrical vehicles. The large  
6 connection projections are based on market knowledge of construction in Toronto  
7 Hydro's service area, including confirmed connection agreements. Toronto Hydro  
8 developed a forecast of EV uptake as an input to these forecasts. The EV forecasts are  
9 inputs in both the load forecast and peak demand forecast for determining their  
10 respective outputs. More information on the electrical vehicles is available in Section 10.

11

## 12 **9. CLASS DEMAND (kVA) FORECAST**

13 Toronto Hydro's forecast of monthly peak demand by customer class, which is used to  
14 determine revenue for those customers billed on a demand basis (GS 50-999 kW, GS  
15 1000-4999 kW, Large User, and Street Lighting), is established using historical  
16 relationships between energy and demand. The utility uses the latest five-year average  
17 growth of this relationship for forecasting purposes. The resulting kW demand forecast is  
18 explicitly converted based on average power factors to determine the peak kVA demand  
19 forecast.

20

## 21 **10. ELECTRIC VEHICLES AND DISTRIBUTED ENERGY RESOURCES**

22 Toronto Hydro incorporated EVs and DERs into its load forecast. Toronto Hydro expects  
23 to see increased use of these technologies as the energy transition unfolds over the 2025-  
24 2029 forecast period. It is necessary, therefore, to develop distinct forecasts for these  
25 technologies because they are expected to exceed historical market adoption levels.

1 Given this anticipated acceleration, the base revenue load forecast does not account for  
2 the anticipated future load impacts of these technologies.

3

4 Toronto Hydro engaged Clearspring Energy Advisors, LLC (“Clearspring”) to help develop  
5 an approach to including the expected impacts of EVs and DERs into the 2025 to 2029  
6 period. Clearspring developed an integration model for this purpose. The objective of the  
7 integration model is to forecast the impacts on energy and billing demand by rate class  
8 resulting from the forecasted changes in the adoption of EVs and DERs. These impacts are  
9 then aggregated to the base revenue load forecast developed through multivariate  
10 regression modelling. Clearspring also produced an analysis on the changes to the rate  
11 class load profiles resulting from the EV and DER forecasts that is used as an input in the  
12 cost allocation model by Toronto Hydro for rate setting purposes.

13

14 The Clearspring integration model used the following forecast inputs, provided by  
15 Toronto Hydro, to forecast the impacts of EVs and DERs onto the billing components of  
16 energy and demand:

17

- 18 1) Light-duty electric vehicles (“LDEVs”),
- 19 2) Medium-duty electric vehicles (“MDEVs”),
- 20 3) Heavy-duty electric vehicles (“HDEVs”),
- 21 4) Customer-owned renewable DERs (“Renewables”),
- 22 5) Customer-owned non-renewable DERs (“Non-Renewables”), and
- 23 6) Customer-owned energy storage resources

24

25 The integration model estimates the incremental load of these technologies from their  
26 2022 adoption levels to the 2029 forecasted levels.

1 The six technology inputs were aggregated to the base revenue load forecast to  
 2 determine the net forecast after accounting for these technologies. The load impacts vary  
 3 between the technologies as EVs will increase energy and billing demand, whereas DERs  
 4 will lower energy and billing demand. The forecasted load impacts as a percentage of the  
 5 total revenue load forecast are provided annually in Table 5 below.

6

7 **Table 5: Annual Forecasted Energy and Billed Demand Impacts**

Year	Incremental Energy (kWh) % Increase	Incremental Billed Demand (kVA) % Increase
2023	-0.1%	-0.1%
2024	-0.2%	-0.2%
2025	0.1%	0.0%
2026	0.7%	0.5%
2027	1.5%	1.1%
2028	2.5%	1.7%
2029	3.4%	2.4%

8

9 **10.1 Electric Vehicles**

10 Toronto Hydro developed the EV forecast as an input to Clearspring’s integration model.  
 11 The forecast was developed in reference to the three vehicle types: LDEV (battery and  
 12 plug-in electric), MDEV, and HDEV.

13 The EV forecast was developed to be consistent with the City of Toronto’s EV Strategy  
 14 targets:<sup>7</sup>

- 15 • 2025 – 15% of new vehicle sales and 5% of total light duty vehicles be classified as
- 16 EVs; and
- 17 • 2030 – 40% of new vehicles sales and 20% of total light duty vehicles be classified
- 18 as EVs, totalling 220,000 LDEVs.

<sup>7</sup> City of Toronto, Electric Vehicle Strategy: <https://www.toronto.ca/wp-content/uploads/2020/02/8c46-City-of-Toronto-Electric-Vehicle-Strategy.pdf>.

1 The LDEV forecast was developed by using historical Light-Duty Vehicles (“LDV”)  
2 population in Ontario, as well average annual growth rates, for which an extrapolation for  
3 Toronto and LDEV forecasts were created. The number of new LDV and LDEV registrations  
4 in Ontario were obtained from StatsCan. The reported values were used to estimate the  
5 number of new LDVs and LDEVs registered each year in Toronto. It is estimated that  
6 approximately 12.7 percent of new vehicles registered in Ontario each year are registered  
7 in Toronto. To maintain consistency with the City’s EV Strategy the same 11-year average  
8 vehicle age was used, which results in approximately 9.1 percent of the vehicle population  
9 retiring each year. These factors were used to develop an accounting of the number of  
10 LDVs registered in Toronto at the end of each year.

11

12 An estimation of the LDV growth in Toronto was created based on the levels seen in 2017-  
13 2019 (pre-COVID) from Stats Canada. Toronto’s share of Ontario’s new vehicles is  
14 assumed to be constant over time at 12.7 percent. The forecast of new LDEV registration  
15 and total LDEV registered each year was built up to achieve the 220,000 in 2030 EV target  
16 provided by the City of Toronto, which would represent 20 percent of the total LDV fleet.  
17 The methodology estimates 1.1M LDVs registered in Toronto by 2030, with an annual  
18 growth of 1 percent during the forecast period.

19

20 The MDEV and HDEV forecasts were also developed using the historical vehicle  
21 population in Ontario, as well average annual growth rates, for which an extrapolation for  
22 Toronto and EV forecasts were created. With the annual growth rate of both vehicle  
23 classes, a provincial wide population forecast was derived. Toronto accounts for  
24 approximately 20% of the provincial medium and heavy-duty vehicle population. The  
25 HDEV forecast also includes vehicle growth from the Toronto Transit Commission (“TTC”).  
26 The TTC’s Green Bus Replacement program is key to the City’s TransformTO action plan

1 and outlines the transition of the TTC bus fleet to zero-emission vehicles by 2040.<sup>8</sup> An  
 2 adoption rate was then developed to establish how rapidly MDEVs and HDEVs would  
 3 need to be adopted to meet the City’s EV Strategy Target. A materialization factor was  
 4 also added to the MDEV and HDEV forecasts as an adjustment to account for delayed  
 5 adoption. Internal analysis shows that commercial customers typically have delayed  
 6 completion dates compared to their original estimated completion dates. Internal  
 7 analysis was based on energization project materialization between estimated and actual  
 8 completion dates.

9  
 10 Table 6, 7 and 8 below show the summaries of EV forecasts, consumption and billed  
 11 demand by vehicle type. Please refer to Clearspring’s report in Exhibit 3, Tab 1, Schedule  
 12 1, Appendix J for further details.

13  
 14 **Table 6: EV Forecasts by Vehicle Type**

Year	LDEVs	MDEVs	HDEVs
<b>2023</b>	26,408	1,673	1,651
<b>2024</b>	38,615	2,811	2,769
<b>2025</b>	52,764	3,686	3,622
<b>2026</b>	75,653	4,862	4765
<b>2027</b>	105,249	6,057	5,922
<b>2028</b>	142,460	6,982	6,809
<b>2029</b>	179,770	8,215	7,992

<sup>8</sup> Green Bus Replacement Program, Toronto: Toronto Transit Commission, 2022.

1 **Table 7: EV Consumption (MWh) by Vehicle Type**

Year	LDEVs	MDEVs	HDEVs	Total EV Load	% of Total Load Forecast
<b>2023</b>	23,643	9,892	30,174	<b>63,709</b>	<b>0.3%</b>
<b>2024</b>	60,312	26,688	81,282	<b>168,281</b>	<b>0.7%</b>
<b>2025</b>	106,482	47,219	143,575	<b>297,276</b>	<b>1.3%</b>
<b>2026</b>	172,215	72,064	218,716	<b>462,996</b>	<b>2.0%</b>
<b>2027</b>	264,559	101,434	307,251	<b>673,244</b>	<b>3.0%</b>
<b>2028</b>	381,971	131,035	396,087	<b>909,093</b>	<b>4.0%</b>
<b>2029</b>	511,753	160,524	484,126	<b>1,156,402</b>	<b>5.1%</b>

2

3 **Table 8: EV Billed Demand (kVA) by Vehicle Type**

Year	LDEVs	MDEVs	HDEVs	Total EV Billed Demand	% of Total Billed Demand Forecast
<b>2023</b>	3,449	17,741	60,372	<b>81,561</b>	<b>0.2%</b>
<b>2024</b>	8,799	47,848	162,964	<b>219,611</b>	<b>0.6%</b>
<b>2025</b>	15,537	84,644	288,185	<b>388,366</b>	<b>1.1%</b>
<b>2026</b>	25,127	129,176	439,102	<b>593,405</b>	<b>1.6%</b>
<b>2027</b>	38,602	181,812	617,072	<b>837,486</b>	<b>2.3%</b>
<b>2028</b>	55,736	234,851	795,856	<b>1,086,443</b>	<b>3.1%</b>
<b>2029</b>	74,680	287,698	972,887	<b>1,335,264</b>	<b>3.8%</b>

4

5 **10.2 Distributed Energy Resources**

6 DER forecasts, developed by Toronto Hydro (see Exhibit 2B, Section E5.1), were provided  
 7 to Clearspring as an input to the integration model.

8

9 The DER forecasts were developed in reference to three technology types:

- 10
  - **Renewables** – consists of DER based on renewable technologies, such as solar  
 11 photovoltaic.



- 1 • **Energy Storage** – refers to DER related to the capture of energy, such as batteries.
- 2 • **Non-Renewables** – refers to conventional fossil-fuel based DER, such as natural
- 3 gas generators and combined heat and power.

4

5 Tables 9, 10 and 11 below show the summaries of DER forecasts, consumption and billed

6 demand by technology type. Please refer to Clearspring’s report in Exhibit 3, Tab 1,

7 Schedule 1, Appendix J for further details.

8

9 **Table 9: DER Forecasts by Technology Type and Installed Capacity (kW)**

Year	Renewables	Energy Storage	Non-Renewables
<b>2023</b>	126,443	56,579	198,186
<b>2024</b>	133,449	60,042	212,056
<b>2025</b>	143,426	73,359	215,566
<b>2026</b>	155,110	77,378	218,717
<b>2027</b>	168,502	81,407	221,597
<b>2028</b>	183,601	85,436	224,297
<b>2029</b>	200,407	89,485	226,817

10

11 **Table 10: DER Consumption (MWh) by Technology Type**

Year	Renewables	Energy Storage	Non-Renewables	Total DER Load	% of Total Load Forecast
<b>2023</b>	-4,166	0	-90,664	<b>-94,830</b>	<b>-0.4%</b>
<b>2024</b>	-9,374	0	-209,470	<b>-218,844</b>	<b>-1.0%</b>
<b>2025</b>	-14,764	0	-257,450	<b>-272,214</b>	<b>-1.2%</b>
<b>2026</b>	-21,551	0	-276,758	<b>-298,309</b>	<b>-1.3%</b>
<b>2027</b>	-29,396	0	-294,254	<b>-323,650</b>	<b>-1.4%</b>
<b>2028</b>	-38,299	0	-310,463	<b>-348,762</b>	<b>-1.5%</b>
<b>2029</b>	-48,260	0	-325,623	<b>-373,883</b>	<b>-1.6%</b>

1 **Table 11: DER Billed Demand (kVA) by Technology Type**

Year	Renewables	Energy Storage	Non-Renewables	Total DER Billed Demand	% of Total Billed Demand Forecast
<b>2023</b>	-5,109	0	-124,299	<b>-129,408</b>	<b>-0.3%</b>
<b>2024</b>	-11,452	0	-288,041	<b>-299,493</b>	<b>-0.8%</b>
<b>2025</b>	-18,039	0	-354,245	<b>-372,284</b>	<b>-1.0%</b>
<b>2026</b>	-26,325	0	-380,823	<b>-407,147</b>	<b>-1.1%</b>
<b>2027</b>	-35,901	0	-404,905	<b>-440,806</b>	<b>-1.2%</b>
<b>2028</b>	-46,769	0	-427,214	<b>-473,983</b>	<b>-1.3%</b>
<b>2029</b>	-58,928	0	-448,079	<b>-507,007</b>	<b>-1.4%</b>

2

3 **10.3 Integration Model**

4 The integration model's purpose is to convert the EV and DER forecasts into consumption  
 5 and billing demand outputs for the total load forecast. The model undertakes a four-step  
 6 process to convert these technologies into consumption and billing demand outputs as  
 7 follows:

8

- 9 • The model calculates the change in technology forecasts from 2022;
- 10 • The technology changes are then allocated by 6 rate classes (Residential, CSMUR,  
 11 GS <50kW, GS 50-999 kW, GS 1000-4999 kW, Large User);
- 12 • The monthly energy impacts of each technology are estimated by rate class in  
 13 2025 through 2029; and
- 14 • The monthly billing demand impacts of each technology are estimated for the  
 15 applicable rate classes in 2025 through 2029 (GS 50-999 kW, GS 1000-4999 kW,  
 16 Large User).

1 The resulting outputs are aggregated to the base revenue load forecast. Exhibit 3, Tab 1,  
 2 Schedule 1, Appendix J contains Clearspring’s report on the integration of EVs and DERs  
 3 for revenue forecasting that was designed and developed for Toronto Hydro.

4

5 **11. HEAT PUMPS**

6 Heat pumps (i.e. the electrification building heating) are another technology associated  
 7 with the energy transition. In preparing the revenue load forecast for the 2025-2029  
 8 period, Toronto Hydro determined that the impact of heat pumps on overall load and  
 9 demand is not yet material. As such, the potential load impacts of heat pumps were not  
 10 separately incorporation into the load forecast. Existing heat pump loads are captured,  
 11 however, in the multivariate regression models.

12

13 **12. ACCURACY OF FORECAST AND VARIANCE ANALYSES**

14 Table 12 summarizes the variances between Toronto Hydro’s actual loads and the last  
 15 OEB-approved loads (filed in Toronto Hydro’s EB-2018-0165 rate filing).

16

17 **Table 12: Forecast versus Actual Purchased Energy**

Year	Board-Approved Load Forecast	Actual Load		Weather Normalized Actual	
	GWh	GWh	Variance	GWh	Variance
<b>2020</b>	24,044.00	23,681.30	-1.51%	23,674.74	-1.54%
<b>2021</b>	23,763.36	23,480.00	-1.19%	23,574.99	-0.79%
<b>2022</b>	23,650.99	24,054.52	1.71%	23,990.12	1.43%

18

19 Year to year variances in Toronto Hydro’s historical loads reflect the impacts of COVID-19  
 20 pandemic, weather, economic conditions, CDM, and normal customer growth. For the  
 21 forecast periods, year to year variances in loads reflect the impact of model driver  
 22 variables.

1 Table 13 summarizes the variances between Toronto Hydro’s actual number of customers  
2 and the last OEB-approved number of customers (filed in Toronto Hydro’s EB-2018-0165  
3 rate filing).

4

5 **Table 13: Forecast versus Actual Number of Customers**

Year	Board-Approved Customer Forecast	Actual Number of Customers	Variance
2020	784,279	781,374	-0.37%
2021	791,003	786,258	-0.60%
2022	799,341	790,699	-1.08%

6

7 Tables showing Toronto Hydro’s year-over-year actual loads and customers can be found  
8 in Exhibit 3, Tab 1, Schedule 2 (OEB Appendix 2-IB).

# Making a Difference

## Energy Efficiency in Ontario

2019-2020 Interim Framework Results



**Save on Energy celebrates 10 years in 2021. More than 250,000 Ontario residents and businesses have relied on Save on Energy programs to better manage their energy use.**





## **Everyone benefits from energy efficiency**

**It helps:**

- ✔ **enable consumers to better manage their electricity bills**
- ✔ **support businesses in their efforts to stay competitive**
- ✔ **drive economic prosperity**
- ✔ **defer building new power plants and transmission lines**
- ✔ **lower electricity system costs**

## 2019-2020 Save on Energy highlights



**\$353 M**

Invested in Energy  
Efficiency Projects



**1.5 TWh**

Total Electricity Savings



**186.4 MW**

Total Demand Savings



The electricity saved is equivalent to powering  
a city the size of Oshawa for one year



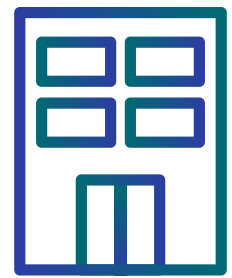
## 2019-2020 Save on Energy Programs

- ✓ Retrofit
- ✓ Small Business Lighting
- ✓ Energy Manager
- ✓ Process and Systems Upgrade Program
- ✓ Energy Performance Program
- ✓ Home Assistance Program
- ✓ First Nation Programs
- ✓ Local Program Fund

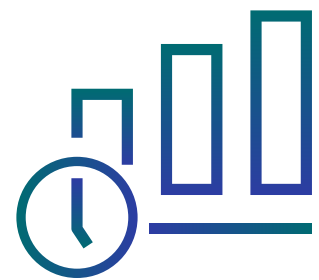


## Retrofit program

### 2019-2020 RESULTS:



**11,128**  
Businesses Supported



**1.2 TWh**  
Total Electricity Savings



**144.7 MW**  
Total Demand Savings

Helping business unlock energy savings  
and improve productivity, employee comfort  
and customer experience



## Case Study: Dream Office



“The IESO has been an important partner for us to achieve our sustainability goals. Leveraging the Save on Energy program enabled a pathway to smarter, more efficient and higher performing buildings.”

### LEE HODGKINSON

VP, Technical Services, Sustainability & ESG  
Dream Office

Dream retrofitted the lighting at 11 office buildings in downtown Toronto, replacing inefficient incandescent and fluorescent bulbs and magnetic ballasts with new energy-efficient and long-lasting LED lighting.



Dream is one of Canada's leading real estate companies, focused on impact investing and sustainable buildings



Through the incentives received from Save on Energy, Dream was able to justify a larger investment and retrofit scope, including a smart lighting control system that can be controlled using a mobile device and provides human-centric lighting



**2M+**

Square feet of existing office space retrofitted in a major lighting program



**4,947 MWh**

Total Electricity Savings



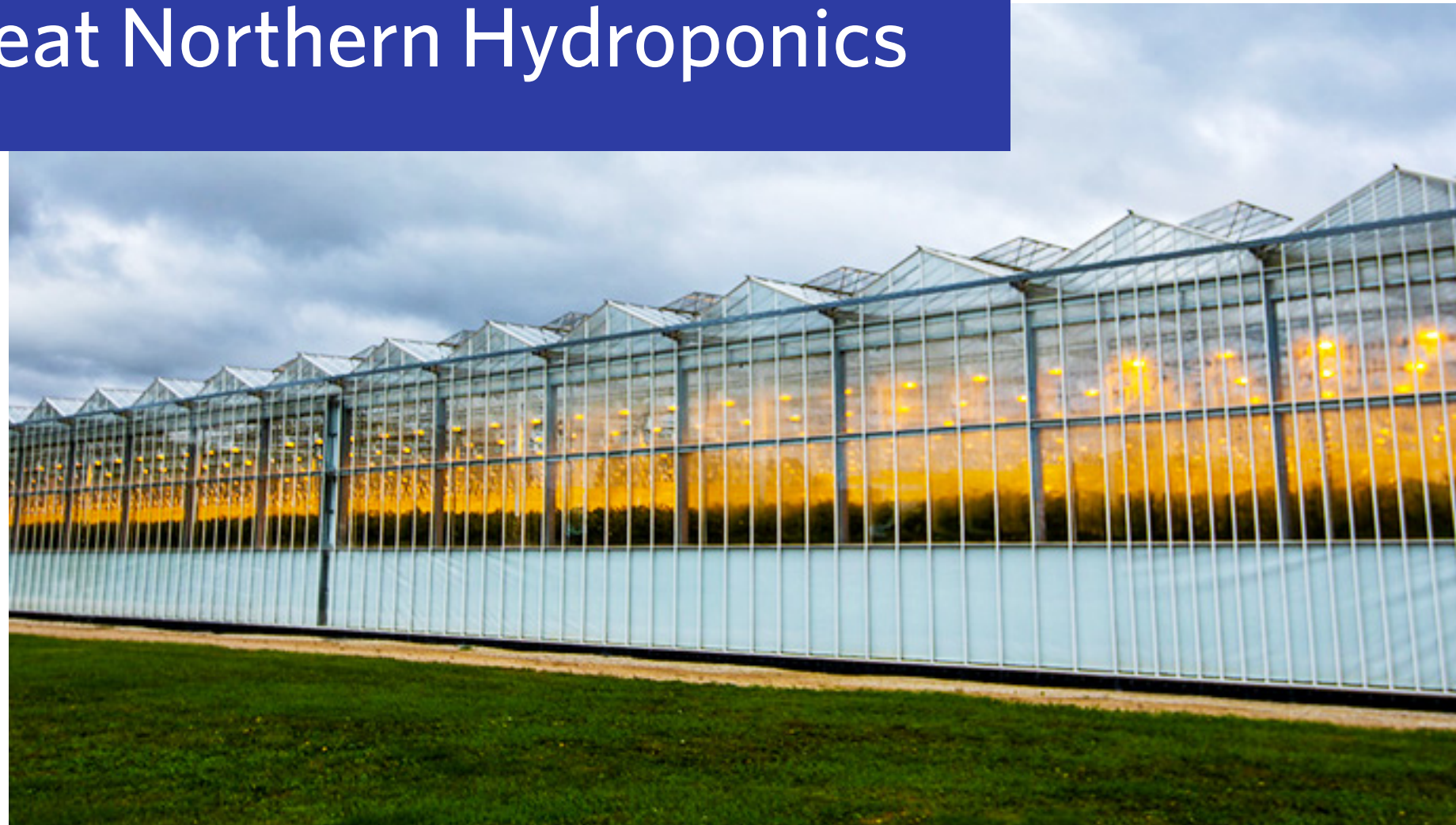
Through direct IESO funding, Dream also hired a full-time Energy Manager to identify energy-saving capital projects and make operational improvements



**945 kW**

Total Demand Savings

## Case Study: Great Northern Hydroponics

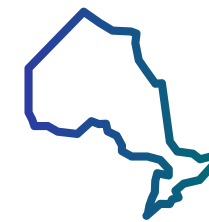


“We were the first tomato grower to light a crop commercially in this area. If it’s a clear sky, the lighting requirement goes down to 50 per cent.”

### **GUIDO VAN HET HOF**

President and General Manager  
Great Northern Hydroponics

This project is part of an energy-efficiency strategy that also includes measures such as energy curtains and an automation system to control light and heat, which adjusts according to available sunlight.



**70-acre**

Facility located in  
Kingsville, Ontario



**\$150,000**

Expected annual savings in  
energy costs by replacing  
half their high pressure  
sodium (HPS) lights with  
high-performance LED fixtures



**10**

Varieties of tomatoes

## Small Business Lighting program

### 2019-2020 RESULTS:



**6,826**  
Businesses Supported



**47.2 GWh**  
Total Electricity Savings



**11.6 MW**  
Total Demand Savings

Providing small businesses with up to \$2,000 to increase visibility and safety and help reduce energy costs



## Energy Manager program

The Energy Manager program is the largest of its kind in North America, with trained energy-efficiency professionals helping large organizations save energy and drive Ontario's competitiveness

### 2019-2020 RESULTS:



**195**  
Employed



**46.6 GWh**  
Total Electricity Savings



**5.0 MW**  
Total Demand Savings



# Other specialized support for large energy consumers



**Energy Performance Program:**  
performance-based incentives to drive  
change and deliver results



**Process and Systems Upgrade:**  
support for complex industrial projects

**Case Study:**  
**Peel District School Board**



The Energy and Sustainability department has been utilizing the Save on Energy incentive programs to help fund energy efficiency projects for several years, including the Energy Performance Program.

“The IESO’s energy incentive programs have helped PDSB reduce our energy costs and our carbon footprint, as well as make progress on our environmental and social equity goals.”

**SHAHID NAEEM P.ENG. PMP**  
Manager, Energy & Sustainability  
Peel District School Board



**155,000**

Students in kindergarten to grade 12



**12 GWh**

Total electricity savings over three years



**259**

Schools operate in the municipalities of Brampton, Caledon and Mississauga



Work included the installation of LED lighting, lighting controls and building automation system upgrades, among other things



**41**

Participating sites/buildings



## Case Study: Newmont Corp.

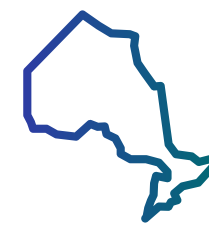


“With support from Save on Energy, we achieved an industry-first advanced electrification, and are on our way to eliminating diesel particulate matter from the underground environment. The project benefits will help us reduce energy costs and protect employee health while minimizing impacts to the environment.”

### **JOHN MULLALLY**

Country Manager and Senior Director, Sustainability and External Relations  
Newmont Corp.

Borden's entire fleet of underground vehicles and heavy equipment will be either electric or battery-powered in place of conventional diesel-powered equipment and features state-of-the-art health and safety controls, and digital mining technologies and processes.



Located near Chapleau, Ontario, Newmont's Borden mine came into production in October 2019



Newmont received support from the IESO's Save on Energy programs



**9 GWh**

Expected annual energy savings resulting from an innovative “Ventilation On Demand” project that limits ventilation to when and where it is required

## Home Assistance Program

Support for income-eligible consumers to reduce bills and increase home comfort with energy-saving upgrades at no cost to the participant

### 2019-2020 RESULTS:



**22,859**  
Homes Supported



**19.6 GWh**  
Total Electricity Savings



**1.9 MW**  
Total Demand Savings



## First Nations Conservation Program

Save on Energy offers First Nation communities specialized programs that reduce costs, improve home comfort and reduce reliance on fossil fuels

### 2019-2020 RESULTS:



**823**  
Homes Supported



**500 MWh**  
Total Electricity Savings





## Support for Indigenous communities

**Focused support for Indigenous communities through the First Nations Conservation Program and the Remote First Nation Energy Efficiency Pilot Program helps make electricity more affordable and improve health, safety and comfort**

**The Remote Pilot Program served four communities in 2019-2020:**

- **Kasabonika Lake First Nation**
- **Wunnumin Lake First Nation**
- **North Caribou Lake First Nation**
- **Sachigo Lake First Nation**

**12 more communities will be eligible in 2021**

## Local Program Fund

In addition to the suite of Save on Energy programs, communities are benefiting from tailored programming funded through the Local Program Fund and designed and delivered by local distribution companies. These programs help meet the needs of local areas and include incentives to businesses and residents for programs involving refrigeration, smart thermostats, block heater timers and more.



**10**

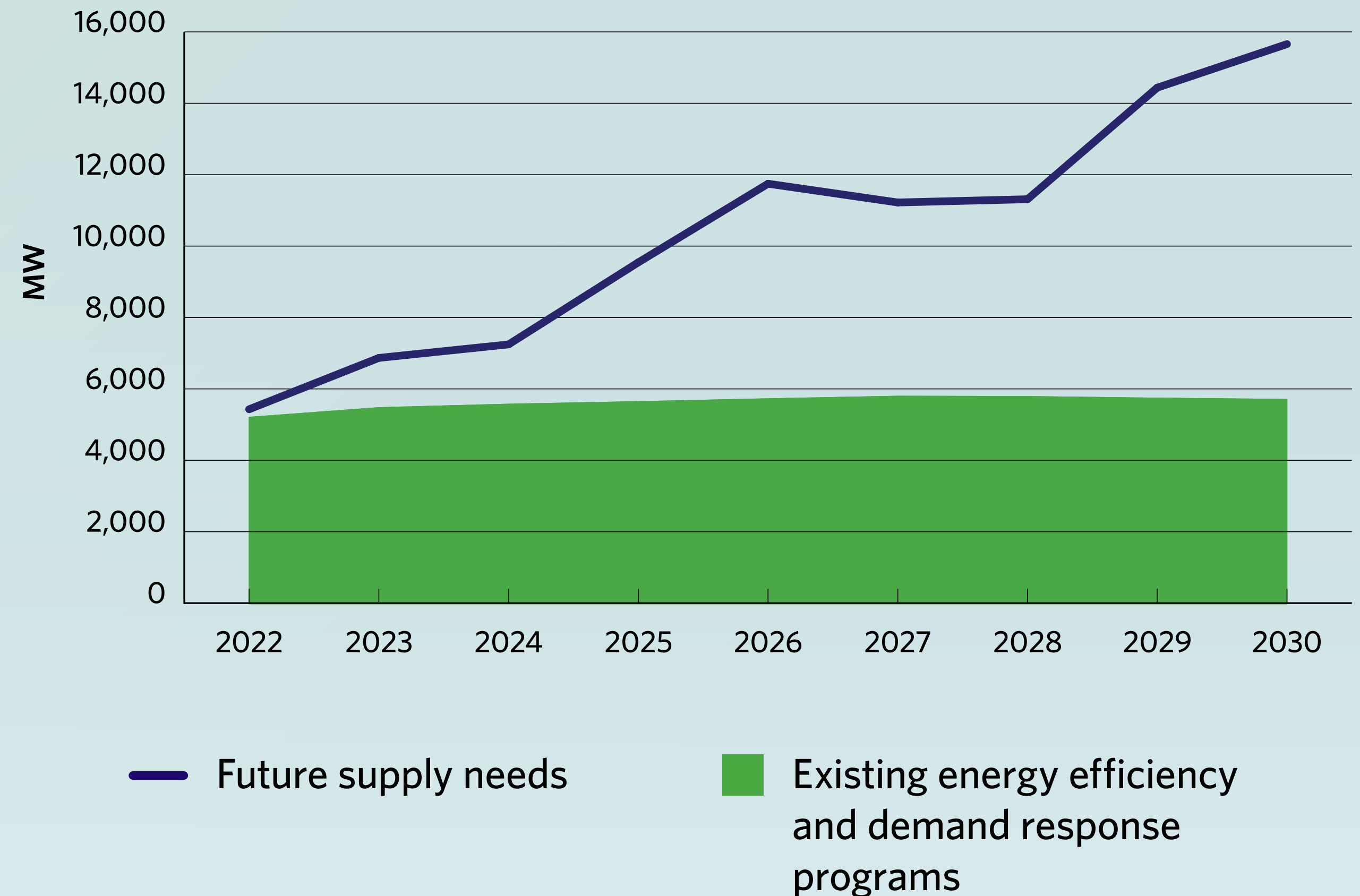
**Local Programs Approved (2019-2020)**



## Why energy efficiency matters

At less than two cents per kilowatt-hour, it's Ontario's most cost-effective and enduring energy resource.

Consumers managing energy more efficiently will help address new supply needs with the potential for greater contributions as the IESO develops new approaches to energy efficiency.



Energy savings represented by the green shading is inclusive of the cumulative impacts from existing Save on Energy programs (including the current framework), Codes and Standards, Industrial Conservation Initiative (ICI), and other demand response programs.



## Support for greenhouse owners

Energy efficiency is part of a broader solution to address increasing energy needs in southwestern Ontario.

The adoption of energy-efficient processes and technologies by businesses and communities has helped to reduce peak demand in the region by 10 MW.\*

\* Includes savings from 2015 Save on Energy programs and projects implemented with support from the IESO Grid Innovation Fund.

## The current framework for energy efficiency

The IESO's 2021-2024 Conservation and Demand Management Framework will invest almost \$700 million to reduce peak demand by 440 MW and consumption by 2.7 TWh.

2021-2024 CDM programs focus on those who need them most, including businesses, First Nation communities and Income-eligible residents.





# The future of energy efficiency is rapidly evolving to:

✓ enable customer-focused solutions

✓ competitively procure energy efficiency to ensure cost-effectiveness

✓ respond to changing needs, particularly in vulnerable communities

✓ contribute to Ontario's post-pandemic economic recovery, particularly for small businesses

✓ deliver even greater electricity system resiliency and ratepayer value



## **Learn more today:**

[Current Save on Energy programs](#)

[First Nations Conservation Program](#)

[Ontario's energy needs](#)

[Energy Efficiency Auction](#)

[Grid Innovation Fund](#)



### **Independent Electricity System Operator**

Phone: 905.403.6900

Toll-free: 1.888.448.7777

Email: [customer.relations@ieso.ca](mailto:customer.relations@ieso.ca)

 [@IESO\\_Tweets](https://twitter.com/IESO_Tweets)

 [linkedin.com/company/ieso](https://linkedin.com/company/ieso)

[ieso.ca](https://ieso.ca)

### **Save on Energy**

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saveonenergy-ontario](https://linkedin.com/company/saveonenergy-ontario)

[SaveOnEnergy.ca](https://SaveOnEnergy.ca)

## Appendix: Program Progress

Save on Energy programs contributed to 1.5 TWh of electricity savings and 186.4 MW of demand reduction from 2019 to 2020. The results demonstrate the value that energy efficiency provides for the electricity system and customers, and helps inform the future of conservation and demand management programs in the province. The data below includes customer participation and net-unverified contracted costs and savings. Totals include both committed and in-service project savings.

Final reported results will be provided later this fall with the posting of the Evaluation, Measurement and Verification (EM&V) reports. The EM&V process assesses the resource savings, cost-effectiveness and market impacts of each program. The reports will be available on the IESO website.

Program	Electricity Savings (GWh)	Demand Savings (MW)	Project Costs (\$M)	Incentive Costs (\$M)	Participation
Retrofit Program	1,187.9	144.7	47.7	145.3	11,128 projects
Small Business Lighting Program	47.2	11.6	3.7	11.2	6,826 projects
Energy Manager Program	46.6	5.0	1.3	14.0	195+ energy managers
Process and Systems Upgrade Program	196.5	20.2	4.7	46.0	106 projects
Energy Performance Program	9.9	1.2	0.4	1.1	22 facilities
Home Assistance Program	19.6	1.9	4.8	30.2	22,859 homes
Indigenous Programs	0.5	0.0	n/a	7.1	823 homes
Local Program Fund	8.7	1.8	n/a	18.0	44,779 projects*
IESO Central Services	n/a	n/a	18.0	n/a	
<b>Total</b>	<b>1,516.9</b>	<b>186.4</b>	<b>80.6</b>	<b>272.9</b>	
<b>Interim Framework CDM Plan Target</b>	<b>1,429.4</b>	<b>189.5</b>	<b>80.5</b>	<b>272.9</b>	
<b>Actual vs. Target</b>	<b>106%</b>	<b>98%</b>	<b>100%</b>	<b>100%</b>	

\*756 projects from Refrigeration Efficiency Program, 42,621 homes from Community Conservation Program and 1,402 projects from Swimming Pool Efficiency Program  
Changes to building codes and product standards help contribute to the province's conservation savings. These savings are covered in the IESO's [Annual Planning Outlook](#).

## Support for customers

In response to the COVID-19 pandemic, in-person interactions between Save on Energy representatives and customers were temporarily suspended on March 16, 2020, including visits to home and businesses. Participants of the Home Assistance Program, Small Business Lighting, and First Nations Conservation Program were placed on wait lists and were contacted for appointments once it was safe to visit homes and businesses. Participation targets set in the CDM Plan by program were impacted due to the ongoing pandemic, but overall, the IF energy targets were achieved. New programs under the 2021-2024 CDM Framework will continue to provide opportunities to help those who need them most and can contribute to reduced energy costs as businesses and residents recover from the impacts of COVID-19.

Learn more at [saveonenergy.ca/en/FAQs](https://saveonenergy.ca/en/FAQs)



# 2021-2024 Conservation and Demand Management Framework

## Update to 2021-2024 Conservation and Demand Management Framework Program Plan

The Conservation and Demand Management (CDM) Framework Program Plan is an overview of the CDM programs to be delivered by the IESO, under the Save on Energy brand, from January 2021 to December 2024. The plan sets out forecast budgets and, where applicable, savings targets and estimated cost-effectiveness for the portfolio of CDM programs.

The IESO reports on program participation, expenditures against budget, and progress towards demand and energy savings targets, greenhouse gas emission reductions, and additional achievements of the Energy Affordability Program and on-reserve First Nations programs, on an annual and quarterly basis. The IESO has undertaken a mid-term review of the framework; this updated plan reflects the actual spending and savings to date as well as the forecasted activity for the latter part of the framework, including the implementation of the new and enhanced initiatives planned as a result of the [Minister's Amending Directive of October 4, 2022](#).

### 2021-2024 CDM Framework Overview

Electricity demand in Ontario is expected to grow rapidly in the coming years as a result of economic development and electrification of various sectors of the economy. At the same time, Ontario is seeing the retirement of generation assets resulting in growing system needs. In the midst of these needs, conservation demand management (CDM) initiatives will continue to offer ratepayer value as energy efficiency continues to be counted on as a clean, reliable and cost-effective approach to ensuring the reliability of the grid.

The current suite of programs was launched in 2021, following a directive from the Government of Ontario to develop a new four-year electricity CDM framework. The 2021-2024 CDM Framework focuses on cost-effectively meeting the needs of electricity consumers and Ontario's electricity system through the delivery of programs and opportunities to enable electricity consumers – including industrial, commercial, institutional, on-reserve First Nations, low-income and income-eligible residential consumers - to improve the energy efficiency of their homes, businesses and facilities.

Since the launch of the framework in 2021, the government has taken additional action with a directive to enhance the 2021-2024 Framework. The IESO is pursuing enhancements to various Save on Energy programs (including those focused on income-eligible and First Nations customers) to address system and customer needs. This includes moving forward to launch four new or enhanced CDM programs in 2023 to increase energy efficiency contributions to emerging system needs.

Additional focus areas of the framework include:

- Achieving provincial peak demand reductions and implementing targeted approaches to address regional/local system needs using demand-side solutions as cost-effective alternatives to traditional infrastructure investments
- Leveraging competitive mechanisms to drive cost efficiencies and support innovative customer-based solutions.

Details about the various incentives offered through each program and how to apply is available at [SaveOnEnergy.ca](https://www.saveonenergy.ca).

### **Budget and Targets:**

The plan, which is subject to changes and revisions over time, allocates the 2021-2024 Conservation and Demand Management Framework budget of up to \$1.034 billion over the suite of programs and is forecasted to achieve 725 MW of peak demand savings and 3.8 TWh of electricity savings by 2026. These savings are expected to persist for 10 to 20 years from the implementation of the measure.

### **Reporting:**

As part of its responsibilities, the IESO will publish the verified results of its evaluation, measurement and verification (EM&V) of the savings resulting from the 2021-2024 CDM Framework, as well as costs related to its activities in support of the programs such as audits, capability building and training. The IESO will publish verified program results on an annual basis, as well as quarterly program updates, to inform the sector on the progress to meeting the targets. The 2021 Verified Results are available at [IESO.ca](https://www.ieso.ca).

### **Cost Effectiveness:**

Program cost-effectiveness under the 2021-2024 CDM Framework for the CDM Plan is assessed using forecasted program participation and supply-side avoided costs, which estimate the cost of supplying that same amount of energy from the current electricity generation mix. The [IESO Cost-Effectiveness Guide](#) is available on the IESO website. Cost effectiveness in this plan is based on avoided supply costs developed in the [IESO's 2021 Annual Planning Outlook](#) and has been updated to reflect changes in the province's planning outlook.

## 2021-2024 CDM Framework Summary Tables:

The following tables outline the associated budget, electricity and demand savings, and cost-effectiveness of the programs delivered under the 2021-2024 CDM Framework.

### Budget

Program	Budget (\$M)			
	2021	2022	2023	2024
Retrofit Programs	57.3	78.7	93.9	122.1
Small Business	4.1	1.8	6.8	15.8
Energy Performance	2.2	2.1	8.3	8.4
Energy Management	0.4	7.0	6.0	13.6
Industrial Energy Efficiency	0.0	0.0	29.0	41.0
Targeted Greenhouse	0.0	0.0	68.0	68.0
Local Initiatives	0.0	0.0	69.6	70.1
Residential Demand Response	0.0	0.0	10.3	14.6
<b>Total Business &amp; Residential Programs</b>	<b>64.0</b>	<b>89.6</b>	<b>291.8</b>	<b>353.5</b>
Energy Affordability Program	10.8	13.8	41.7	87.0
First Nations Programs	1.3	0.1	18.1	16.4
<b>Total Support Programs</b>	<b>12.0</b>	<b>13.9</b>	<b>59.8</b>	<b>103.4</b>
<b>Total All Programs</b>	<b>76.0</b>	<b>103.5</b>	<b>351.7</b>	<b>456.9</b>
Customer Education and Tools	0.0	0.3	0.4	0.5
Central Services -- Business	2.7	4.3	17.3	17.6
Central Services -- Support	0.0	0.2	1.3	1.3
<b>Total IESO Services</b>	<b>2.7</b>	<b>4.8</b>	<b>19.0</b>	<b>19.4</b>
<b>Total Annual Budget</b>	<b>78.7</b>	<b>108.3</b>	<b>370.7</b>	<b>476.3</b>
CDM Framework Total				<b>1,034.0</b>

## Peak Demand and Energy Savings

Program	Peak Demand Savings (MW)				Energy Savings (GWh)			
	2021	2022	2023	2024	2021	2022	2023	2024
Retrofit Programs	49.5	89.8	96.5	127.9	322	570	359	560
Small Business	1.5	0.6	3.0	9.0	10	4	20	65
Energy Performance	1.8	1.8	8.4	8.4	16	20	50	54
Energy Management	0.1	1.8	8.0	25.1	1	15	29	96
Industrial Energy Efficiency	0.0	0.0	20.0	22.0	0.0	0.0	165	165
Targeted Greenhouse	0.0	0.0	1.4	1.3	0.0	0.0	333	333
Local Initiatives	0.0	8.0	43.0	45.4	0.0	61	161	181
Residential Demand Response	0.0	0.0	84.0	123.0	0.0	0.0	3	7
<b>Total Business &amp; Residential Programs</b>	<b>52.9</b>	<b>101.9</b>	<b>264.3</b>	<b>362.1</b>	<b>349</b>	<b>670</b>	<b>1,120</b>	<b>1,462</b>
Energy Affordability Program	0.7	1.1	7.5	14.5	7	14	49	97
First Nations Programs	0.0	0.0	2.0	2.0	1	0	15	16
<b>Total Support Programs</b>	<b>0.7</b>	<b>1.1</b>	<b>9.5</b>	<b>16.5</b>	<b>8</b>	<b>14</b>	<b>64</b>	<b>113</b>
<b>Total Annual Savings</b>	<b>53.6</b>	<b>103.0</b>	<b>273.8</b>	<b>378.6</b>	<b>357</b>	<b>684</b>	<b>1,184</b>	<b>1,575</b>
CDM Framework Total				<b>725.0</b>				<b>3,800</b>

\*Values may not add up precisely due to rounding

### Notes:

- 2022 values are estimates based on available preliminary results and forecasts
- For Residential Demand Response the Peak Savings value is the estimated peak demand impact for the year of operation and does not persist over time. The Total Peak Demand Savings of 725 MW includes the Residential Demand Response peak impact only in 2024 to avoid double counting of savings.
- Retrofit Programs include: Retrofit Prescriptive, Midstream Lighting, Custom Lighting, and Custom Non-Lighting



- Energy Management Programs include: Energy Manager Program, Strategic Energy Management, and Existing Building Commissioning
- Targeted Greenhouse is estimated to provide 2.7 MW of provincial peak demand reduction while also reducing the Southwestern Ontario local peak demand by approximately 225 MW
- Local Initiatives include: Local Initiatives and Enhanced Local Initiatives

#### Program Cost-Effectiveness

Program	Cost Effectiveness		
	Program Administrator Cost (PAC) Ratio	Levelized Unit Energy Costs (\$/MWh)	Levelized Unit Capacity Costs (\$'000/MW-yr)
Retrofit Programs	2.3	25	126
Small Business	1.2	39	308
Energy Performance	2.7	20	138
Energy Management	1.6	39	143
Industrial Energy Efficiency	1.9	28	218
Targeted Greenhouse	2.3	21	n/a
Local Initiatives	1.6	41	173
Residential Demand Response	1.0	n/a	112
<b>All Business &amp; Residential Programs</b>	<b>2.0</b>	<b>27</b>	<b>144</b>

#### Technical Notes:

- Peak demand savings are calculated in accordance with the [IESO Evaluation, Measurement and Verification Protocols and Requirements](#). Peak demand savings and energy savings persist to 2026 and assumes the Residential Demand Response program will continue beyond the current Framework.
- Budgets are funds committed in the calendar year; energy and demand savings in a calendar year are those resulting from the budget commitment.
- Cost effectiveness is calculated in accordance with the [IESO's Cost Effectiveness Guide](#). Avoided supply costs are based on the [IESO's 2021 Annual Planning Outlook](#) and has been updated to reflect changes in the province's planning outlook.
- As per the [September 30, 2020, Ministerial Directive](#), the Support Programs are not required to meet cost-effectiveness thresholds as these programs provide significant non-energy benefits not captured through cost-effectiveness analysis.



# Integration of Revenue Forecast with Electric Vehicle and Distributed Energy Resource Forecasts

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Clearspring Energy Advisors LLC

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# 1 Executive Summary

Toronto Hydro-Electric System Limited (“Toronto Hydro” or “Company”) engaged Clearspring Energy Advisors, LLC (“Clearspring”) to develop a model (“Integration Model”) that integrates the Company’s revenue forecast for the years 2025 to 2029 with forecasts for electric vehicles (“EVs”) and distributed energy resources (“DERs”). The lead model developer is Mr. Steven A. Fenrick. Mr. Fenrick has developed models, provided research reports, and expert witness testimony before the Ontario Energy Board in several applications including Toronto Hydro’s previous distribution rate application. Mr. Fenrick and Clearspring have been involved in several load forecasting studies. In recent years, many of these studies have begun to incorporate EV and DER forecasting into the analysis. A copy of Mr. Fenrick’s summary *curriculum vitae* is attached in Appendix B.

The objective of the Integration Model is to forecast the impact on energy and billing demand by rate class resulting from the forecasted changes in EVs and DERs. Clearspring also produced an analysis on the changes to the rate class load profiles resulting from the EV and DER forecasts that is used as an input in the cost allocation model by Toronto Hydro for rate setting purposes.

The base revenue forecast is produced by Toronto Hydro. Toronto Hydro also provided Clearspring with the historical data and forecasts for the number of EVs and the nameplate capacity of DERs on its system along with other assumptions on EV consumption and DER production. Clearspring’s research focused not on the EV and DER forecasts themselves but rather on building a model that estimates the impacts of those forecasts onto the billing determinants of energy and demand.

The Integration Model and the forecasted impact of the technologies onto the base revenue forecast is discussed in Sections 1 through 8. Please see Section 9 for a summary of the cost allocation model (“CAM”) analysis.

## 1.1 Forecast Inputs

Electric vehicles and distributed energy resources are emerging technologies that have the potential to significantly influence the energy delivered by utilities and the peak demands they need to plan for. The overall impact on the kilowatt hours (“kWhs”) and the timing of charging or production is relevant for forecasting the energy and demand billing determinants. EVs will increase electricity consumption and demand, whereas DERs will tend to decrease them.

Our study uses the following forecast inputs, provided by Toronto Hydro, to forecast the impacts of EVs and DERs onto the billing components of energy and demand:

1. Light-duty electric vehicles (“LDEVs”)
2. Medium-duty electric vehicles (“MDEVs”)
3. Heavy-duty electric vehicles (“HDEVs”)
4. Customer-owned ground-mounted and roof-mounted solar photovoltaic panels (“Renewables”)
5. Customer-owned non-renewable distributed energy resources (“Non-Renewable”)



## 6. Customer-owned energy storage resources

The base revenue forecast is produced and was provided to ClearSpring by Toronto Hydro's staff.<sup>1</sup> It is ClearSpring's understanding that the dataset used to inform the econometric models of the base forecast has an end year of 2022. Therefore, the Integration Model estimates the incremental load of these technologies from their 2022 adoption levels to the forecasted levels of the future custom incentive regulation years of 2025 to 2029.

The incremental energy and billing demand from 2022 of LDEVs, MDEVs, HDEVs, Renewable, Non-Renewable DER, and energy storage are forecasted by the Integration Model and are to be added to the base revenue forecast. The technology forecasts are required because these technologies are expected to exceed historical market adoption levels. Given this anticipated acceleration, the base revenue forecast does not satisfactorily account for the anticipated future load impacts of these technologies.

### 1.2 Forecast Summary of EVs and DERs

The six technology inputs can be aggregated to the base revenue forecast to determine the expected forecast after accounting for these technologies. There is a balancing of impacts between the technologies as EVs will increase energy and billing demand, whereas DERs will lower energy and billing demand.

The net forecasted impacts as a percentage of the base revenue forecast on a total system basis are provided below annually.<sup>2</sup> Please see Appendix A for monthly breakdowns of the energy and billing demand impacts of the technology forecasts by rate class.

**Table 1: Annual Forecasted Energy and Billing Demand Impacts**

Year	Incremental Energy (kWh) % Increase	Incremental Billing Demand (kVA) % Increase
2025	0.1%	0.1%
2026	0.7%	0.5%
2027	1.6%	1.1%
2028	2.5%	1.8%
2029	3.6%	2.5%

The net impacts are forecasted to have a minimal impact on the base revenue forecast in 2025 but this impact is projected to increase to 3.6% for energy and 2.5% for billing demand by 2029 as EV technologies mature and market adoption accelerates.

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<sup>1</sup> The base forecast results and methodology are described in Exhibit 3.

<sup>2</sup> The forecasts are integrated monthly as the base revenue forecast is monthly, but we display annual impacts here for display purposes.



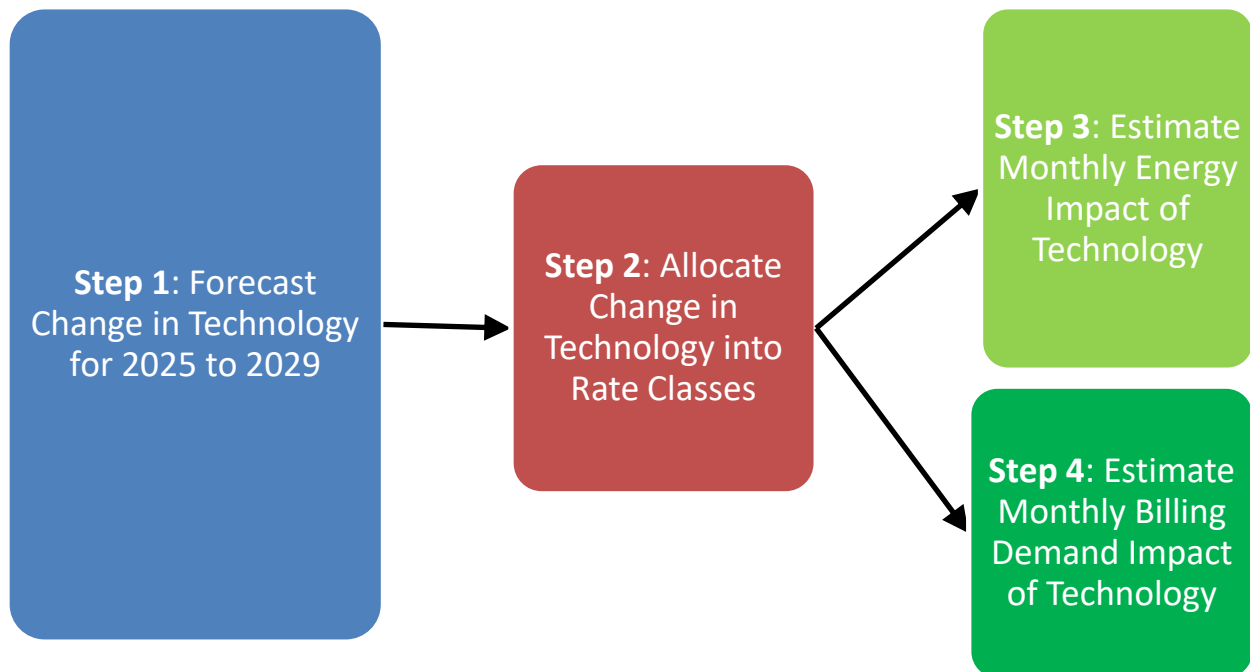
## 2 Integration Forecast Methodology

The 2025-2029 forecasts for the EV counts and DER nameplate capacities are provided by Toronto Hydro. The forecasts appear to be reasonable expectations of near-term technology adoption based on our experience with other clients in forecasting EVs and renewable resources.

After being provided with the forecasts for the technology counts/capacities on a system-wide basis, the Integration Model undertakes a four-step process to translate the forecasted technology count/capacity into incremental energy and billing demand.

The four steps are:

1. Calculate the change in the count/capacity forecasts from 2022.
2. Allocate the change from 2022 to a specific rate class.
3. Estimate the monthly energy (kWh) impact of each technology for the rate class in 2025 through 2029.
4. Estimate the billing demand (kVA) impact of each technology for the three rate classes that contain a billing demand component in 2025 through 2029.



### 2.1 Forecast Change in Technology Count

The objective of the research is to forecast how much energy and billing demand should be added to the base revenue forecast to account for the changes in the technologies included in the study. The base revenue forecast sample dataset goes through the year 2022. The load effects for each technology through 2022 will be embedded within the data used to calculate the base forecasting models.

It is, therefore, the incremental loads from their 2022 values that will drive a change to the base revenue forecast for the upcoming years of 2025 to 2029. The Integration Model calculates the change in each technology for these upcoming years from the 2022 value. These new loads will drive an incremental change in energy and billing demand to the base revenue forecast.

## **2.2 Allocate Incremental Change to the Rate Classes**

Integrating the technology forecasts with the revenue forecast requires allocating the technology count/capacity into appropriate rate classes. The six rate classes that we allocated EVs and DERs to are:

- Residential
- CSMUR
- GS<50 kW
- GS50-999 kW
- GS 1-5 MW
- Large Use

Three of the rate classes also have a billing demand component that is calculated based on the customer's highest kVA reading during the month. The three classes with a demand rate component are the larger customer classes of GS50-999 kW, GS 1-5 MW, and Large Use. For these three rate classes, the Integration Model forecasts the impact on billing demands from the incremental additions of EVs and DERs using hourly interval data specific to individual customers within each rate class and layered on technology hourly load profiles to estimate the impact on billing demand resulting from the presence of the technology. This process is discussed further below in Step 4.

Technologies were allocated by the Integration Model to rate classes based on where the technology is most likely to be used and installed. LDEVs are more likely to be owned and charged at residences and have higher concentrations in the residential rate class, whereas HDEVs are more likely to be owned and charged at larger businesses and be concentrated in the general service or Large Use rate classes.

The following list summarizes the technology and the information used in the Integration Model to allocate each technology to the six rate classes.

Technology	Rate Class Allocation Method
<b>Light-Duty EVs (LDEVs)</b>	The Integration Model uses an estimate of 91% of home charging, placing 91% of LDEVs in the residential rate class. <sup>3</sup> The remaining 9% was apportioned to the other five rate classes based on the percentages of Level 2 EV chargers at Toronto Hydro.
<b>Medium-Duty EVs (MDEVs)</b>	The Integration Model uses the rate class percentage of kWh usage in the Manufacturing and Warehouse industry sector at Toronto Hydro.
<b>Heavy-Duty EVs (HDEVs)</b>	Same as the MDEV method but TTC kWh usage is added to the percentages.
<b>Renewable DER</b>	The Integration Model uses Toronto Hydro's records of customers on the net metering program and the installed kW capacity of Solar by rate class.
<b>Non-Renewable DER</b>	The Integration Model uses the current Non-Renewable installed nameplate capacity by rate class at Toronto Hydro.
<b>Energy Storage</b>	The Integration Model uses the current energy storage by nameplate capacity by rate class.

### 2.3 Estimate Monthly Energy Impact

Estimating the energy contribution of each technology by month to each rate class involves multiplying the expected energy required to charge the EV (or the expected production of the DER) in each month by the forecasted number of EVs/DERs in each rate class. The energy usage for EVs will vary due to temperatures impacting the battery efficiencies of the vehicles. Cold temperatures reduce battery efficiency relative to milder temperatures. The Integration Model uses a differential assumption of +/- 10 percent to adjust for this reality.<sup>4 5</sup> Renewable DERs tend to produce far more energy in the summer months when sunlight is more direct than during winter months. The Integration Model inputs capacity factors for Renewables that are specific to winter and summer months. The model makes no seasonal adjustment for Non-Renewable DERs.

The average daily EV energy consumption was provided by Toronto Hydro. For LDEVs, Toronto Hydro estimated an average daily consumption of 9.4 kWh per LDEV. For MDEVs, Toronto Hydro estimated

<sup>3</sup> USDRIVE, Summary Report on EVs605 at Scale and the U.S. Power System, Grid Integration Tech Team and Integrated Systems Analysis Tech Team, 2019.

<sup>4</sup> [Cold Temperatures Affect an Electric Vehicle's Driving Range - Consumer Reports](#)

<sup>5</sup> May through September are designated as summer months and are reduced by 10 percent and the remaining months designated as winter months and are increased by 10 percent.





103.56 kWh per MDEV use per day. For HDEVs, Toronto Hydro estimated 319.87 kWh per HDEV use per day. Clearspring then multiplied these daily estimates by the number of days in each month and adjusted for summer/winter seasonal differences.

The Renewable and Non-Renewable average hourly capacity factors are provided by Toronto Hydro. The capacity factors are summed to estimate the daily energy production. This daily production is multiplied by the number of days in each month. The Renewable capacity factors are specific to summer and winter. Energy storage is assumed to not be actively charged and discharged, due to a current lack of evidence regarding how energy storage may be used at customer sites, and so will not have an impact on the results.

## 2.4 Estimate Monthly Billing Demand Impact

Three of Toronto Hydro's rate classes are billed on peak demand,<sup>6</sup> which is calculated as the highest kVA demand for that customer in each month. Billing demand times and amounts will vary from customer to customer and from month to month. The presence of EV charging will put upward pressure on billing demand and that pressure is a function of the number of EVs being charged at the premise, the load profiles of those EVs, and the base load profile for that customer. DERs will also have an impact on billing demand, but in the opposite direction. However, the mechanics of forecasting the change in the Integration Model are the same.

The Integration Model accounts for these factors by using hourly load profiles of the EVs and hourly capacity factors of the DERs, receiving smart meter hourly interval data for customers from Toronto Hydro from the three rate classes with a billing demand component, and then examining how the estimated number of EVs or DERs would impact billing demand for each general service customer. A load profile that estimates the hourly charging requirements (or production expectations) of an EV/DER at the general service customer premise is necessary for the analysis.<sup>7</sup> The load profiles are based on either Toronto Hydro analysis or external sources and are scaled to match the energy assumptions found in Step 3.<sup>8</sup>

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<sup>6</sup> These rate classes are GS 50-999, GS 1-5MW, and Large Users. The remaining rate classes do not have a billing demand rate component.

<sup>7</sup> Since only the three general service rate classes have a billing demand component, it is only a general service load profile that needs to be calculated. Residential home charging can be ignored when estimating billing demand impacts.

<sup>8</sup> The LDEV hourly profile was derived from the U.S. Department of Energy Alternative Fuels Data Center. More details on the LDEV hourly profiles are provided in Section 3. The MDEV, HDEV, and DER hourly load profiles are provided by Toronto Hydro.



The following table shows the seasonal hourly load profiles used for each EV technology in the billing demand analysis of Step 4.

**Table 2: Seasonal Hourly Load Profiles by EV Technology**

Hour Beginning	Summer LDEV	Winter LDEV	Summer MDEV	Winter MDEV	Summer HDEV	Winter HDEV
0	0.0	0.1	4.0	4.9	29.0	35.4
1	0.0	0.0	4.1	5.0	25.2	30.8
2	0.0	0.0	3.7	4.5	19.4	23.7
3	0.0	0.0	4.4	5.3	14.8	18.0
4	0.1	0.1	4.1	5.0	14.2	17.3
5	0.1	0.2	3.6	4.4	12.1	14.8
6	0.4	0.5	3.2	3.9	12.8	15.6
7	0.9	1.1	2.9	3.5	11.9	14.6
8	1.3	1.6	0.9	1.0	2.4	3.0
9	1.3	1.5	1.0	1.2	8.7	10.6
10	0.9	1.1	1.8	2.2	10.5	12.8
11	0.7	0.8	2.1	2.5	13.7	16.7
12	0.5	0.6	4.1	5.0	11.7	14.3
13	0.4	0.5	3.7	4.5	10.3	12.6
14	0.4	0.1	3.6	4.4	10.9	13.4
15	0.4	0.4	4.8	5.8	9.5	11.6
16	0.3	0.4	5.7	7.0	9.2	11.2
17	0.2	0.3	5.2	6.3	8.8	10.7
18	0.2	0.2	4.9	6.0	6.4	7.8
19	0.1	0.1	5.0	6.1	5.8	7.1
20	0.1	0.1	5.8	7.1	4.4	5.4
21	0.1	0.1	5.8	7.1	4.0	4.9
22	0.1	0.1	5.1	6.3	3.3	4.0
23	0.0	0.1	4.0	4.9	29.0	35.4

The following table displays the capacity factors for the DERs. A value of -0.5 means that the model assumes the DER will produce 0.5 kWh for every 1 kW of nameplate capacity in that hour.<sup>9</sup>

**Table 3: Seasonal DER Capacity Factors**

Hour Beginning	Solar Summer	Solar Winter	Energy Storage Summer	Energy Storage Winter	Non-Renewable Summer	Non-Renewable Winter
0	0	0	0	0	-0.66	-0.66
1	0	0	0	0	-0.65	-0.65
2	0	0	0	0	-0.65	-0.65
3	0	0	0	0	-0.65	-0.65
4	0	0	0	0	-0.65	-0.65
5	0	0	0	0	-0.65	-0.65
6	0	0	0	0	-0.66	-0.66
7	-0.03	-0.01	0	0	-0.67	-0.67
8	-0.13	-0.02	0	0	-0.67	-0.67
9	-0.22	-0.04	0	0	-0.67	-0.67
10	-0.28	-0.05	0	0	-0.67	-0.67
11	-0.32	-0.06	0	0	-0.67	-0.67
12	-0.33	-0.06	0	0	-0.67	-0.67
13	-0.35	-0.07	0	0	-0.67	-0.67
14	-0.34	-0.06	0	0	-0.68	-0.68
15	-0.33	-0.06	0	0	-0.68	-0.68
16	-0.32	-0.06	0	0	-0.68	-0.68
17	-0.28	-0.05	0	0	-0.67	-0.67
18	-0.2	-0.04	0	0	-0.67	-0.67
19	-0.09	-0.02	0	0	-0.67	-0.67
20	0	0	0	0	-0.67	-0.67
21	0	0	0	0	-0.66	-0.66
22	0	0	0	0	-0.66	-0.66
23	0	0	0	0	-0.66	-0.66

The Integration Model inputs 2019 hourly smart meter data for customers in the three rate classes with a billing demand component. The year of 2019 is used since 2020 and subsequent hourly load data was influenced by the Covid-19 pandemic. Using this data provides 8,760 hourly observations for each customer included in the analysis. For the rate classes of GS 1-5MW and Large Use, Clearspring received and processed the 2019 interval data for all the customers in the rate classes. Given the large number of customers in the GS 50-999 rate class, Clearspring extracted a sample of the data for that rate class to conduct the billing demand impact analysis.

Using the hourly interval data, the monthly billing demands in 2019 can be calculated for every customer in the three samples. The Integration Model adds the technology load profile to the customer load profile

<sup>9</sup> We assume zero for energy storage as there is not yet evidence available on if energy storage will be used to avoid billing demand or other peak demands or only be used for resiliency.



in every single hour of the year. The revised customer load profile with the new technology loads added is used to calculate what the billing demand would have been if the technology had been present for each customer.

The before and after billing demand differences for every customer are averaged in each rate class to produce an estimate of how much billing demand is predicted to change from adding the technology at the customer premise. This is used to produce the average kW impact per EV (or per DER nameplate) in each month. The average kW estimate is multiplied by the forecasts for the technology count/capacity in each rate class to determine the kW impacts for each rate class by each month. The kW estimate impacts are escalated by an assumption of a 0.95 power factor to translate from kW to kVA.<sup>10</sup>

Layering estimated technology load profiles to customer hourly interval data enables the analysis to adjust for when each customer is actually consuming its peak demand for the month, since customers incur their billing peaks at varying times of day. This procedure enables the model to estimate how the technology will influence the load that is specific to that specific customer's peak time. This is important since EVs are not charged uniformly through the day, nor do Renewable DERs have a constant production curve.

The second advantage of this procedure is that it gives the model flexibility to adjust the peak time after the new loads are added. The addition of EV load (or DER production) may move the peak time to an entirely different hour and the analysis accounts for this possibility.<sup>11</sup>

The steps in the billing demand analysis can be summarized as follows:

1. Estimate the technology hourly load profile.
2. Process the 2019 hourly interval customer data in each of the three rate classes.
3. Calculate the average billing demand in each rate class in 2019.
4. Add the technology hourly load profiles to the customer hourly interval data for every hour in the year.
5. Calculate the average billing demand in each rate class after the addition of the technology hourly load profiles.
6. Take the difference in the before and after billing demand to estimate a per unit billing demand impact for the technology.
7. Multiply the per unit billing demand impact for the rate class by the forecasted number of EVs or DER nameplate capacity for that rate class.

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<sup>10</sup> This assumption was provided to Clearspring from Toronto Hydro.

<sup>11</sup> The more EVs or DER capacity at a given customer site, the more likely it will be that the presence of the technology will shift the billing peak time to a different time that day or to a separate day. The Integration Model accounts for this by adding more EVs and more DER capacity for the larger rate class customers (GS 1-5 MW and Large Use) who are likely to have a higher number of EVs or DERs on site than those customers GS 50-999 kW.



### 3 Light-Duty Electric Vehicle Forecasts

Vehicles classified as Light-Duty Vehicles (“LDVs”) weigh less than 4,535 kilograms according to Statistics Canada. There are two major types of Light-Duty Electric Vehicles (“LDEVs”) on the market today: battery electric vehicles (“BEV”) and plug-in hybrid electric vehicles (“PHEV”). For the purposes of the Integration Model, we do not distinguish between these two types of LDEVs. Given that most driving and the necessary charging will occur due to relatively short driving distances in or near the City of Toronto, both BEVs and PHEVs will add similar electric demand profiles to the grid.

The market adoption rate of LDEVs has grown but continues to be low relative to future expectations. The maturation of the technology, decreasing prices relative to internal combustion engines (“ICE”), and increasing charging opportunities are increasing sales of EVs as a percentage of total sales. However, recent supply chain issues caused by COVID have slowed down adoption rates.<sup>12</sup>

The LDEV forecast was provided by Toronto Hydro. The forecasts appear to be reasonable expectations of near-term technology adoption based on our experience with other clients in forecasting EVs.<sup>13</sup> Historic LDEV data was estimated by Toronto Hydro and is small compared to the future forecasts of LDEVs.

The electric vehicles will mostly be charged at the owner’s residence. However, some of the LDEVs will be charged at alternate locations, typically at the place of work. The energy required for home charging will add to residential energy use and the alternate locational charging will add to the general service rate classes. Integration of the LDEVs into the revenue forecast requires an assumption on the rate class split of where charging will occur.

The Integration Model assumes 91% of LDEV charging in Toronto will occur at home.<sup>14</sup> The remaining 9% of LDEV charging is allocated to the other five rate classes based on Toronto Hydro data on the percentage of Level 2 EV chargers in those five rate classes.

For display purposes, the following table displays the annual LDEV counts for each rate class after allocating 91% to the residential class and divvying up the remaining 9% based on Level 2 EV chargers. The

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<sup>12</sup> [‘Unprecedented’ global chip shortage pushing electric vehicle delays into years - National | Globalnews.ca.](#)

<sup>13</sup> [https://www.eia.gov/outlooks/aeo/data/browser/#/?id=48-AEO2023&cases=ref2023&sourcekey=0.](https://www.eia.gov/outlooks/aeo/data/browser/#/?id=48-AEO2023&cases=ref2023&sourcekey=0)

<sup>14</sup> USDRIVE, Summary Report on EVs605 at Scale and the U.S. Power System, Grid Integration Tech Team and Integrated Systems Analysis Tech Team, 2019.



model is, however, monthly, with the LDEV counts escalating to the annual numbers in December of each year.

**Table 4: Number of LDEVs by Rate Class and Year**

Year	Residential	CSMUR	GS<50 kW	GS50-999 kW	GS 1-5 MW	LU
2019	6,722	43	143	342	128	14
2020	9,023	57	190	456	171	19
2021	11,960	76	252	604	227	25
2022	16,247	103	342	821	308	34
2023	24,031	152	506	1,214	455	51
2024	35,140	222	739	1,775	665	74
2025	48,015	303	1,010	2,425	909	101
2026	68,844	435	1,449	3,477	1,304	145
2027	95,777	605	2,015	4,837	1,814	202
2028	129,639	818	2,728	6,547	2,455	273
2029	163,591	1,033	3,442	8,262	3,098	344

### 3.1 LDEV Energy Forecast

Estimating the energy contribution of each LDEV by month for each rate class involves multiplying the expected energy required to charge each LDEV in each month by the forecasted number of LDEVs in each rate class. The charging energy required is a function of the average kilometres (“km”) driven each day and the average EV efficiency factor. The EV efficiency factor measures how many kilowatt hours (“kWh”) of electricity are required per kilometre of driving.

$$kWh \text{ per day for LDEV} = \text{average km driven per day (km)} * \text{EV efficiency factor (kWh / km)}$$

Toronto Hydro estimated that an average Toronto LDEV driver will average 40.3 km/day. The EV efficiency factor is estimated by Toronto Hydro at .233 kWh/km. Multiplying these two components together produces the estimate of each LDEV requiring 9.4 kWh per day, which appears reasonable to Clearspring based on our experience and other external sources.<sup>15</sup>

<sup>15</sup><https://ecocostsavings.com/average-electric-car-kwh-per-mile/>.



The following table displays the forecasted annual LDEV energy contribution for each rate class.

**Table 5: Annual LDEV Energy Contribution by Rate Class and Year (kWh)**

Year	Residential	CSMUR	GS<50 kW	GS50-999 kW	GS 1-5 MW	LU
2019	2,168,435	13,689	45,630	109,512	41,067	4,563
2020	27,822,885	175,641	585,471	1,405,131	526,924	58,547
2021	36,954,088	233,285	777,617	1,866,281	699,855	77,762
2022	49,725,428	313,908	1,046,362	2,511,268	941,725	104,636
2023	71,240,364	449,729	1,499,096	3,597,830	1,349,186	149,910
2024	104,609,262	660,381	2,201,270	5,283,049	1,981,143	220,127
2025	146,623,914	925,613	3,085,376	7,404,902	2,776,838	308,538
2026	206,440,822	1,303,227	4,344,090	10,425,817	3,909,681	434,409
2027	290,473,852	1,833,714	6,112,379	14,669,711	5,501,141	611,238
2028	397,318,920	2,508,209	8,360,697	20,065,674	7,524,628	836,070
2029	515,420,237	3,253,763	10,845,878	26,030,108	9,761,290	1,084,588

The forecasts are translated into monthly forecasts using the monthly LDEV counts found in Table 4 and multiplying the average daily kWh charging by the number of days in each month. An additional monthly adjustment is made to account for the reality that EV batteries perform worse in cold temperatures.<sup>16</sup> To adjust for this, the Integration Model adds 10 percent to the energy totals in winter months and subtracted 10 percent to the energy totals in summer months.<sup>17</sup>

To integrate the LDEV forecasted energy into the revenue forecast, the incremental load of LDEVs for each rate class from their 2022 adoption levels are added to the revenue forecast. The incremental load in each month in 2025 to 2029 is the difference between that month’s forecasted LDEV load and the same month in 2022.

For display purposes, the following table displays the annual LDEV incremental energy impact from 2022 levels for each rate class. The model is, however, monthly. Also shown is the average increase in LDEV energy from the base revenue forecast for each rate class.

**Table 6: Annual Incremental Energy by Rate Class (kWh)**

Year	Residential	CSMUR	GS<50 kW	GS50-999 kW	GS 1-5 MW	LU
2025	96,898,485	611,704	2,039,014	4,893,634	1,835,113	203,901
2026	156,715,393	989,319	3,297,729	7,914,549	2,967,956	329,773
2027	240,748,423	1,519,805	5,066,018	12,158,44	4,559,416	506,602
2028	347,593,491	2,194,301	7,314,336	17,554,406	6,582,902	731,434
2029	465,694,809	2,939,855	9,799,517	23,518,840	8,819,565	979,952

<sup>16</sup> <https://cleantechnica.com/2022/12/19/how-temperature-affects-electric-car-range-charging-performance/>.

<sup>17</sup> Summer months are defined as May through September with the remaining months designated as winter months.

## 3.2 LDEV Billing Demand Forecast

A load profile that estimates the hourly charging requirements of an LDEV at the general service customer premise is necessary to forecast the impact of LDEVs on billing demand.<sup>18</sup> Most of this charging will be from commuters who are working at the place of business. The Integration Model uses a load profile that estimates “at work” charging behavior per LDEV from the U.S. Department of Energy (DOE) Alternative Fuels Data Center.<sup>19</sup>

The DOE profile is scaled to match the LDEV energy charging assumptions that were provided to Clearspring by Toronto Hydro. The model scales the profile to match the energy use estimate of 9.4 kWh and adjusts for summer and winter differences in battery efficiency. The winter and summer LDEV load profiles for “at work” charging used in the analysis are provided in the following table.

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<sup>18</sup> Since only the three general service rate classes have a billing demand component, it is only a general service load profile that needs to be calculated. Residential home charging can be ignored when estimating billing demand impacts.

<sup>19</sup> The DOE profile tool can be found here: <https://afdc.energy.gov/evi-pro-lite/load-profile/>. The profile used a location of Chicago, which is also on a Great Lake and has similar weather to Toronto, and 25 commuting miles.



**Table 7: Summer and Winter LDEV Work Charging Load Profile**

Hour	Summer LDEV Load	Winter LDEV Load
0	0.04	0.05
1	0.03	0.04
2	0.03	0.03
3	0.02	0.02
4	0.05	0.06
5	0.14	0.18
6	0.41	0.50
7	0.88	1.08
8	1.33	1.62
9	1.25	1.53
10	0.94	1.15
11	0.65	0.80
12	0.47	0.57
13	0.42	0.52
14	0.40	0.14
15	0.35	0.43
16	0.29	0.35
17	0.22	0.27
18	0.16	0.19
19	0.12	0.14
20	0.08	0.10
21	0.06	0.07
22	0.05	0.07
23	0.05	0.06

For display purposes, the following table displays the annual LDEV incremental billing demand impact from 2022 levels for each rate class. The model is, however, monthly.

**Table 8: Incremental Demand from 2022 Levels by Rate Class**

Year	GS50-999 kW	GS 1-5 MW	LU
2025	10,915	4,198	424
2026	17,652	6,788	686
2027	27,118	10,429	1,054
2028	39,154	15,059	1,522
2029	52,459	20,180	2,040

Shown in the following table is the average percentage increase in LDEV billing demand from the base revenue forecast for each rate class.

**Table 9: LDEV Percentage Increase from Base Demand by Rate Class**

Year	GS50-999 kW	GS 1-5 MW	LU
2025	0.0%	0.0%	0.0%
2026	0.1%	0.1%	0.0%
2027	0.1%	0.1%	0.0%
2028	0.2%	0.2%	0.0%
2029	0.2%	0.3%	0.1%



## 4 Medium-Duty and Heavy-Duty Electric Vehicle Forecasts

Vehicles classified as Medium-Duty Vehicles (“MDVs”) weigh between 4,535 and 11,793 kilograms according to Statistics Canada. Vehicles classified as Heavy-Duty Vehicles (“HDVs”) weigh more than 11,793 kilograms. Medium-Duty Electric Vehicles (“MDEVs”) and Heavy-Duty Electric Vehicles (“HDEVs”) are forecasted separately by Toronto Hydro.

The MDEV and HDEV count forecast was provided to Clearspring by Toronto Hydro. The forecasts appear to be reasonable expectations of near-term technology adoption based on our experience with other clients in forecasting EVs.

The table below provides the historic and forecasted MDEVs and HDEVs in Toronto.

**Table 10: Forecast for the Number of MDEVs and HDEVs in Toronto**

Year	Total MDEVs in Toronto	Total HDEVs in Toronto
2022	193	192
2023	696	687
2024	1,401	1,382
2025	2,186	2,151
2026	3,194	3,137
2027	4,318	4,232
2028	5,359	5,241
2029	6,462	6,305

The MDEVs and HDEVs count forecasts for Toronto Hydro are allocated to the rate classes. The Integration Model uses the Manufacturing and Warehouse kWh usage percentages by rate class provided by Toronto Hydro to allocate the MDEVs by rate class. For the HDEV rate class allocations, the model uses the same Manufacturing and Warehouse kWh usage percentages plus the Toronto Transit Commission (“TTC”) garage kWh usage. The TTC garage usage, which was provided by Toronto Hydro, and was added to the HDEV allocations because of TTC’s Green Bus Program, is forecasted to purchase and add several electric buses to its fleet, which would be classified as HDEVs.

For display purposes, the following table displays the annual MDEV counts for each rate class. The model is, however, monthly with the MDEV and HDEV counts escalating to the annual numbers in December of each year.

**Table 11: Forecasted Number of MDEVs by Rate Class and Year**

Year	Residential	CSMUR	GS<50 kW	GS50-000 kW	GS 1-5 MW	LU
2022	0	0	15	67	59	52
2023	0	0	53	242	214	187
2024	0	0	107	488	431	376
2025	0	0	167	761	672	586
2026	0	0	244	1,113	981	857
2027	0	0	329	1,504	1,326	1,158
2028	0	0	409	1,866	1,646	1,437
2029	0	0	493	2,251	1,985	1,733

The following table displays the annual HDEV counts for each rate class.

**Table 12: Forecasted Number of HDEVs by Rate Class and Year**

Year	Residential	CSMUR	GS<50 kW	GS50-000 kW	GS 1-5 MW	LU
2022	0	0	14	66	58	53
2023	0	0	51	238	209	190
2024	0	0	103	479	419	381
2025	0	0	160	745	653	594
2026	0	0	233	1,087	952	866
2027	0	0	314	1,466	1,285	1,168
2028	0	0	389	1,815	1,591	1,446
2029	0	0	468	2,184	1,914	1,740

#### 4.1 MDEV & HDEV Energy Forecast

Estimating the energy contribution of each MDEV and HDEV by month for each rate class involves multiplying the expected energy required to charge each vehicle in each month by the forecasted number of MDEV and HDEVs in each rate class. The Integration Model assumes that MDEVs require 103.56 kWh per day and HDEVs require 319.87 kWh of electricity per day. Both of these assumptions were provided from Toronto Hydro.

The following table displays the forecasted annual MDEV energy contribution for each rate class.

**Table 13: Annual MDEV Energy Contribution by Rate Class and Year (kWh)**

Year	Residential	CSMUR	GS<50 kW	GS50-999 kW	GS 1-5 MW	LU
2022	0	0	218,981	999,621	881,664	769,734
2023	0	0	973,733	4,444,970	3,920,456	3,422,742
2024	0	0	2,255,250	10,294,937	9,080,117	7,927,368
2025	0	0	3,821,803	17,446,053	15,387,389	13,433,912
2026	0	0	5,717,496	26,099,656	23,019,852	20,097,410
2027	0	0	7,958,422	36,329,203	32,042,295	27,974,425
2028	0	0	10,216,931	46,639,016	41,135,532	35,913,247
2029	0	0	12,466,933	56,909,998	50,194,520	43,822,169

The following table displays the forecasted annual HDEV energy contribution for each rate class.

**Table 14: Annual HDEV Energy Contribution by Rate Class and Year (kWh)**

Year	Residential	CSMUR	GS<50 kW	GS50-999 kW	GS 1-5 MW	LU
2022	0	0	651,538	3,039,822	2,663,982	2,421,476
2023	0	0	2,891,473	13,490,493	11,822,542	10,746,318
2024	0	0	6,685,409	31,191,526	27,335,037	24,846,688
2025	0	0	11,309,656	52,766,467	46,242,474	42,032,954
2026	0	0	16,887,723	78,791,559	69,049,850	62,764,141
2027	0	0	23,459,988	109,455,197	95,922,267	87,190,322
2028	0	0	30,054,632	140,223,247	122,886,187	111,699,676
2029	0	0	36,590,140	170,715,391	149,608,312	135,989,247

The energy forecasts are translated into monthly forecasts using the monthly MDEV and HDEV counts found in Table 11 and multiplying the average daily kWh charging by the number of days in each month. Similar to LDEVs, an additional monthly adjustment is made to account for the reality that EV batteries perform worse in cold temperatures. To adjust for this, the Integration Model adds ten percent to the energy totals in winter months and subtracted ten percent to the energy totals in summer months.

To integrate the MDEV/HDEV forecasted energy into the revenue forecast, the incremental load of MDEV and HDEVs for each rate class from their 2022 adoption levels are added to the revenue forecast. The incremental load in each month in 2025 to 2029 is the difference between that month's forecasted MDEV/HDEV load and the same month in 2022. The incremental load is used since the base revenue forecast uses a dataset through 2022 and, therefore, already has the 2022 MDEV/HDEV load embedded into the forecast.

Tables 16 and 17 below display the annual MDEV and HDEV incremental energy impacts from 2022 levels for each rate class. The model is, however, monthly.

**Table 15: Annual MDEV Incremental Energy by Rate Class (kWh)**

Year	Residential	CSMUR	GS<50 kW	GS50-999 kW	GS 1-5 MW	LU
2025	0	0	3,602,822	16,446,432	14,505,725	12,664,178
2026	0	0	5,498,515	25,100,035	22,138,187	19,327,675
2027	0	0	7,739,440	35,329,582	31,160,631	27,204,691
2028	0	0	9,997,949	45,639,395	40,253,867	35,143,513
2029	0	0	12,247,952	55,910,377	49,312,856	43,052,435

**Table 16: Annual HDEV Incremental Energy by Rate Class (kWh)**

Year	Residential	CSMUR	GS<50 kW	GS50-999 kW	GS 1-5 MW	LU
2025	0	0	10,658,119	49,726,645	43,578,493	39,611,478
2026	0	0	16,236,185	75,751,737	66,385,869	60,342,665
2027	0	0	22,808,450	106,415,375	93,258,285	84,768,846
2028	0	0	29,403,094	137,183,425	120,222,205	109,278,200
2029	0	0	35,938,602	167,675,569	146,944,331	133,567,772

Shown in Tables 18 and 19 are the average percentage increase in MDEV and HDEV energy from the base revenue forecast for each rate class.

**Table 17: Annual Percentage MDEV Impact from Revenue Base Forecast by Rate Class**

Year	Residential	CSMUR	GS<50 kW	GS50-999 kW	GS 1-5 MW	LU
2025	0.0%	0.0%	0.2%	0.2%	0.4%	0.6%
2026	0.0%	0.0%	0.2%	0.3%	0.6%	0.9%
2027	0.0%	0.0%	0.3%	0.4%	0.8%	1.4%
2028	0.0%	0.0%	0.4%	0.5%	1.0%	1.8%
2029	0.0%	0.0%	0.5%	0.6%	1.3%	2.3%

**Table 18: Annual Percentage HDEV Impact from Revenue Base Forecast by Rate Class**

Year	Residential	CSMUR	GS<50 kW	GS50-999 kW	GS 1-5 MW	LU
2025	0.0%	0.0%	0.4%	0.5%	1.1%	2.4%
2026	0.0%	0.0%	0.7%	0.8%	1.7%	3.8%
2027	0.0%	0.0%	1.0%	1.2%	2.4%	5.6%
2028	0.0%	0.0%	1.2%	1.5%	3.1%	7.6%
2029	0.0%	0.0%	1.5%	1.8%	3.9%	9.7%

## 4.2 MDEV & HDEV Billing Demand Forecast

MDEVs and HDEVs will put upward pressure on Toronto Hydro’s three rate classes with billing demand, and that pressure is a function of the number of EVs being charged at the premise, the load profiles of those EVs, and the base load profile for that customer. The model accounts for these factors by using hourly load profiles of the MDEV and HDEVs, analyzing smart meter interval data for customers from Toronto Hydro, and then examining how the estimated number of MDEV and HDEVs would impact billing demand for each general service customer.

The following table displays the hourly load profile used for MDEVs and HDEVs for both the summer and winter. This load profile is layered onto the customer-specific hourly interval data to calculate the difference in the before and after technology billing demands.

**Table 19: Summer and Winter MDEV and HDEV Charging Load Profiles**

Hour Beginning	Summer MDEV	Winter MDEV	Summer HDEV	Winter HDEV
0	4.023	4.917	28.98	35.42
1	4.113	5.027	25.236	30.844
2	3.663	4.477	19.35	23.65
3	4.356	5.324	14.76	18.04
4	4.104	5.016	14.166	17.314
5	3.6	4.4	12.141	14.839
6	3.177	3.883	12.798	15.642
7	2.862	3.498	11.907	14.553
8	0.855	1.045	2.421	2.959
9	1.008	1.232	8.694	10.626
10	1.8	2.2	10.467	12.793
11	2.052	2.508	13.653	16.687
12	4.086	4.994	11.673	14.267
13	3.663	4.477	10.332	12.628
14	3.564	4.356	10.944	13.376
15	4.761	5.819	9.459	11.561
16	5.697	6.963	9.171	11.209
17	5.166	6.314	8.784	10.736
18	4.932	6.028	6.417	7.843
19	5.013	6.127	5.823	7.117
20	5.778	7.062	4.419	5.401
21	5.805	7.095	4.032	4.928
22	5.13	6.27	3.285	4.015
23	4.023	4.917	28.98	35.42

For display purposes, the following table displays the annual MDEV incremental billing demand impact from 2022 levels for each rate class.

**Table 20: MDEV Incremental Demand from 2022 Levels by Rate Class**

Year	GS50-999 kW	GS 1-5 MW	LU
2023	6,731	5,349	4,773
2024	18,182	14,433	12,840
2025	32,192	25,538	22,681
2026	49,136	38,976	34,605
2027	69,176	54,862	48,683
2028	89,387	70,874	62,848
2029	109,511	86,825	76,976

For display purposes, the following table displays the annual HDEV incremental billing demand impact from 2022 levels for each rate class.

**Table 21: HDEV Incremental Demand from 2022 Levels by Rate Class**

Year	GS50-999 kW	GS 1-5 MW	LU
2023	20,793	17,690	18,870
2024	56,129	47,747	50,939
2025	99,259	84,434	90,083
2026	151,239	128,649	137,258
2027	212,538	180,790	192,891
2028	274,117	233,167	248,779
2029	335,092	285,032	304,119

Shown in the following table is the average percentage increase in MDEV billing demand from the base revenue forecast for each rate class.

**Table 22: MDEV Percentage Demand Impact from Revenue Forecast by Rate Class**

Year	GS50-999 kW	GS 1-5 MW	LU
2025	0.1%	0.3%	0.6%
2026	0.2%	0.5%	0.9%
2027	0.3%	0.7%	1.4%
2028	0.4%	0.9%	1.8%
2029	0.5%	1.1%	2.3%



Shown in the following table is the average percentage increase in HDEV billing demand from the base revenue forecast for each rate class.

**Table 23: HDEV Percentage Demand Impact from Revenue Forecast by Rate Class**

Year	GS50-999 kW	GS 1-5 MW	LU
2025	0.5%	1.0%	2.4%
2026	0.7%	1.6%	3.7%
2027	1.0%	2.3%	5.4%
2028	1.3%	3.0%	7.2%
2029	1.6%	3.8%	9.2%

## 5 Renewable DER Forecast

Toronto Hydro provided the Renewable nameplate capacity forecast, and historical, data to Clearspring. It is Clearspring’s understanding that the Renewable forecast is entirely driven by solar. The forecasts appear to be reasonable expectations of near-term technology adoption based on our experience with other clients in forecasting solar resources.<sup>20</sup>

The table below provides the 2022 to 2029 forecast for the Renewable capacity for Toronto Hydro.

**Table 24: Annual Renewable Capacity Forecast by Year**

Year	Total Renewable Nameplate kW
2022	100,366
2023	110,610
2024	117,616
2025	127,593
2026	139,278
2027	152,669
2028	167,768
2029	184,574

The Renewable capacity forecasted for Toronto Hydro is allocated to the different rate classes. The Integration Model uses the 2022 participation percentages in Toronto Hydro’s net metering program by rate class to estimate the rate class allocations.

The following table displays the annual Renewable Capacity for each rate class.

**Table 25: Forecasted Renewable Capacity by Rate Class and Year**

Year	Residential	CSMUR	GS<50 kW	GS50-000 kW	GS 1-5 MW	LU
2022	14,262	0	11,141	66,302	8,662	0
2023	15,718	0	12,278	73,069	9,546	0
2024	16,713	0	13,055	77,697	10,150	0
2025	18,131	0	14,163	84,288	11,011	0
2026	19,791	0	15,460	92,007	12,020	0
2027	21,694	0	16,946	100,853	13,175	0
2028	23,840	0	18,622	110,828	14,478	0
2029	26,228	0	20,488	121,930	15,929	0

### 5.1 Renewable Energy Forecast

Renewables are not able to produce the same amount of electricity continuously and consistently during every hour of the day. For instance, solar will produce substantially more electricity during summer

<sup>20</sup> <https://www.iea.org/reports/renewables-2022/renewable-electricity#abstract>



months and during the mid-day while sunlight is most direct. Toronto Hydro provided the hourly capacity factors to Clearspring for both summer and winter months. The table below provides the hourly capacity factors of a one kW nameplate capacity solar array for both summer and winter.

**Table 26: Summer and Winter Renewable Production Hourly Profiles**

Hour Beginning	Summer	Winter
0	0	0
1	0	0
2	0	0
3	0	0
4	0	0
5	0	0
6	0	0
7	-0.03	-0.01
8	-0.13	-0.02
9	-0.22	-0.04
10	-0.28	-0.05
11	-0.32	-0.06
12	-0.33	-0.06
13	-0.35	-0.07
14	-0.34	-0.06
15	-0.33	-0.06
16	-0.32	-0.06
17	-0.28	-0.05
18	-0.20	-0.04
19	-0.09	-0.02
20	0	0
21	0	0
22	0	0
23	0	0

The hourly capacity factors can be summed to estimate the average production per day of a one kW solar array.<sup>21</sup> In the summer, the sum of the production factors is -3.22, meaning that for every one kW nameplate capacity, a solar array will have an average production of 3.22 kWh’s during the summer months. In the winter, the sum of the production factors is -0.60, meaning a 0.6 kWh production expectation during winter months. The Integration Model multiplies the average daily production by the number of days in each month to estimate the energy contribution of Renewables based on the estimated nameplate capacity in each rate class.

<sup>21</sup> These production factors are for “average” summer and winter days. Cloudy days will have lower production and clear days will have higher production.



The table below provides the annual Renewable energy contribution by rate class and year. The annual totals are provided below for display purposes; however, the model disaggregates the forecasts into monthly contributions to match and integrate with the base revenue forecast.

**Table 27: Annual Renewable Energy Contribution by Rate Class and Year (kWh)**

Year	Residential	CSMUR	GS<50 kW	GS50-999 kW	GS 1-5 MW	LS
2022	-8,761,942	0	-6,844,303	-40,732,855	-5,321,292	0
2023	-9,353,911	0	-7,306,714	-43,484,823	-5,680,806	0
2024	-10,093,938	0	-7,884,779	-46,925,089	-6,130,238	0
2025	-10,859,950	0	-8,483,142	-50,486,158	-6,595,452	0
2026	-11,824,330	0	-9,236,457	-54,969,403	-7,181,138	0
2027	-12,939,083	0	-10,107,236	-60,151,711	-7,858,148	0
2028	-14,204,210	0	-11,095,477	-66,033,082	-8,626,484	0
2029	-15,619,711	0	-12,201,181	-72,613,517	-9,486,144	0

To integrate the Renewable forecasted energy into the revenue forecast, the incremental production of Renewables for each rate class from their 2022 adoption levels are added to the revenue forecast. The incremental production forecasted in each month in 2025 to 2029 is the difference between that month's forecasted production and the same month in 2022. The incremental production is used since the base revenue forecast uses a dataset through 2022 and, therefore, already has the 2022 Renewable production embedded into the forecast.

**Table 28: Annual Incremental Renewable Energy by Rate Class (kWh)**

Year	Residential	CSMUR	GS<50 kW	GS50-999 kW	GS 1-5 MW	LU
2025	-2,098,009	0	-1,638,839	-9,753,304	-1,274,160	0
2026	-3,062,388	0	-2,392,154	-14,236,548	-1,859,846	0
2027	-4,177,141	0	-3,262,932	-19,418,856	-2,536,856	0
2028	-5,442,268	0	-4,251,174	-25,300,228	-3,305,192	0
2029	-6,857,769	0	-5,356,878	-31,880,662	-4,164,852	0

Shown below is the average percentage impact from Renewables from the base revenue forecast for each rate class.

**Table 29: Renewable Energy Percentage of Base Forecast by Rate Class**

Year	Residential	CSMUR	GS<50 kW	GS50-999 kW	GS 1-5 MW	LU
2025	0.0%	0.0%	-0.1%	-0.1%	0.0%	0.0%
2026	-0.1%	0.0%	-0.1%	-0.2%	0.0%	0.0%
2027	-0.1%	0.0%	-0.1%	-0.1%	-0.1%	0.0%
2028	-0.1%	0.0%	-0.2%	-0.3%	-0.1%	0.0%
2029	-0.1%	0.0%	-0.2%	-0.3%	-0.1%	0.0%

## 5.2 Renewable Billing Demand Forecast

Renewables will put downward pressure on Toronto Hydro’s three rate classes regarding billing demand, and that pressure is a function of the nameplate capacity producing at the premise, the production profiles of those Renewables (provided in the table in the prior subsection), and the base load profile for that customer. The Integration Model accounts for these factors by using the hourly Renewable capacity factors, analyzing smart meter interval data for customers from Toronto Hydro, and then examining how the estimated production of the Renewables would impact billing demand for each general service customer.

The following table provides the forecasted incremental billing demand reductions by rate class of Renewables.<sup>22</sup>

**Table 30: Incremental Demand from 2022 Levels by Rate Class**

Year	GS50-999 kW	GS 1-5 MW	LU
2025	-14,790	-3,249	0
2026	-21,583	-4,741	0
2027	-29,435	-6,466	0
2028	-38,345	-8,424	0
2029	-48,314	-10,614	0

Shown below is the average percentage impact from Renewables from the base revenue forecast for each rate class.

**Table 31: Renewable Billing Demand Percentage of Base Forecast by Rate Class**

Year	GS50-999 kW	GS 1-5 MW	LU
2025	-0.1%	0.0%	0.0%
2026	-0.1%	-0.1%	0.0%
2027	-0.1%	-0.1%	0.0%
2028	-0.2%	-0.1%	0.0%
2029	-0.2%	-0.1%	0.0%

<sup>22</sup> The forecast is monthly but annual numbers are provided for display purposes.



## 6 Non-Renewable DER Forecast

Toronto Hydro provided the behind-the-meter Non-Renewable nameplate capacity forecast and historical data to Clearspring. It is Clearspring’s understanding that these Non-Renewable DERs will be actively dispatched by the IESO. The forecasts increase substantially until 2024 and then grow by less than two percent thereafter.

The table below provides the 2022 to 2029 forecast for Non-Renewable capacity for Toronto Hydro.

**Table 32: Annual Non-Renewable Capacity Forecast by Year**

Year	Total Nameplate kW
2022	170,013
2023	198,186
2024	212,056
2025	215,566
2026	218,717
2027	221,597
2028	224,297
2029	226,817

The Non-Renewable capacity forecasted for Toronto Hydro is then allocated to the different rate classes. The Integration Model uses the current nameplate capacity of non-renewable generation by rate class to estimate the rate class allocations.

For display purposes, the following table displays the annual Non-Renewable capacity for each rate class.

**Table 33: Forecasted Non-Renewable Capacity by Rate Class and Year**

Year	Residential	CSMUR	GS<50 kW	GS50-000 kW	GS 1-5 MW	LU
2022	0	0	95	32,026	70,748	67,145
2023	0	0	110	37,333	82,471	78,271
2024	0	0	118	39,946	88,243	83,749
2025	0	0	120	40,607	89,704	85,135
2026	0	0	122	41,201	91,015	86,379
2027	0	0	123	41,743	92,214	87,517
2028	0	0	125	42,252	93,337	88,583
2029	0	0	126	42,726	94,386	89,579

### 6.1 Non-Renewable DER Energy Forecast

Unlike Renewables, Non-Renewables can continuously and consistently produce the same amount of electricity in any hour of the day and are not significantly impacted by winter/summer conditions. Toronto Hydro provided the capacity factors by hour for the existing Non-Renewable generation on its system that

are dispatched by the IESO. These capacity factors are for an average day and are the same for both winter and summer months.

The table below provides the hourly production factors of a one kW Non-Renewable nameplate capacity.

**Table 34: Non-Renewable Production Hourly Profile**

Hour Beginning	Non-Renewable
0	-0.66
1	-0.65
2	-0.65
3	-0.65
4	-0.65
5	-0.65
6	-0.66
7	-0.67
8	-0.67
9	-0.67
10	-0.67
11	-0.67
12	-0.67
13	-0.67
14	-0.68
15	-0.68
16	-0.68
17	-0.67
18	-0.67
19	-0.67
20	-0.67
21	-0.66
22	-0.66
23	-0.66

The hourly capacity factors can be summed to estimate the average production per day of a one kW Non-Renewable resource. The sum of the production factors is -15.96. This means that on an average day, for every one kW of Non-Renewable nameplate capacity, 15.96 kWh's will be generated. The Integration Model multiplies this sum by the number of days in each month to estimate the energy contribution of Non-Renewables based on the estimated nameplate capacity in each rate class. The table below provides the annual Non-Renewable energy contribution by rate class and year.

The annual Non-Renewable energy contributions by rate class are provided below for display purposes; however, the model disaggregates the forecasts into monthly contributions to match and integrate with the base revenue forecast.

**Table 35: Annual Non-Renewable Energy Contribution by Rate Class and Year (kWh)**

Year	Residential	CSMUR	GS<50 kW	GS50-999 kW	GS 1-5 MW	LS
2022	0	0	-550,179	-186,298,506	-411,547,347	-390,586,651
2023	0	0	-600,616	-203,377,196	-449,275,454	-426,393,211
2024	0	0	-666,709	-225,757,248	-498,714,663	-473,314,410
2025	0	0	-693,400	-234,795,282	-518,680,357	-492,263,223
2026	0	0	-704,142	-238,432,497	-526,715,237	-499,888,875
2027	0	0	-713,875	-241,728,342	-533,996,005	-506,798,824
2028	0	0	-722,892	-244,781,589	-540,740,858	-513,200,151
2029	0	0	-731,325	-247,637,294	-547,049,324	-519,187,318

To integrate the Non-Renewable forecasted energy into the revenue forecast, the incremental production of Non-Renewables for each rate class from their 2022 adoption levels are added to the revenue forecast. The incremental production forecasted in each month in 2025 to 2029 is the difference between that month's forecasted production and the same month in 2022.

**Table 36: Annual Incremental Non-Renewable Energy by Rate Class (kWh)**

Year	Residential	CSMUR	GS<50 kW	GS50-999 kW	GS 1-5 MW	LU
2025	0	0	-143,221	-48,496,776	-107,133,010	-101,676,572
2026	0	0	-153,963	-52,133,991	-115,167,889	-109,302,224
2027	0	0	-163,696	-55,429,836	-122,448,658	-116,212,173
2028	0	0	-172,713	-58,483,084	-129,193,510	-122,613,500
2029	0	0	-181,146	-61,338,789	-135,501,977	-128,600,667

Shown below is the average percentage impact from Non-Renewables from the base revenue forecast for each rate class.

**Table 37: Non-Renewable Energy Percentage of Base Forecast by Rate Class**

Year	Residential	CSMUR	GS<50 kW	GS50-999 kW	GS 1-5 MW	LU
2025	0.0%	0.0%	0.0%	-0.5%	-2.6%	-6.3%
2026	0.0%	0.0%	0.0%	-0.6%	-2.9%	-6.9%
2027	0.0%	0.0%	0.0%	-0.6%	-3.1%	-7.7%
2028	0.0%	0.0%	0.0%	-0.6%	-3.3%	-8.4%
2029	0.0%	0.0%	0.0%	-0.7%	-3.5%	-9.3%



## 6.2 Non-Renewable DER Demand Forecast

Non-Renewables will put downward pressure on billing demand and is a function of the nameplate capacity producing at the premise, the production profiles of those Non-Renewables (provided in the table in the prior subsection), and the base load profile for every customer. The Integration Model accounts for these factors by using the hourly Non-Renewable capacity factors provided by Toronto Hydro, receiving smart meter interval data for customers from Toronto Hydro, and then analyzing how the estimated production of the Non-Renewables would impact billing demand for each general service customer.

The following table provides the forecasted incremental billing demand reductions by rate class of Non-Renewables.<sup>23</sup>

**Table 38: Incremental Non-Renewable Demand from 2022 Levels by Rate Class**

Year	GS50-999 kW	GS 1-5 MW	LU
2025	-66,838	-147,567	-139,841
2026	-71,852	-158,638	-150,333
2027	-76,396	-168,670	-159,839
2028	-80,605	-177,963	-168,646
2029	-84,542	-186,655	-176,883

Shown below is the average percentage impact from Non-Renewables from the base revenue forecast for each rate class.

**Table 39: Non-Renewable Billing Demand Percentage of Base Forecast by Rate Class**

Year	GS50-999 kW	GS 1-5 MW	LU
2025	-0.3%	-1.7%	-3.5%
2026	-0.3%	-1.8%	-3.8%
2027	-0.3%	-2.0%	-4.2%
2028	-0.4%	-2.2%	-4.6%
2029	-0.4%	-2.3%	-5.1%

<sup>23</sup> The forecast is monthly but we show annual numbers for display purposes.

## 7 Energy Storage Forecast

Energy storage can be used for multiple purposes. One viable option may be for back-up power when outages are encountered. Another possible purpose is to reduce billing peaks or shift energy use from on-peak to off-peak. If energy storage is actively used to reduce billing demands, this could have the impact of reducing demands but increasing energy use at the premise through energy losses that result from the inefficiency in the discharge/charging cycle. Under the back-up option, there would be minimal impacts on demand and energy.

It is unclear how energy storage will be used in the future on Toronto Hydro's system. There is no evidence yet that reveals how energy storage may be used on the system and if its presence will result in meaningful energy or billing demand changes. Given this current lack of evidence, it is assumed that energy storage will only be used for back-up power through the forecast period meaning that energy storage is assumed to have zero kWh and zero kW impacts.

The forecasted energy storage nameplate kW, provided by Toronto Hydro, are presented in Table 40 below.

**Table 40: Annual Energy Storage Nameplate kW**

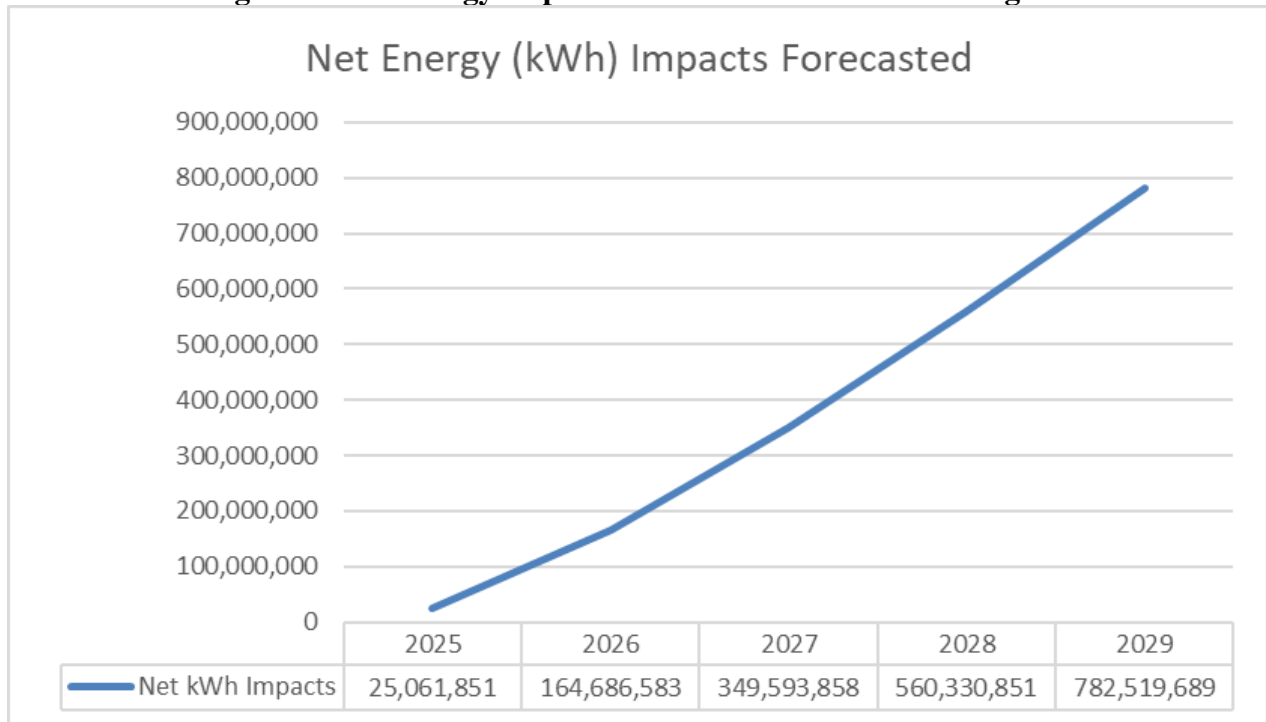
Year	Residential	CSMUR	GS<50 kW	GS50-999 kW	GS 1-5 MW	LS
2019	12	0	0	803	3,338	4,926
2020	24	0	0	1,553	6,457	9,531
2021	25	0	0	1,609	6,692	9,876
2022	25	0	0	1,656	6,883	10,159
2023	77	0	0	5,003	20,800	30,699
2024	82	0	0	5,309	22,073	32,578
2025	100	0	0	6,487	26,969	39,804
2026	105	0	0	6,842	28,446	41,984
2027	111	0	0	7,198	29,927	44,171
2028	116	0	0	7,554	31,408	46,357
2029	122	0	0	7,912	32,897	48,553

## 8 Net Results

The six technology inputs can be aggregated and layered onto the base revenue forecast to determine the expected forecast after accounting for the incremental impacts of the technologies. There is a balancing of impacts between the technologies, as EVs will increase energy and billing demand, while DERs will lower energy and billing demand.

The net forecasted energy impacts are provided below annually.<sup>24</sup>

**Figure 1: Net Energy Impacts Forecasted for Six Technologies**

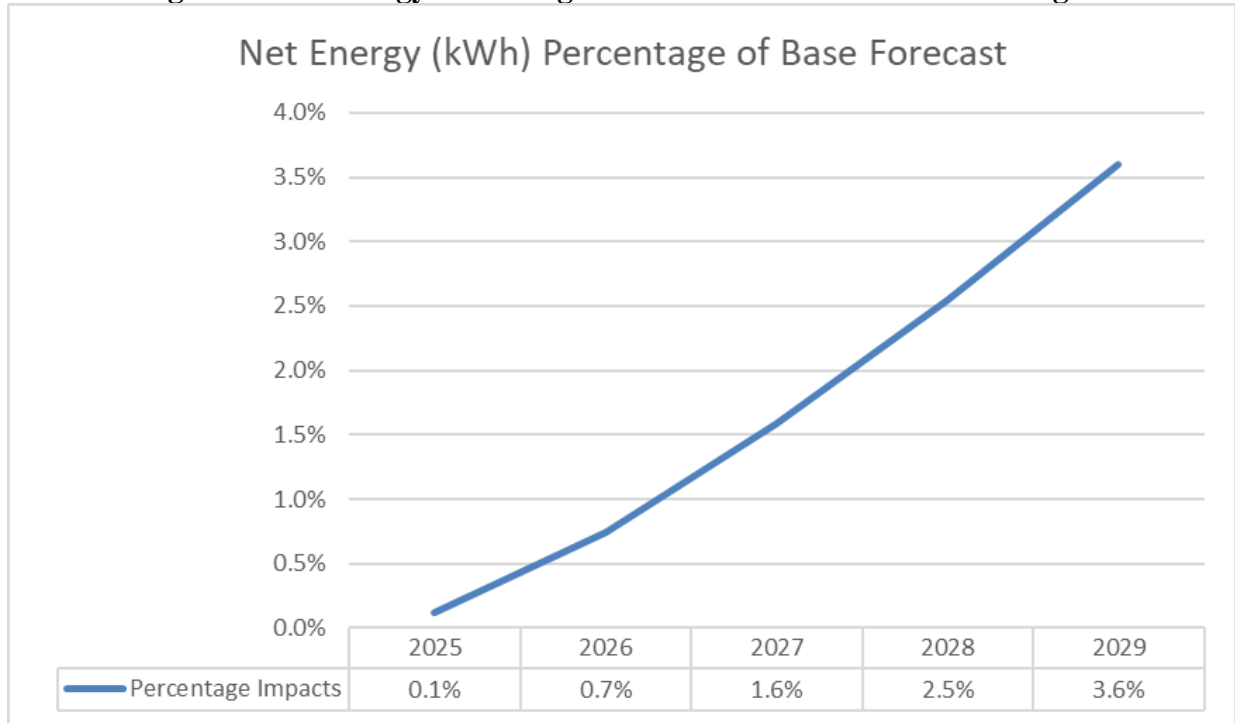


<sup>24</sup> The forecasts are integrated on a monthly basis as the base revenue forecast is monthly, but we display annual impacts here for display purposes.



The following graph displays the percentage difference of the net energy impacts, in kWh's, relative to the total energy for that same year in the base revenue forecast.

**Figure 2: Net Energy Percentage of Base Forecast for Six Technologies**



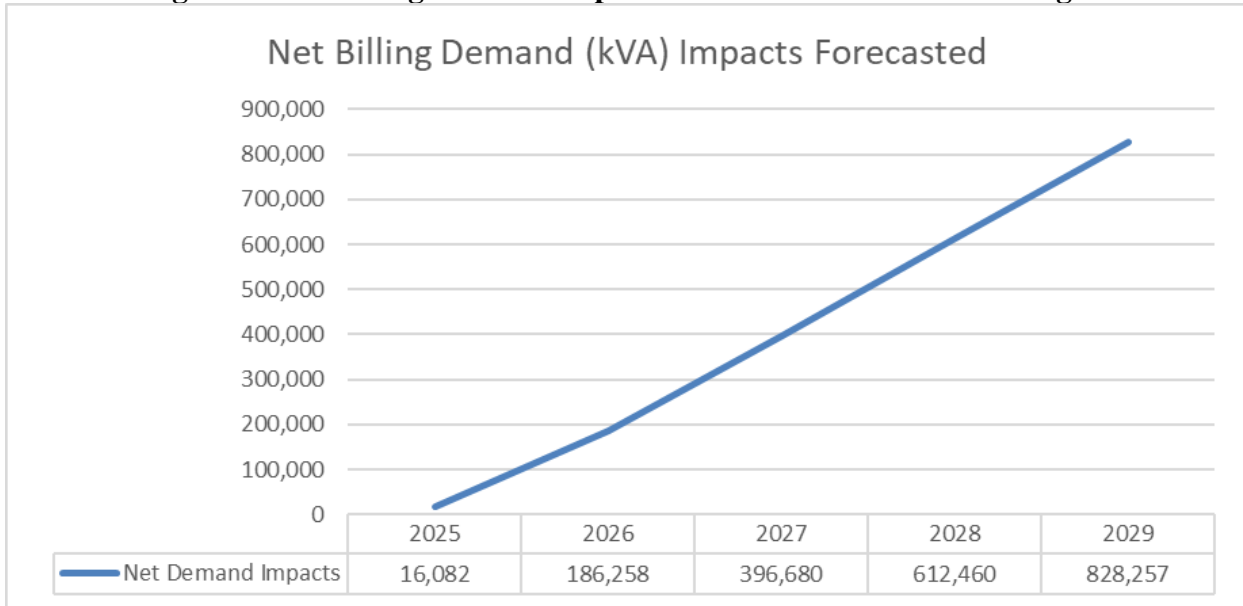
The following table displays, annually, the forecasted net energy by rate class that is projected to be added in 2025 to 2029.

**Table 41: Annual Incremental Net Energy by Rate Class (kWh)**

Year	Residential	CSMUR	GS<50 kW	GS50-999 kW	GS 1-5 MW	LU
<b>2025</b>	94,800,477	611,704	14,517,895	12,816,631	-48,487,840	-49,197,015
<b>2026</b>	153,653,005	989,319	22,486,312	42,395,781	-25,535,723	-29,302,110
<b>2027</b>	236,571,282	1,519,805	32,187,280	79,054,707	3,992,817	-3,732,034
<b>2028</b>	342,151,223	2,194,301	42,291,493	116,593,914	34,560,272	22,539,647
<b>2029</b>	458,837,040	2,939,855	52,448,047	153,885,334	65,409,923	48,999,491

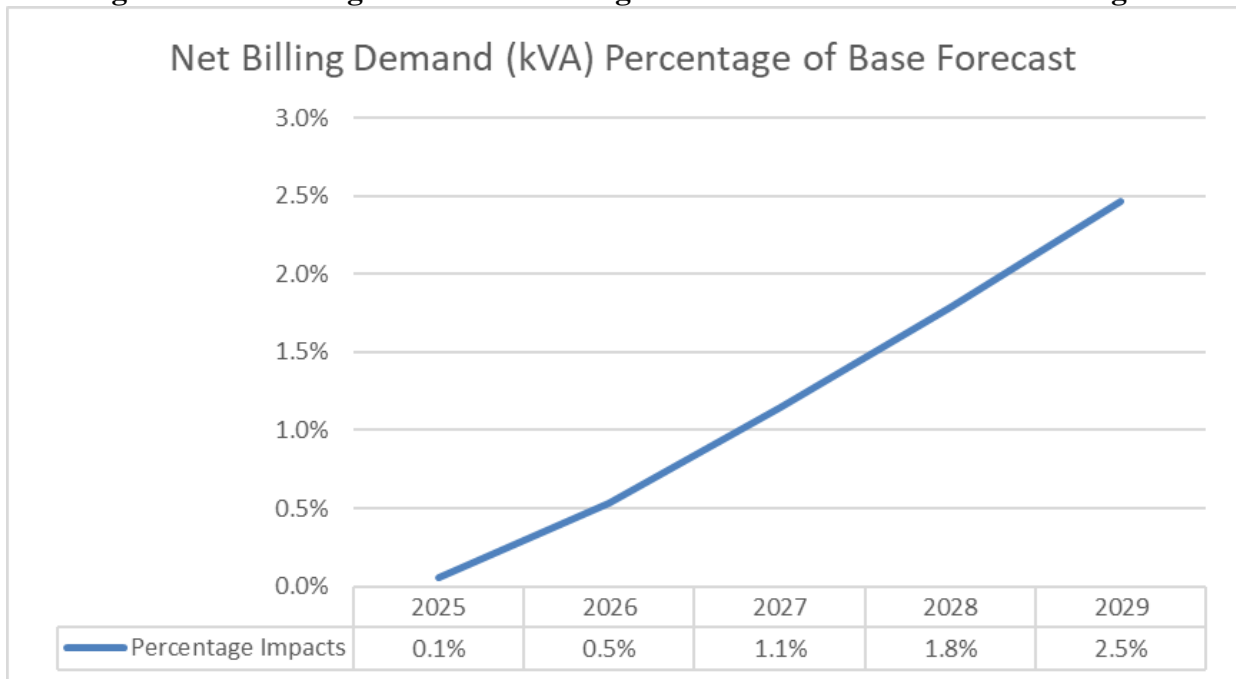
The net forecasted billing demand impacts are provided below annually.

**Figure 3: Net Billing Demand Impacts Forecasted for Six Technologies**



The following graph displays the percentage difference of the net demand impacts, in kVA, relative to the total billing demand in the base revenue forecast.

**Figure 4: Net Billing Demand Percentage of Base Forecast for Six Technologies**



The following table displays, annually, the forecasted net billing demand by rate class that is projected to be added in 2025 to 2029.

**Table 42: Annual Incremental Net Billing Demand by Rate Class (kWh)**

Year	GS50-999 kW	GS 1-5 MW	LU
2025	67,656	-30,857	-20,717
2026	135,138	19,857	31,262
2027	217,828	83,348	95,503
2028	302,839	148,716	160,905
2029	387,607	214,340	226,310



## 9 Load Profiles

To assist with the cost allocation model (“CAM”) study used for rate setting purposes by Toronto Hydro, Clearspring performed a detailed comparison between hourly 2019 rate class load profiles and hourly 2019 load profiles modified with 2025 EV and DER forecasted load impacts (LDEVs, MDEVs, HDEVs, Renewable, and non-renewable DERs). This analysis provides Toronto Hydro with the changes in the rate class allocators used within the CAM due to the anticipated changes in the technologies studied in the Integration Model.

The 2025 hourly EV/DER loads were constructed by multiplying the expected LDEV, MDEV, and HDEV counts by the same kW load profiles used in the Integration Model. Similarly, for Renewable and Non-Renewable DERs, the 2025 loads were forecasted by multiplying the total nameplate capacities by the kW load profiles used in the Integration Model.

One load profile needed to be added to the analysis: a residential LDEV load profile. For the Integration Model, it was not necessary to include a residential LDEV load profile because billing demand is not a component of residential rates. However, how LDEV’s may impact the cost allocations between the residential and other classes in the CAM is pertinent.

The residential LDEV load profile assumed that EV owners would typically “smart charge” their vehicles in response to time-of-use pricing such as the Ultra-Low Overnight (“ULO”) rate offering. The ULO provides a steep reduction in the electricity rate if consumers use electricity during off-peak, night-time hours. Our analysis assumes that consumers are typically charging vehicles during this time by using an LDEV load profile derived from the Alternative Fuels Data Center of the U.S. Department of Energy (“DOE”) that estimates the load shape of residential LDEVs in the presence of smart charging.<sup>25</sup> This DOE load shape was then scaled to match the energy assumptions for the City of Toronto used in the Integration Model. The seasonal adjustment of adding ten percent for winter months and subtracting ten percent for summer months consistent with the Integration Model is also implemented for the CAM analysis.

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<sup>25</sup> <https://afdc.energy.gov/evi-pro-lite/load-profile/>. The load shape used Chicago as the target city, 25 miles of travel per day in a shoulder month, and Level 1 charging.



The following table displays the residential LDEV load profiles used for the analysis.

**Table 43: Residential, Smart Charging LDEV Load Profile for Toronto Hydro**

Hour Beginning	Summer LDEV	Winter LDEV
0	1.319	1.612
1	1.023	1.250
2	0.782	0.956
3	0.587	0.717
4	0.390	0.476
5	0.251	0.306
6	0.141	0.173
7	0.086	0.105
8	0.057	0.070
9	0.043	0.052
10	0.041	0.050
11	0.047	0.057
12	0.052	0.064
13	0.059	0.072
14	0.085	0.104
15	0.124	0.151
16	0.170	0.208
17	0.217	0.265
18	0.245	0.299
19	0.271	0.332
20	0.295	0.360
21	0.307	0.375
22	0.305	0.373
23	1.556	1.902

The CAM input tables are compiled by calculating the yearly, quarterly, and monthly noncoincident (“NCP”) and coincident peaks (“CP”) and comparing the percent differences between the peaks that did not include the impacts of the six technologies and the peaks that did have the 2025 loads added.<sup>26</sup> Ultimately, adding the EV and DER loads to 2019 load data increases the NCP and CPs for the residential, CSMur, and GS<50 rate classes, while it decreases the NCP and CPs for the GS50-999, GS1-5MW, and LU rate classes. The increases are due to EVs having a larger impact on peaks for the lower-use rate classes, whereas the forecasted increase in DERs by 2025 causes peaks to drop for the larger use rate classes.

<sup>26</sup> The NCP or CP impacts of the CAM analysis will not match the demand impacts found in the Integration Model because of the different definitions of demand being analyzed. In the Integration Model, it is billing demand that is relevant which is based on each individual customer’s own peak during the month. For the CAM analysis, the relevant peak demand is either the rate class non-coincident peak or the system coincident peak.



The following table displays the annual, quarterly, and monthly NCPs for the 2019 data prior to adding 2025 technology impacts and then the NCPs after adding in the impacts.<sup>27</sup>

**Table 44: NCPs Before and After 2025 Technology Impacts by Rate Class**

	RES	CSMUR	GS<50	GS50-999	GS1-5MW	LU	SL	USL	Total
1NCP: 2025Baseline	1,200,397	82,549	651,664	1,555,895	656,077	313,003	30,930	6,308	<b>4,496,823</b>
1NCP: 2025Net	1,208,009	82,627	652,960	1,549,754	641,461	299,120	30,930	6,308	<b>4,471,169</b>
% Increase	0.6%	0.1%	0.2%	-0.4%	-2.2%	-4.4%	0.0%	0.0%	-0.6%
4NCP: 2025Baseline	4,352,465	305,044	2,537,886	6,110,014	2,554,303	1,197,692	121,374	24,193	<b>17,202,972</b>
4NCP: 2025Net	4,387,287	305,340	2,543,643	6,094,425	2,490,922	1,142,147	121,374	24,193	<b>17,109,330</b>
% Increase	0.8%	0.1%	0.2%	-0.3%	-2.5%	-4.6%	0.0%	0.0%	-0.5%
12NCP: 2025Baseline	10,811,971	844,395	6,865,466	17,034,887	7,042,030	3,373,926	350,946	69,967	<b>46,393,588</b>
12NCP: 2025Net	10,938,168	845,270	6,894,768	17,017,588	6,855,507	3,216,874	350,946	69,967	<b>46,189,088</b>
% Increase	1.2%	0.1%	0.4%	-0.1%	-2.6%	-4.7%	0.0%	0.0%	-0.4%

The following table displays the annual, quarterly, and monthly CPs for the 2019 data prior to adding 2025 technology impacts and then the CPs after adding in the impacts.

**Table 45: CPs Before and After 2025 Technology Impacts by Rate Class**

	RES	CSMUR	GS<50	GS50-999	GS1-5MW	LU	SL	USL	Total
1CP: 2025Baseline	882,478	47,544	651,664	1,548,661	651,242	292,465	-	4,419	<b>4,078,473</b>
1CP: 2025Net	910,215	49,434	648,767	1,535,394	631,608	262,844	-	4,427	<b>4,042,688</b>
% Increase	3.1%	4.0%	-0.4%	-0.9%	-3.0%	-10.1%	-	0.2%	-0.9%
4CP: 2025Baseline	3,543,740	220,932	2,382,699	6,034,517	2,400,954	1,047,611	28,106	19,091	<b>15,677,651</b>
4CP: 2025Net	3,589,529	222,957	2,385,358	6,008,503	2,335,669	974,279	28,106	19,098	<b>15,563,500</b>
% Increase	1.3%	0.9%	0.1%	-0.4%	-2.7%	-7.0%	0.0%	0.0%	-0.7%
12CP: 2025Baseline	8,755,562	653,844	6,425,559	16,725,360	6,806,902	3,060,941	141,325	59,232	<b>42,628,725</b>
12CP: 2025Net	8,863,910	656,292	6,446,733	16,687,775	6,625,679	2,874,130	141,325	59,240	<b>42,355,083</b>
% Increase	1.2%	0.4%	0.3%	-0.2%	-2.7%	-6.1%	0.0%	0.0%	-0.6%

<sup>27</sup> The following tables include metered and unmetered street lighting but there are zero impacts of the technologies assumed on those rate classes.



## **Appendix A: Monthly Projected Impacts by Technology by Rate Class from the Integration Model**

The following tables provide the forecasted monthly impacts for each technology resulting from the Integration Model.

## LDEV Monthly Impacts

Date	RES	CSMUR	GS<50	GS 50-999		GS 1-5MW		Large Users	
	Distribution kWh	Distribution kWh	Distribution kWh	Distribution kWh	Distribution kVA	Distribution kWh	Distribution kVA	Distribution kWh	Distribution kVA
Jan-25	7,651,149	48,300	161,001	386,404	611	144,901	317	16,100	33
Feb-25	7,117,706	44,933	149,776	359,463	907	134,799	347	14,978	29
Mar-25	8,109,486	51,194	170,646	409,551	1,081	153,582	350	17,065	38
Apr-25	8,069,666	50,942	169,808	407,540	1,040	152,827	330	16,981	32
May-25	7,010,038	44,253	147,511	354,026	815	132,760	293	14,751	33
Jun-25	6,965,361	43,971	146,571	351,769	763	131,914	338	14,657	34
Jul-25	7,385,041	46,621	155,402	372,964	745	139,862	327	15,540	38
Aug-25	7,572,543	47,804	159,347	382,434	737	143,413	325	15,935	40
Sep-25	7,509,721	47,408	158,025	379,261	900	142,223	335	15,803	33
Oct-25	9,713,668	61,321	204,403	490,566	1,055	183,962	379	20,440	41
Nov-25	9,622,100	60,743	202,476	485,942	1,160	182,228	403	20,248	34
Dec-25	10,172,006	64,214	214,047	513,714	1,102	192,643	455	21,405	42
Jan-26	11,986,076	75,666	252,220	605,329	957	226,998	497	25,222	51
Feb-26	11,224,807	70,860	236,201	566,883	1,430	212,581	547	23,620	46
Mar-26	12,868,854	81,239	270,797	649,912	1,715	243,717	556	27,080	60
Apr-26	12,880,881	81,315	271,050	650,519	1,660	243,945	527	27,105	51
May-26	11,251,336	71,028	236,759	568,223	1,308	213,084	470	23,676	53
Jun-26	11,237,876	70,943	236,476	567,543	1,231	212,829	545	23,648	55
Jul-26	11,973,609	75,587	251,958	604,699	1,208	226,762	530	25,196	61
Aug-26	12,334,745	77,867	259,557	622,938	1,201	233,602	529	25,956	65
Sep-26	12,286,337	77,562	258,539	620,493	1,473	232,685	548	25,854	53
Oct-26	15,958,578	100,744	335,813	805,951	1,732	302,232	623	33,581	67
Nov-26	15,870,936	100,191	333,969	801,525	1,913	300,572	664	33,397	55
Dec-26	16,841,356	106,317	354,389	850,534	1,824	318,950	754	35,439	69
Jan-27	18,818,283	118,797	395,989	950,374	1,502	356,390	780	39,599	80
Feb-27	17,542,929	110,746	369,152	885,965	2,234	332,237	854	36,915	71
Mar-27	20,026,773	126,426	421,419	1,011,406	2,669	379,277	865	42,142	94
Apr-27	19,965,502	126,039	420,130	1,008,312	2,573	378,117	816	42,013	78
May-27	17,374,306	109,681	365,604	877,449	2,020	329,043	725	36,560	81
Jun-27	17,292,280	109,163	363,878	873,307	1,895	327,490	839	36,388	85
Jul-27	18,363,071	115,923	386,410	927,384	1,852	347,769	813	38,641	93
Aug-27	18,857,454	119,044	396,813	952,352	1,836	357,132	809	39,681	100
Sep-27	18,727,583	118,224	394,081	945,793	2,244	354,672	835	39,408	81
Oct-27	24,256,489	153,127	510,424	1,225,018	2,633	459,382	946	51,042	102
Nov-27	24,058,775	151,879	506,264	1,215,033	2,900	455,637	1007	50,626	84
Dec-27	25,464,979	160,756	535,854	1,286,050	2,759	482,269	1139	53,585	105
Jan-28	27,626,810	174,404	581,345	1,395,228	2,205	523,211	1146	58,135	117
Feb-28	25,666,027	162,025	540,085	1,296,203	3,269	486,076	1250	54,008	104
Mar-28	29,205,107	184,367	614,557	1,474,936	3,892	553,101	1261	61,456	136
Apr-28	29,026,699	183,241	610,803	1,465,926	3,741	549,722	1187	61,080	114
May-28	25,186,422	158,998	529,993	1,271,982	2,929	476,993	1051	52,999	118
Jun-28	24,998,796	157,813	526,044	1,262,506	2,739	473,440	1212	52,604	122
Jul-28	26,477,756	167,150	557,166	1,337,198	2,671	501,449	1172	55,717	135
Aug-28	27,123,423	171,226	570,752	1,369,806	2,640	513,677	1163	57,075	143
Sep-28	26,873,313	169,647	565,489	1,357,175	3,221	508,940	1198	56,549	117
Oct-28	34,729,148	219,239	730,798	1,753,915	3,770	657,718	1355	73,080	147
Nov-28	34,372,545	216,988	723,294	1,735,906	4,143	650,965	1439	72,329	120
Dec-28	36,307,445	229,203	764,010	1,833,624	3,933	687,609	1624	76,401	149
Jan-29	38,471,680	242,865	809,551	1,942,923	3,071	728,596	1595	80,955	163
Feb-29	35,463,565	223,876	746,252	1,791,005	4,517	671,627	1727	74,625	144
Mar-29	40,054,785	252,859	842,864	2,022,874	5,338	758,578	1730	84,286	187
Apr-29	39,528,714	249,538	831,794	1,996,306	5,095	748,615	1616	83,179	155
May-29	34,067,365	215,062	716,872	1,720,494	3,962	645,185	1422	71,687	159
Jun-29	33,595,160	212,081	706,936	1,696,646	3,681	636,242	1629	70,694	164
Jul-29	35,362,632	223,239	744,128	1,785,908	3,567	669,716	1566	74,413	180
Aug-29	36,010,266	227,327	757,756	1,818,615	3,505	681,981	1544	75,776	190
Sep-29	35,475,387	223,950	746,501	1,791,602	4,252	671,851	1582	74,650	154
Oct-29	45,595,653	287,838	959,460	2,302,703	4,950	863,514	1779	95,946	192
Nov-29	44,890,844	283,389	944,628	2,267,108	5,411	850,166	1879	94,463	156
Dec-29	47,178,758	297,832	992,773	2,382,654	5,111	893,495	2111	99,277	194

## MDEV Monthly Impacts

Date	RES	CSMUR	GS<50	GS 50-999		GS 1-5MW		Large Users	
	Distribution kWh	Distribution kWh	Distribution kWh	Distribution kWh	Distribution kVA	Distribution kWh	Distribution kVA	Distribution kWh	Distribution kVA
Jan-25	0	0	279,193	1,274,483	2,674	1,124,092	2,070	981,385	1,716
Feb-25	0	0	260,741	1,190,251	2,722	1,049,799	2,060	916,524	1,835
Mar-25	0	0	298,162	1,361,073	2,674	1,200,464	2,168	1,048,061	1,834
Apr-25	0	0	297,722	1,359,065	2,746	1,198,693	2,276	1,046,515	2,035
May-25	0	0	259,470	1,184,450	2,312	1,044,683	1,948	912,057	1,724
Jun-25	0	0	258,610	1,180,523	2,489	1,041,219	1,835	909,033	1,653
Jul-25	0	0	274,990	1,255,296	2,736	1,107,169	1,953	966,610	1,626
Aug-25	0	0	282,750	1,290,719	2,628	1,138,412	2,078	993,887	1,726
Sep-25	0	0	281,139	1,283,363	2,595	1,131,924	2,069	988,223	1,917
Oct-25	0	0	364,552	1,664,135	3,234	1,467,764	2,823	1,281,427	2,385
Nov-25	0	0	361,971	1,652,351	3,645	1,457,370	2,811	1,272,353	2,628
Dec-25	0	0	383,521	1,750,724	3,431	1,544,135	2,791	1,348,102	2,795
Jan-26	0	0	433,827	1,980,364	4,154	1,746,678	3,217	1,524,932	2,667
Feb-26	0	0	403,645	1,842,588	4,213	1,625,160	3,189	1,418,841	2,840
Mar-26	0	0	459,958	2,099,653	4,125	1,851,890	3,344	1,616,787	2,829
Apr-26	0	0	457,765	2,089,642	4,223	1,843,061	3,499	1,609,079	3,129
May-26	0	0	397,710	1,815,498	3,544	1,601,266	2,985	1,397,980	2,643
Jun-26	0	0	395,226	1,804,159	3,804	1,591,265	2,805	1,389,249	2,526
Jul-26	0	0	419,091	1,913,097	4,169	1,687,349	2,977	1,473,134	2,477
Aug-26	0	0	429,781	1,961,897	3,995	1,730,390	3,159	1,510,712	2,623
Sep-26	0	0	426,263	1,945,836	3,935	1,716,224	3,137	1,498,344	2,907
Oct-26	0	0	551,420	2,517,163	4,891	2,220,134	4,271	1,938,281	3,608
Nov-26	0	0	546,277	2,493,685	5,501	2,199,426	4,243	1,920,202	3,966
Dec-26	0	0	577,552	2,636,452	5,167	2,325,346	4,203	2,030,136	4,209
Jan-27	0	0	629,707	2,874,533	6,030	2,535,334	4,669	2,213,465	3,871
Feb-27	0	0	582,239	2,657,849	6,077	2,344,219	4,601	2,046,613	4,097
Mar-27	0	0	659,537	3,010,704	5,915	2,655,436	4,795	2,318,320	4,057
Apr-27	0	0	652,696	2,979,474	6,021	2,627,891	4,989	2,294,272	4,461
May-27	0	0	564,028	2,574,716	5,026	2,270,895	4,234	1,982,598	3,748
Jun-27	0	0	557,643	2,545,570	5,367	2,245,188	3,957	1,960,155	3,565
Jul-27	0	0	588,434	2,686,129	5,854	2,369,161	4,180	2,068,388	3,478
Aug-27	0	0	600,637	2,741,835	5,584	2,418,294	4,415	2,111,284	3,666
Sep-27	0	0	593,072	2,707,298	5,475	2,387,832	4,364	2,084,689	4,045
Oct-27	0	0	763,942	3,487,302	6,776	3,075,795	5,916	2,685,313	4,999
Nov-27	0	0	753,733	3,440,698	7,591	3,034,690	5,854	2,649,426	5,473
Dec-27	0	0	793,773	3,623,473	7,101	3,195,897	5,776	2,790,168	5,785
Jan-28	0	0	844,606	3,855,520	8,088	3,400,562	6,262	2,968,850	5,192
Feb-28	0	0	775,147	3,538,450	8,091	3,120,907	6,125	2,724,698	5,454
Mar-28	0	0	871,792	3,979,620	7,819	3,510,018	6,338	3,064,411	5,362
Apr-28	0	0	856,824	3,911,294	7,904	3,449,755	6,549	3,011,798	5,856
May-28	0	0	735,527	3,357,590	6,554	2,961,389	5,521	2,585,431	4,888
Jun-28	0	0	722,563	3,298,411	6,955	2,909,193	5,127	2,539,862	4,619
Jul-28	0	0	757,770	3,459,127	7,539	3,050,944	5,383	2,663,617	4,479
Aug-28	0	0	768,892	3,509,895	7,148	3,095,722	5,651	2,702,710	4,693
Sep-28	0	0	754,852	3,445,804	6,968	3,039,193	5,555	2,653,358	5,148
Oct-28	0	0	966,943	4,413,973	8,577	3,893,116	7,489	3,398,873	6,327
Nov-28	0	0	948,905	4,331,635	9,556	3,820,495	7,370	3,335,471	6,890
Dec-28	0	0	994,129	4,538,074	8,893	4,002,573	7,234	3,494,434	7,246
Jan-29	0	0	1,045,965	4,774,698	10,016	4,211,275	7,755	3,676,641	6,430
Feb-29	0	0	957,926	4,372,811	9,999	3,856,812	7,569	3,367,177	6,740
Mar-29	0	0	1,075,156	4,907,954	9,643	4,328,807	7,817	3,779,252	6,613
Apr-29	0	0	1,054,599	4,814,112	9,728	4,246,039	8,061	3,706,991	7,208
May-29	0	0	903,557	4,124,627	8,051	3,637,914	6,783	3,176,069	6,005
Jun-29	0	0	885,967	4,044,330	8,527	3,567,092	6,287	3,114,239	5,663
Jul-29	0	0	927,441	4,233,655	9,227	3,734,076	6,588	3,260,024	5,482
Aug-29	0	0	939,384	4,288,169	8,733	3,782,158	6,904	3,302,001	5,734
Sep-29	0	0	920,638	4,202,596	8,499	3,706,683	6,774	3,236,108	6,279
Oct-29	0	0	1,177,327	5,374,352	10,443	4,740,169	9,118	4,138,390	7,704
Nov-29	0	0	1,153,474	5,265,464	11,616	4,644,131	8,959	4,054,544	8,375
Dec-29	0	0	1,206,519	5,507,608	10,793	4,857,701	8,780	4,241,001	8,794



## HDEV Monthly Impacts

Date	RES	CSMUR	GS<50	GS 50-999		GS 1-5MW		Large Users	
	Distribution kWh	Distribution kWh	Distribution kWh	Distribution kWh	Distribution kVA	Distribution kWh	Distribution kVA	Distribution kWh	Distribution kVA
Jan-25	-	-	826,965	3,858,297	8,809	3,381,261	6,947	3,073,460	7,635
Feb-25	-	-	772,107	3,602,354	8,251	3,156,962	7,580	2,869,579	8,231
Mar-25	-	-	882,702	4,118,343	9,128	3,609,155	7,387	3,280,609	7,729
Apr-25	-	-	881,197	4,111,322	9,338	3,603,003	7,633	3,275,016	7,994
May-25	-	-	767,813	3,582,319	6,914	3,139,405	5,899	2,853,620	6,473
Jun-25	-	-	765,111	3,569,711	6,846	3,128,356	6,094	2,843,577	6,097
Jul-25	-	-	813,416	3,795,084	7,059	3,325,864	6,519	3,023,106	7,124
Aug-25	-	-	836,218	3,901,467	7,084	3,419,093	6,615	3,107,848	6,690
Sep-25	-	-	831,309	3,878,564	7,563	3,399,022	6,678	3,089,604	7,149
Oct-25	-	-	1,077,781	5,028,506	9,936	4,406,787	8,773	4,005,630	9,246
Nov-25	-	-	1,069,983	4,992,125	12,057	4,374,904	9,179	3,976,650	10,374
Dec-25	-	-	1,133,517	5,288,552	11,497	4,634,681	9,574	4,212,779	10,082
Jan-26	-	-	1,282,610	5,984,158	13,663	5,244,283	10,774	4,766,888	11,842
Feb-26	-	-	1,193,072	5,566,409	12,750	4,878,184	11,713	4,434,116	12,718
Mar-26	-	-	1,359,192	6,341,462	14,055	5,557,410	11,375	5,051,511	11,901
Apr-26	-	-	1,352,403	6,309,787	14,331	5,529,652	11,714	5,026,279	12,269
May-26	-	-	1,174,724	5,480,808	10,579	4,803,166	9,025	4,365,927	9,903
Jun-26	-	-	1,167,149	5,445,462	10,444	4,772,191	9,296	4,337,771	9,300
Jul-26	-	-	1,237,383	5,773,147	10,738	5,059,361	9,917	4,598,800	10,837
Aug-26	-	-	1,268,712	5,919,317	10,749	5,187,458	10,037	4,715,236	10,150
Sep-26	-	-	1,258,104	5,869,826	11,447	5,144,086	10,106	4,675,813	10,819
Oct-26	-	-	1,627,230	7,592,024	15,002	6,653,354	13,246	6,047,689	13,960
Nov-26	-	-	1,611,795	7,520,009	18,162	6,590,243	13,827	5,990,323	15,628
Dec-26	-	-	1,703,812	7,949,328	17,281	6,966,481	14,390	6,332,312	15,155
Jan-27	-	-	1,858,138	8,669,349	19,793	7,597,479	15,609	6,905,870	17,156
Feb-27	-	-	1,717,630	8,013,795	18,356	7,022,978	16,863	6,383,666	18,310
Mar-27	-	-	1,945,186	9,075,483	20,114	7,953,400	16,279	7,229,390	17,032
Apr-27	-	-	1,924,558	8,979,243	20,394	7,869,058	16,670	7,152,726	17,459
May-27	-	-	1,662,737	7,757,687	14,973	6,798,535	12,774	6,179,654	14,017
Jun-27	-	-	1,643,563	7,668,226	14,707	6,720,134	13,091	6,108,390	13,097
Jul-27	-	-	1,733,959	8,089,979	15,047	7,089,742	13,897	6,444,353	15,186
Aug-27	-	-	1,769,570	8,256,125	14,992	7,235,346	13,999	6,576,702	14,156
Sep-27	-	-	1,746,949	8,150,585	15,894	7,142,855	14,033	6,492,630	15,023
Oct-27	-	-	2,249,856	10,496,954	20,742	9,199,121	18,314	8,361,712	19,302
Nov-27	-	-	2,219,400	10,354,859	25,009	9,074,595	19,039	8,248,521	21,519
Dec-27	-	-	2,336,904	10,903,089	23,702	9,555,042	19,737	8,685,232	20,786
Jan-28	-	-	2,487,100	11,603,843	26,493	10,169,156	20,892	9,243,443	22,964
Feb-28	-	-	2,281,995	10,646,904	24,388	9,330,532	22,404	8,481,160	24,326
Mar-28	-	-	2,565,889	11,971,444	26,533	10,491,307	21,473	9,536,268	22,466
Apr-28	-	-	2,521,243	11,763,140	26,717	10,308,758	21,839	9,370,336	22,872
May-28	-	-	2,163,828	10,095,583	19,486	8,847,375	16,624	8,041,986	18,242
Jun-28	-	-	2,125,220	9,915,450	19,016	8,689,514	16,927	7,898,495	16,935
Jul-28	-	-	2,228,292	10,396,347	19,337	9,110,953	17,859	8,281,570	19,515
Aug-28	-	-	2,260,524	10,546,730	19,151	9,242,743	17,883	8,401,362	18,084
Sep-28	-	-	2,218,797	10,352,044	20,187	9,072,128	17,823	8,246,278	19,081
Oct-28	-	-	2,841,653	13,258,048	26,198	11,618,837	23,131	10,561,157	24,379
Nov-28	-	-	2,788,110	13,008,241	31,417	11,399,915	23,918	10,362,164	27,033
Dec-28	-	-	2,920,442	13,625,650	29,621	11,940,988	24,666	10,853,982	25,976
Jan-29	-	-	3,073,309	14,338,866	32,738	12,566,023	25,817	11,422,119	28,376
Feb-29	-	-	2,813,886	13,128,502	30,072	11,505,307	27,625	10,457,962	29,996
Mar-29	-	-	3,157,440	14,731,389	32,650	12,910,015	26,424	11,734,797	27,646
Apr-29	-	-	3,096,296	14,446,114	32,810	12,660,011	26,820	11,507,551	28,089
May-29	-	-	2,652,195	12,374,110	23,883	10,844,188	20,376	9,857,026	22,359
Jun-29	-	-	2,599,947	12,130,344	23,264	10,630,560	20,708	9,662,845	20,718
Jul-29	-	-	2,721,029	12,695,266	23,613	11,125,636	21,808	10,112,853	23,830
Aug-29	-	-	2,755,447	12,855,844	23,344	11,266,360	21,798	10,240,767	22,043
Sep-29	-	-	2,699,868	12,596,537	24,564	11,039,114	21,688	10,034,207	23,218
Oct-29	-	-	3,451,899	16,105,222	31,824	14,113,988	28,099	12,829,171	29,614
Nov-29	-	-	3,381,256	15,775,629	38,101	13,825,146	29,007	12,566,623	32,784
Dec-29	-	-	3,536,030	16,497,745	35,865	14,457,981	29,865	13,141,849	31,452

## Renewable Monthly Impacts

Date	RES	CSMUR	GS<50	GS 50-999		GS 1-5MW		Large Users	
	Distribution kWh	Distribution kWh	Distribution kWh	Distribution kWh	Distribution kVA	Distribution kWh	Distribution kVA	Distribution kWh	Distribution kVA
Jan-25	(52,801.31)	0	(41,245.22)	(245,464.77)	(452)	(32,067.23)	(74)	0	0
Feb-25	(49,264.96)	0	(38,482.83)	(229,024.86)	(455)	(29,919.54)	(76)	0	0
Mar-25	(56,285.39)	0	(43,966.77)	(261,661.71)	(424)	(34,183.17)	(79)	0	0
Apr-25	(56,155.58)	0	(43,865.37)	(261,058.23)	(509)	(34,104.34)	(86)	0	0
May-25	(320,762.83)	0	(250,560.69)	(1,491,174.71)	(1,757)	(194,805.29)	(488)	0	0
Jun-25	(319,463.02)	0	(249,545.35)	(1,485,132.08)	(2,274)	(194,015.89)	(512)	0	0
Jul-25	(339,460.74)	0	(265,166.37)	(1,578,098.26)	(2,221)	(206,160.88)	(510)	0	0
Aug-25	(348,809.69)	0	(272,469.22)	(1,621,560.03)	(2,294)	(211,838.68)	(534)	0	0
Sep-25	(346,605.14)	0	(270,747.15)	(1,611,311.42)	(2,456)	(210,499.81)	(572)	0	0
Oct-25	(68,479.68)	0	(53,492.22)	(318,350.98)	(768)	(41,588.99)	(108)	0	0
Nov-25	(67,956.50)	0	(53,083.54)	(315,918.82)	(552)	(41,271.26)	(103)	0	0
Dec-25	(71,963.76)	0	(56,213.77)	(334,547.91)	(629)	(43,704.94)	(106)	0	0
Jan-26	(79,547.67)	0	(62,137.87)	(369,804.28)	(680)	(48,310.79)	(112)	0	0
Feb-26	(73,762.59)	0	(57,618.91)	(342,910.40)	(682)	(44,797.41)	(114)	0	0
Mar-26	(83,783.79)	0	(65,446.87)	(389,497.32)	(631)	(50,883.47)	(118)	0	0
Apr-26	(83,130.82)	0	(64,936.81)	(386,461.78)	(753)	(50,486.91)	(128)	0	0
May-26	(472,373.50)	0	(368,989.85)	(2,195,988.27)	(2,588)	(286,881.30)	(718)	0	0
Jun-26	(468,135.89)	0	(365,679.69)	(2,176,288.32)	(3,332)	(284,307.72)	(751)	0	0
Jul-26	(495,107.34)	0	(386,748.17)	(2,301,674.26)	(3,239)	(300,687.99)	(744)	0	0
Aug-26	(506,474.27)	0	(395,627.33)	(2,354,517.25)	(3,331)	(307,591.34)	(776)	0	0
Sep-26	(501,136.64)	0	(391,457.89)	(2,329,703.46)	(3,551)	(304,349.70)	(827)	0	0
Oct-26	(98,610.21)	0	(77,028.38)	(458,422.96)	(1,106)	(59,887.83)	(155)	0	0
Nov-26	(97,478.97)	0	(76,144.73)	(453,164.02)	(792)	(59,200.81)	(148)	0	0
Dec-26	(102,846.33)	0	(80,337.38)	(478,116.00)	(899)	(62,460.51)	(151)	0	0
Jan-27	(110,806.26)	0	(86,555.20)	(515,120.42)	(948)	(67,294.72)	(155)	0	0
Feb-27	(102,335.79)	0	(79,938.58)	(475,742.58)	(946)	(62,150.45)	(158)	0	0
Mar-27	(115,794.41)	0	(90,451.65)	(538,309.57)	(872)	(70,324.12)	(163)	0	0
Apr-27	(114,472.74)	0	(89,419.24)	(532,165.30)	(1,037)	(69,521.44)	(176)	0	0
May-27	(648,199.81)	0	(506,334.83)	(3,013,376.46)	(3,551)	(393,663.92)	(986)	0	0
Jun-27	(640,243.26)	0	(500,119.65)	(2,976,387.75)	(4,557)	(388,831.76)	(1,027)	0	0
Jul-27	(674,969.60)	0	(527,245.78)	(3,137,824.89)	(4,416)	(409,921.72)	(1,014)	0	0
Aug-27	(688,354.49)	0	(537,701.26)	(3,200,049.10)	(4,527)	(418,050.62)	(1,054)	0	0
Sep-27	(679,102.63)	0	(530,474.26)	(3,157,038.69)	(4,812)	(412,431.79)	(1,121)	0	0
Oct-27	(133,252.97)	0	(104,089.23)	(619,471.59)	(1,494)	(80,927.03)	(210)	0	0
Nov-27	(131,368.11)	0	(102,616.89)	(610,709.19)	(1,067)	(79,782.32)	(199)	0	0
Dec-27	(138,241.13)	0	(107,985.68)	(642,660.74)	(1,209)	(83,956.44)	(203)	0	0
Jan-28	(146,577.08)	0	(114,497.22)	(681,413.21)	(1,254)	(89,019.01)	(206)	0	0
Feb-28	(134,984.55)	0	(105,441.83)	(627,521.40)	(1,247)	(81,978.65)	(209)	0	0
Mar-28	(152,317.27)	0	(118,981.12)	(708,098.46)	(1,147)	(92,505.14)	(215)	0	0
Apr-28	(150,181.33)	0	(117,312.65)	(698,168.80)	(1,360)	(91,207.94)	(231)	0	0
May-28	(848,241.77)	0	(662,595.61)	(3,943,339.29)	(4,647)	(515,153.16)	(1,290)	0	0
Jun-28	(835,785.13)	0	(652,865.23)	(3,885,430.37)	(5,948)	(507,588.01)	(1,341)	0	0
Jul-28	(879,047.50)	0	(686,659.20)	(4,086,550.15)	(5,751)	(533,862.06)	(1,321)	0	0
Aug-28	(894,450.36)	0	(698,690.99)	(4,158,155.58)	(5,882)	(543,216.51)	(1,370)	0	0
Sep-28	(880,503.12)	0	(687,796.24)	(4,093,317.11)	(6,239)	(534,746.09)	(1,453)	0	0
Oct-28	(172,407.97)	0	(134,674.77)	(801,496.85)	(1,934)	(104,706.60)	(271)	0	0
Nov-28	(169,623.93)	0	(132,500.05)	(788,554.34)	(1,377)	(103,015.80)	(257)	0	0
Dec-28	(178,148.16)	0	(139,158.66)	(828,182.11)	(1,558)	(108,192.73)	(261)	0	0
Jan-29	(186,860.13)	0	(145,963.93)	(868,682.63)	(1,598)	(113,483.67)	(262)	0	0
Feb-29	(171,708.87)	0	(134,128.67)	(798,246.86)	(1,587)	(104,282.02)	(265)	0	0
Mar-29	(193,352.37)	0	(151,035.28)	(898,864.00)	(1,456)	(117,426.53)	(272)	0	0
Apr-29	(190,256.60)	0	(148,617.05)	(884,472.27)	(1,724)	(115,546.41)	(293)	0	0
May-29	(1,072,499.37)	0	(837,772.20)	(4,985,876.74)	(5,876)	(651,349.02)	(1,631)	0	0
Jun-29	(1,054,761.49)	0	(823,916.43)	(4,903,416.19)	(7,507)	(640,576.47)	(1,692)	0	0
Jul-29	(1,107,341.04)	0	(864,988.43)	(5,147,850.05)	(7,245)	(672,509.02)	(1,664)	0	0
Aug-29	(1,124,761.87)	0	(878,596.54)	(5,228,836.70)	(7,397)	(683,089.02)	(1,722)	0	0
Sep-29	(1,105,338.11)	0	(863,423.85)	(5,138,538.72)	(7,832)	(671,292.60)	(1,825)	0	0
Oct-29	(216,075.19)	0	(168,784.99)	(1,004,498.76)	(2,423)	(131,226.53)	(340)	0	0
Nov-29	(212,246.43)	0	(165,794.19)	(986,699.46)	(1,724)	(128,901.25)	(322)	0	0
Dec-29	(222,567.43)	0	(173,856.33)	(1,034,680.12)	(1,947)	(135,169.38)	(326)	0	0



## Non-Renewable Monthly Impacts

Date	RES	CSMUR	GS<50	GS 50-999		GS 1-5MW		Large Users	
	Distribution kWh	Distribution kWh	Distribution kWh	Distribution kWh	Distribution kVA	Distribution kWh	Distribution kVA	Distribution kWh	Distribution kVA
Jan-25	0	0	(11,786)	(3,991,035)	(5,385)	(8,816,495)	(11,905)	(8,367,458)	(11,292)
Feb-25	0	0	(10,707)	(3,625,706)	(5,425)	(8,009,456)	(11,977)	(7,601,523)	(11,355)
Mar-25	0	0	(11,923)	(4,037,314)	(5,449)	(8,918,729)	(12,040)	(8,464,485)	(11,410)
Apr-25	0	0	(11,605)	(3,929,471)	(5,482)	(8,680,496)	(12,116)	(8,238,386)	(11,483)
May-25	0	0	(12,060)	(4,083,593)	(5,531)	(9,020,962)	(12,207)	(8,561,512)	(11,582)
Jun-25	0	0	(11,737)	(3,974,257)	(5,571)	(8,779,431)	(12,280)	(8,332,282)	(11,628)
Jul-25	0	0	(12,196)	(4,129,872)	(5,594)	(9,123,196)	(12,332)	(8,658,538)	(11,694)
Aug-25	0	0	(12,265)	(4,153,011)	(5,629)	(9,174,313)	(12,408)	(8,707,052)	(11,773)
Sep-25	0	0	(11,935)	(4,041,436)	(5,657)	(8,927,835)	(12,479)	(8,473,128)	(11,793)
Oct-25	0	0	(12,401)	(4,199,290)	(5,691)	(9,276,546)	(12,546)	(8,804,079)	(11,893)
Nov-25	0	0	(12,067)	(4,086,222)	(5,691)	(9,026,771)	(12,609)	(8,567,024)	(11,942)
Dec-25	0	0	(12,538)	(4,245,569)	(5,733)	(9,378,780)	(12,667)	(8,901,105)	(11,996)
Jan-26	0	0	(12,744)	(4,315,401)	(5,822)	(9,533,045)	(12,873)	(9,047,513)	(12,210)
Feb-26	0	0	(11,565)	(3,916,156)	(5,859)	(8,651,083)	(12,936)	(8,210,471)	(12,264)
Mar-26	0	0	(12,864)	(4,356,088)	(5,879)	(9,622,924)	(12,991)	(9,132,815)	(12,311)
Apr-26	0	0	(12,508)	(4,235,256)	(5,909)	(9,355,997)	(13,059)	(8,879,483)	(12,377)
May-26	0	0	(12,985)	(4,396,774)	(5,955)	(9,712,803)	(13,143)	(9,218,116)	(12,471)
Jun-26	0	0	(12,624)	(4,274,630)	(5,992)	(9,442,977)	(13,208)	(8,962,033)	(12,507)
Jul-26	0	0	(13,105)	(4,437,461)	(6,011)	(9,802,683)	(13,250)	(9,303,418)	(12,565)
Aug-26	0	0	(13,165)	(4,457,804)	(6,042)	(9,847,622)	(13,319)	(9,346,069)	(12,637)
Sep-26	0	0	(12,798)	(4,333,691)	(6,066)	(9,573,447)	(13,382)	(9,085,858)	(12,646)
Oct-26	0	0	(13,285)	(4,498,490)	(6,097)	(9,937,501)	(13,440)	(9,431,370)	(12,740)
Nov-26	0	0	(12,915)	(4,373,064)	(6,091)	(9,660,427)	(13,495)	(9,168,407)	(12,781)
Dec-26	0	0	(13,405)	(4,539,176)	(6,130)	(10,027,381)	(13,543)	(9,516,672)	(12,826)
Jan-27	0	0	(13,605)	(4,606,912)	(6,216)	(10,177,013)	(13,742)	(9,658,683)	(13,035)
Feb-27	0	0	(12,337)	(4,177,562)	(6,250)	(9,228,547)	(13,800)	(8,758,524)	(13,083)
Mar-27	0	0	(13,713)	(4,643,404)	(6,267)	(10,257,626)	(13,848)	(9,735,191)	(13,123)
Apr-27	0	0	(13,323)	(4,511,274)	(6,294)	(9,965,742)	(13,910)	(9,458,172)	(13,183)
May-27	0	0	(13,821)	(4,679,896)	(6,338)	(10,338,240)	(13,989)	(9,811,698)	(13,274)
Jun-27	0	0	(13,427)	(4,546,589)	(6,373)	(10,043,755)	(14,048)	(9,532,212)	(13,302)
Jul-27	0	0	(13,928)	(4,716,388)	(6,389)	(10,418,853)	(14,083)	(9,888,206)	(13,355)
Aug-27	0	0	(13,982)	(4,734,634)	(6,417)	(10,459,160)	(14,146)	(9,926,460)	(13,421)
Sep-27	0	0	(13,583)	(4,599,561)	(6,438)	(10,160,774)	(14,203)	(9,643,272)	(13,422)
Oct-27	0	0	(14,090)	(4,771,126)	(6,466)	(10,539,774)	(14,254)	(10,002,968)	(13,512)
Nov-27	0	0	(13,688)	(4,634,876)	(6,455)	(10,238,788)	(14,302)	(9,717,311)	(13,546)
Dec-27	0	0	(14,198)	(4,807,618)	(6,492)	(10,620,387)	(14,344)	(10,079,476)	(13,584)
Jan-28	0	0	(14,394)	(4,873,955)	(6,576)	(10,766,931)	(14,539)	(10,218,555)	(13,790)
Feb-28	0	0	(13,046)	(4,417,499)	(6,609)	(9,758,586)	(14,592)	(9,261,567)	(13,834)
Mar-28	0	0	(14,493)	(4,907,650)	(6,623)	(10,841,367)	(14,636)	(10,289,201)	(13,869)
Apr-28	0	0	(14,074)	(4,765,643)	(6,649)	(10,527,663)	(14,694)	(9,991,474)	(13,927)
May-28	0	0	(14,593)	(4,941,346)	(6,692)	(10,915,804)	(14,771)	(10,359,846)	(14,015)
Jun-28	0	0	(14,170)	(4,798,252)	(6,726)	(10,599,698)	(14,826)	(10,059,841)	(14,039)
Jul-28	0	0	(14,692)	(4,975,042)	(6,739)	(10,990,240)	(14,856)	(10,430,491)	(14,087)
Aug-28	0	0	(14,742)	(4,991,890)	(6,766)	(11,027,458)	(14,915)	(10,465,814)	(14,151)
Sep-28	0	0	(14,315)	(4,847,165)	(6,784)	(10,707,751)	(14,967)	(10,162,390)	(14,144)
Oct-28	0	0	(14,842)	(5,025,585)	(6,811)	(11,101,895)	(15,015)	(10,536,459)	(14,233)
Nov-28	0	0	(14,411)	(4,879,774)	(6,797)	(10,779,787)	(15,058)	(10,230,757)	(14,261)
Dec-28	0	0	(14,941)	(5,059,281)	(6,832)	(11,176,331)	(15,095)	(10,607,104)	(14,295)
Jan-29	0	0	(15,133)	(5,124,220)	(6,913)	(11,319,786)	(15,285)	(10,743,253)	(14,498)
Feb-29	0	0	(13,710)	(4,642,282)	(6,946)	(10,255,149)	(15,335)	(9,732,840)	(14,538)
Mar-29	0	0	(15,224)	(5,155,120)	(6,957)	(11,388,045)	(15,374)	(10,808,036)	(14,569)
Apr-29	0	0	(14,777)	(5,003,777)	(6,981)	(11,053,717)	(15,428)	(10,490,736)	(14,623)
May-29	0	0	(15,315)	(5,186,019)	(7,024)	(11,456,304)	(15,502)	(10,872,818)	(14,709)
Jun-29	0	0	(14,866)	(5,033,679)	(7,056)	(11,119,775)	(15,553)	(10,553,429)	(14,727)
Jul-29	0	0	(15,407)	(5,216,919)	(7,067)	(11,524,564)	(15,578)	(10,937,601)	(14,772)
Aug-29	0	0	(15,452)	(5,232,368)	(7,092)	(11,558,693)	(15,633)	(10,969,992)	(14,832)
Sep-29	0	0	(14,998)	(5,078,534)	(7,108)	(11,218,861)	(15,682)	(10,647,468)	(14,819)
Oct-29	0	0	(15,544)	(5,263,268)	(7,133)	(11,626,952)	(15,725)	(11,034,775)	(14,906)
Nov-29	0	0	(15,086)	(5,108,436)	(7,115)	(11,284,918)	(15,764)	(10,710,161)	(14,930)
Dec-29	0	0	(15,635)	(5,294,167)	(7,149)	(11,695,212)	(15,796)	(11,099,558)	(14,959)



## Appendix B: Summary Curriculum Vitae

# STEVEN A. FENRICK

### SUMMARY OF EXPERIENCE AND EXPERTISE

- I have directed project teams and engaged in research in the fields of performance based regulation, performance benchmarking, DSM, load research and forecasting, and survey design and implementation.
- I have been a expert witness in a number of cases involving incentive regulation and other utility research topics.

### PROFESSIONAL EXPERIENCE

#### **Clearspring Energy Advisors, LLC (2019 to Present)**

##### **Principal Consultant**

Responsible for providing consulting services and expert witness testimony to utilities and regulators in the areas of reliability and cost benchmarking, productivity studies and other empirical aspects of performance-based ratemaking and incentive regulation. Direct activities in the areas of demand-side management programs, peak time rebate programs, load forecasting, and market research.

#### **Power System Engineering, Inc.– Madison, WI (2009 to 2018)**

##### **Director of Economics**

Responsible for providing consulting services to utilities and regulators in the areas of reliability and cost benchmarking, incentive regulation, value-based reliability planning, demand-side management including demand response and energy efficiency, ran peak time rebate programs, load research, load forecasting, end-use surveys, and market research.

#### **Pacific Economics Group – Madison, WI (2001 - 2009)**

##### **Senior Economist**

Co-authored research reports submitted as testimony in numerous proceedings in several states and in international jurisdictions. Research topics included statistical benchmarking, alternative regulation, and revenue decoupling. Managed and supervised PEG support staff in research and marketing efforts.

### EDUCATION

University of Wisconsin - Madison, WI

Bachelor of Science, Economics (Mathematical Emphasis)





University of Wisconsin - Madison, WI

Master of Science, Agriculture and Applied Economics

### Publications & Papers

- “Peak-Time Rebate Programs: A Success Story”, *TechSurveillance*, July 2014 (with David Williams and Chris Ivanov).
- “Demand Impact of a Critical Peak Pricing Program: Opt-In and Opt-Out Options, Green Attitudes and other Customer Characteristics”, *The Energy Journal*, January 2014. (With Lullit Getachew, Chris Ivanov, and Jeff Smith).
- “Evaluating the Cost of Reliability Improvement Programs”, *The Electricity Journal*, November 2013. (With Lullit Getachew)
- “Expected Useful Life of Energy Efficiency Improvements”, Cooperative Research Network, 2013 (with David Williams).
- “Cost and Reliability Comparisons of Underground and Overhead Power Lines”, *Utilities Policy*, March 2012. (With Lullit Getachew).
- “Formulating Appropriate Electric Reliability Targets and Performance Evaluations”, *Electricity Journal*, March 2012. (With Lullit Getachew)
- “Enabling Technologies and Energy Savings: The Case of EnergyWise Smart Meter Pilot of Connexus Energy”, *Utilities Policy*, November 2012. (With Chris Ivanov, Lullit Getachew, and Bethany Vittetoe)
- “The Value of Improving Load Factors through Demand-Side Management Programs”, Cooperative Research Network, 2012 (with David Williams and Chris Ivanov).
- “Estimation of the Effects of Price and Billing Frequency on Household Water Demand Using a Panel of Wisconsin Municipalities”, *Applied Economics Letters*, 2012, 19:14, 1373-1380.
- “Altreg Rate Designs Address Declining Average Gas Use”, *Natural Gas & Electricity*. April 2008. (With Mark Lowry, Lullit Getachew, and David Hovde).
- “Regulation of Gas Distributors with Declining Use per Customer”, *Dialogue*. August 2006. (With Mark Lowry and Lullit Getachew).
- “Balancing Reliability with Investment Costs: Assessing the Costs and Benefits of Reliability-Driven Power Transmission Projects.” April 2011. *RE Magazine*.
- “Ex-Post Cost, Productivity, and Reliability Performance Assessment Techniques for Power Distribution Utilities”. Master’s Thesis.
- “Demand Response: How Much Value is Really There?” *PSE whitepaper*.
- “How is My Utility Performing” *PSE whitepaper*.
- “Improving the Performance of Power Distributors by Statistical Performance Benchmarking” *PSE whitepaper*.
- “Peak Time Rebate Programs: Reducing Costs While Engaging Customers” *PSE whitepaper*.
- “Performance Based Regulation for Electric and Gas Distributors” *PSE whitepaper*.
- “Revenue Decoupling: Designing a Fair Revenue Adjustment Mechanism” *PSE whitepaper*.



## Expert Witness Experience

- Docket EB-2021-0110, Hydro One Networks, Joint Rate Application for Transmission and Distribution. Custom Incentive Regulation Benchmarking and Productivity research.
- Case No. 2020-00299, Big Rivers Electric Corporation, Integrated Resource Plan. Testimony on load forecast research.
- Docket EB-2019-0261, Hydro Ottawa, Custom Incentive Regulation Application.
- Docket EB-2019-0082, Hydro One Networks Transmission, TFP and Econometric Benchmarking research.
- Docket EB-2018-0165, Toronto Hydro Electric System Limited, Econometric Benchmarking research.
- Docket EB-2018-0218, Hydro One Transmission Sault St. Marie, TFP and Econometric Benchmarking research.
- Docket EB-2017-0049, Hydro One Distribution, TFP and Benchmarking research.
- Docket EB-2015-0004, Hydro Ottawa, Custom Incentive Regulation Application.
- Docket 15-SPEE-357-TAR, Application for Southern Pioneer Electric Cooperative, Inc., Demand Response Peak Time Rebate Pilot Program.
- Docket EB-2014-0116, Toronto Hydro, Custom Incentive Regulation Application.
- Docket EB-2010-0379, The Coalition of Large Distributors in Ontario regarding “Defining & Measuring Performance”.
- Docket No. 6690-CE-198, Wisconsin Public Service Corporation, “Application for Certificate of Authority for System Modernization and Reliability Project”.
- Expert Witness presentation to Connecticut Governors “Two Storm Panel”, 2012.
- Docket No. EB-2012-0064, Toronto Hydro’s Incremental Capital Module (ICM) request for added capital funding.
- Docket No. 09-0306, Central Illinois Light rate case filing.
- Docket No. 09-0307, Central Illinois Public Service Company rate case filing.
- Docket No. 09-0308, Illinois Power rate case filing.

## Recent Conference Presentations

- Institute of Public Utilities Advanced Rate Conference at Michigan State University, “Performance Benchmarking”. October 2019.
- Institute of Public Utilities Advanced Rate Conference at Michigan State University, “Performance Benchmarking”. October 2018.
- Panel Moderator at WPUI conference on cost allocation and innovative rate designs at Madison WI. June 2018.
- Institute of Public Utilities Advanced Rate Conference at Michigan State University, “Performance Benchmarking”. October 2017.
- Wisconsin Manager’s Meeting, “Reliability Target Setting Using Econometric Benchmarking”. November 2016.
- Institute of Public Utilities Advanced Rate Conference at Michigan State University, “Performance Benchmarking”. October 2016.



- Wisconsin Electric Cooperative Association (WECA) Conference, “An Introduction to Peak Time Rebates”. September 2016.
- Institute of Public Utilities Advanced Rate Conference at Michigan State University, “Performance Benchmarking”. October 2015.
- EUCI conference chair, 2015. “Evaluating the Performance of Gas and Electric Distribution Utilities.”
- Institute of Public Utilities Advanced Rate Conference at Michigan State University, “Performance Benchmarking”. October 2014.
- Cooperative Exchange Conference, Williamsburg VA. “Smart Thermostat versus AC Direct Load Control Impacts”. August 2014.
- EUCI conference chair in Chicago. “The Economics of Demand Response”. February 2014.
- Institute of Public Utilities Advanced Rate Conference at Michigan State University, “Performance Benchmarking”. October 2013.
- EUCI conference chair in Chicago. “Evaluating the Performance of Gas and Electric Distribution Utilities.” August 2013.
- Presentation to the Ontario Energy Board, “Research and Recommendations on 4<sup>th</sup> Generation Incentive Regulation”.
- Presentation to the Canadian Electricity Association’s best practice working group. 2013
- Conference chair for EUCI conference in March 2013 titled, “Performance Benchmarking for Electric and Gas Distribution Utilities.”
- Presentation to the board of directors of Great Lakes Energy on benchmarking results, December 2012.
- Presentation on making optimal infrastructure investments and the impact on rates, Electricity Distribution Association, Toronto, Ontario. November 2012.
- Conference chair for EUCI conference in August 2012 titled, “Performance Benchmarking for Electric and Gas Distribution Utilities.”
- 2012 presentation in Springfield, IL to the Midwest Energy Association titled, “Reliability Target Setting and Performance Evaluation”.
- 2012 presentation in Springfield, IL to the Midwest Energy Association titled, “Making the Business Case for Reliability-Driven Investments”.
- Conference chair for EUCI conference in 2012 titled, “Balancing, Measuring, and Improving the Cost and Reliability Performance of Electric Distribution Utilities”. St. Louis.
- Conference chair for EUCI conference in 2012 titled, “Demand Response: The Economic and Technology Considerations from Pilot to Deployment”. St. Louis.
- 2012 Presentation in the Missouri PSC Smart Grid conference entitled, “Maximizing the Value of DSM Deployments”. Jefferson City.
- 2011 conference chair on a nationwide benchmarking conference for rural electrical cooperatives. Madison.
- 2011 presentation on optimizing demand response program at the CRN Summit. Cleveland.
- Conference chair for EUCI conference in 2011 titled, “Balancing, Measuring, and Improving the Cost and Reliability Performance of Electric Distribution Utilities”. Denver.
- 2010 presentation on cost benchmarking techniques for REMC. Wisconsin Dells.



1 **OTHER REVENUE**

2

3 **1. INTRODUCTION**

4 In addition to revenues recovered through distribution rates, Toronto Hydro earns other  
 5 revenue from non-distribution related services, property and facility rentals, specific service  
 6 charges, and short-term investments. Toronto Hydro also receives income and recoveries  
 7 from shared services that it provides to its affiliates. Together, these revenues constitute  
 8 Toronto Hydro’s Other Revenue and reduce the utility’s revenue requirement recovered  
 9 through distribution rates. Other Revenue is broken out into the sub-categories summarized  
 10 in Table 1 below.

11

12 **Table 1: Other Revenue Summary**

Segment	Actual			Bridge		Forecast				
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Specific Service Charges	2.7	3.4	3.3	3.5	3.5	3.5	3.5	3.6	3.7	3.8
Late Payment Charges	2.1	1.7	3.5	4.9	4.6	3.9	4.0	4.1	4.2	4.2
Other Operating Revenues	26.4	27.4	27.5	26.5	27.3	28.1	28.7	29.3	29.9	30.5
Other Income or Deductions	8.1	7.5	13.1	11.3	11.5	12.4	12.6	12.8	13.0	13.3
<b>Total</b>	<b>39.3</b>	<b>40.0</b>	<b>47.4</b>	<b>46.2</b>	<b>46.9</b>	<b>47.9</b>	<b>48.8</b>	<b>49.8</b>	<b>50.8</b>	<b>51.8</b>

13

14 A complete breakdown of the Other Revenue accounts is shown in OEB Appendix 2-H –  
 15 Other Operating Revenue (Exhibit 3, Tab 2, Schedule 2).

16

17 **2. REVENUE FROM SPECIFIC SERVICE CHARGES**

18 Toronto Hydro charges OEB-approved user fees for certain services. Some of these services,  
 19 such as account set-up, are provided at the customer’s request. Other fees result from  
 20 Toronto Hydro’s business operations, such as customers’ non-payment of bills.

1 2020-2021 Variance Explanation

2 The historical variance between 2020 and 2021 actuals from \$2.7 million to \$3.4 million is  
3 primarily due to an increase in account setup charges driven by a higher volume of customer  
4 account set-up requests.

5

6 2021-2022 Variance Explanation

7 The historical variance between 2021 and 2022 actuals from \$3.4 million to \$3.3 million is  
8 primarily due to a decrease in account setup charges driven by a lower volume of customer  
9 account set-up requests.

10

11 2022-2025 Variance Explanation

12 The revenue from 2022-2025 is expected to remain stable in accordance with historical  
13 volumes of services driving specific service charges.

14

15 2025-2029 Variance Explanation

16 Between 2025 and 2029, revenue from specific service charges is expected to increase by  
17 \$0.4 million, or an average of \$0.1 million per year, in accordance with the growth of Toronto  
18 Hydro's customer base and concomitant growth in the volumes of services driving specific  
19 service charges.

20

21 **3. LATE PAYMENT CHARGES**

22 Toronto Hydro applies late payment charges on overdue customer balances in accordance  
23 with all applicable legislative and regulatory requirements.

1 2020-2021 Variance Explanation

2 The historical variance between 2020 and 2021 actuals from \$2.1 million to \$1.7 million is  
3 primarily due to Toronto Hydro's voluntary reduction of late payment charges as part of the  
4 relief provided to customers during the COVID-19 pandemic.<sup>1</sup>

5

6 2021-2022 Variance Explanation

7 The historical variance between 2021 and 2022 actuals from \$1.7 million to \$3.5 million is  
8 primarily due to the resumption of the standard late payment charge rate as the relief  
9 measures for customers were lifted by the end of COVID-19 pandemic.

10

11 2022-2025 Variance Explanation

12 Between 2022 and 2025, revenue from late payment charges is expected to significantly  
13 increase relative to previous years, as the arrears that customers accumulated over the  
14 COVID-19 pandemic cumulatively generate higher amounts of late payment charges.  
15 Toronto Hydro expects the increase in late payment charges to stabilize by 2025 as the  
16 utility's resumed collections efforts take effect and rein in the arrears caused by the  
17 pandemic.

18

19 2025-2029 Variance Explanation

20 Between 2025 and 2029, revenue from late payment charges is expected to increase by \$0.3  
21 million, or an average of less than \$0.1 million per year, in accordance with the growth of  
22 Toronto Hydro's customer base and concomitant volumes of late or unpaid accounts.

---

<sup>1</sup> Refer to the Customer Care program in Exhibit 4, Tab 2, Schedule 14 for more information on Toronto Hydro's collections and disconnection for non-payment policies during the COVID-19 pandemic.

1 **4. OTHER OPERATING REVENUES**

2 Other Operating Revenues include revenues from Standard Supply Service (“SSS”)  
3 administration charges, retail service charges, and maintenance of third-party facilities  
4 located within Toronto Hydro. It also includes revenues allocated from Toronto Hydro’s  
5 contract with the City of Toronto for the maintenance of streetlighting assets.

6

7 2020-2021 Variance Explanation

8 The historical variance between 2020 and 2021 actuals from \$26.5 million to \$27.4 million  
9 is primarily due to an increase in revenues related to streetlighting assets and increased  
10 costs of streetlighting operations.

11

12 2021-2022 Variance Explanation

13 The historical variance between 2021 and 2022 actuals from \$27.4 million to \$27.5 million  
14 is primarily due to an increase in revenues related to streetlighting assets and increased  
15 costs of streetlighting operations.

16

17 2022-2025 Variance Explanation

18 Between 2022 and 2025, other operating revenues are expected to increase by \$0.4 million,  
19 or an average of \$0.1 million per year, in accordance with the growth of Toronto Hydro’s  
20 customer base and concomitant growth in the volumes of services driving other operating  
21 revenues.

22

23 2025-2029 Variance Explanation

24 Between 2025 and 2029, other operating revenues are expected to increase by \$2.3 million,  
25 or an average of \$0.6 million per year, in accordance with the growth of Toronto Hydro’s

1 customer base and concomitant growth in the volumes of services driving other operating  
2 revenues.

3

#### 4 **5. OTHER INCOME OR DEDUCTIONS**

5 Toronto Hydro earns revenue by providing services to customers and third parties, through  
6 gains on the sale of reclaimed materials from field, and gains on the disposal of utility  
7 property. Toronto Hydro also earns income and recoveries by providing shared services to  
8 its affiliates and through interest income from the short-term investment of idle cash  
9 balances.

10

11 Toronto Hydro divides its Other Income or Deductions into the following categories:

- 12 • Merchandise and Jobbing;
- 13 • Gains from Sale of Utility Properties;
- 14 • Shared Services Revenues and Expenses from Non-Rate-Regulated Utility  
15 Operations;
- 16 • Miscellaneous Non-Operating Income; and
- 17 • Interest Income from Short-Term Investment.

18

##### 19 **5.1 Merchandise and Jobbing**

20 Toronto Hydro offers some services to customers and third parties for a fee. These services  
21 generally exclude those covered by the various OEB-approved specific service charges and  
22 are comprised of the following activities:

- 23 • Customer requests for isolations, protection, and temporary removals of lines to  
24 allow work on customer equipment;
- 25 • Repair of damaged distribution plant to be reimbursed by third parties (accident  
26 claims);



- 1       • Toronto Hydro’s make-ready work and permit review for pole and duct attachments  
2           and rentals;  
3       • Gains on sale of reclaimed materials from field; and  
4       • Revenues from sale of inventory to third parties.

5

6       The revenues and expenses from Merchandise and Jobbing vary significantly from year to  
7       year, depending on the number and type of activities requested by customers. As such,  
8       forecast of the activities, revenues and expenses from 2023-2025 are based primarily on  
9       historical trends, 2025-2029 revenues and expenses forecasted in accordance with the  
10      growth of Toronto Hydro’s customer base and concomitant volumes of merchandise and  
11      jobbing activities.

12

13      Toronto Hydro also generates income from the sale of reclaimed materials from field (e.g.  
14      scrap metals, reclaimed transformers, cables, etc.). These reclaimed materials are sold at  
15      market rates and any revenue depends on the strength of the market commodity prices at  
16      the time of disposition and the volume of reclaimed material that is available for processing.  
17      Toronto Hydro currently outsources the processing and selling of reclaimed materials to a  
18      third party. Proceeds of the sale net of the vendor’s cost of disposing the reclaimed  
19      materials are remitted to Toronto Hydro.

20

## 21      **5.2 Gains from Sale of Utility Properties**

22      Toronto Hydro periodically disposes of surplus facilities, vehicles, and equipment. Over the  
23      2020 to 2022 period, total net gains from sales were \$3.6 million, of which the utility has  
24      recorded \$1.6 million in the Gain on Sale of Property Variance Account in accordance with  
25      the OEB’s decision from Toronto Hydro’s 2020-2024 rate application.<sup>2</sup> For the forecast

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<sup>2</sup> EB-2018-0165, Decision and Rate Order (February 20, 2020), Schedule C at pages 2-3. See Exhibit 9, Tab 1, Schedule 1 for more information on the Gain on Sale of Property Variance Account.

1 period of 2025 - 2029, Toronto Hydro forecasts gains on sale of utility properties of \$1.8  
2 million, which is in line with historical averages.

3

### 4 **5.3 Shared Services Revenues and Expenses from Non-Rate-Regulated Utility Operations**

5 Toronto Hydro provides shared services to its affiliates and receives income and recoveries  
6 through transfer prices determined based on Affiliate Relationship Code (“ARC”)  
7 requirements. Further details on shared services are provided in Exhibit 4, Tab 5, Schedule  
8 1.

9

### 10 **5.4 Interest Income from Short-Term Investment**

11 Toronto Hydro invests its working capital cash balances at a competitive market rate with its  
12 cash management bank to generate additional interest income. The interest earned from  
13 these short-term investment activities are an offset to Toronto Hydro’s interest expense,  
14 which reduce the overall distribution revenue requirement and result in lower distribution  
15 rates, benefitting ratepayers.

16

### 17 **5.5 Other Income or Deduction Year-over-Year Variance Analysis**

#### 18 2020-2021 Variance Explanation

19 The historical variance for other income or deductions between 2020 and 2021 actuals from  
20 \$8.1 million to \$7.5 million is due to:

- 21 • Decrease of \$3.3 million in merchandising and jobbing primarily due to lower volume  
22 for accident claims, customer and temp services which was partially offset by higher  
23 revenues from sale of reclaimed materials.

24 These variances were partially offset by:

- 25 • Increase in gain on sale of property of \$2.2 million,

- Increase in gain on foreign exchange and interest income from short-term investment of \$0.6 million.

#### 2021-2022 Variance Explanation

The historical variance for other income or deductions between 2021 and 2022 actuals from \$7.5 million to \$13.1 million is due to:

- Increase of \$5.8 million in merchandising and jobbing primarily due to higher volume for customer and temp services and accident claims;
- Increase of \$2.0 million primarily due to HST recovery from the Canada Revenue Agency relating to prior rate periods. Toronto Hydro expects this to be a one-time occurrence.

These variances were partially offset by:

- \$2.3 million lower gain on sale of properties.

#### 2022-2025 Variance Explanation

Between 2022 and 2025, other income or deductions are expected to be relatively lower by \$0.7 million, or an average of \$0.2 million per year, given that the peak in Other Income due to the one-time HST recovery is not expected to continue into 2023 or beyond. In addition, Toronto Hydro expects the revenues from merchandising and jobbing and gain on sale of properties to stabilize by 2023.

#### 2025-2029 Variance Explanation

Between 2025 and 2029, other income or deductions are expected to increase by \$0.9 million, or an average of \$0.2 million per year, in accordance with the growth of Toronto Hydro's customer base and concomitant growth in the volumes of services driving other operating revenues.