EXHIBIT 2 – RATE BASE

2025 Cost of Service

Hawkesbury Hydro Inc.
EB-2024-0031

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2.1. OVERVIEW OF RATE BASE

HHI's methodology of calculating its Rate Base has not changed from its last two costs of service applications (2014 and 2018) and is in line with the OEB's methodology of determining a Rate Base. The net fixed assets used to determine the utility's Rate Base include those distribution assets associated with activities that enable the conveyance of electricity for distribution purposes. HHI does not have non-distribution assets, nor does it conduct non-distribution activities. Controllable expenses include operations and maintenance, billing and collecting, and administration costs discussed in detail in Exhibit 4.

HHI has calculated its' Test Year 2025 Rate Base to be $8,128,199. This rate base is also used to determine the proposed revenue requirement found in Exhibit 6. The table below presents HHI's Rate Base calculations for the Test Year compared to the 2018 Board Approved.

Table 1 – Change in Rate Base from 2018BA

Particulars	Last Board Approved	2025	Var
Net Capital Assets in Service:			
Avg Gross Assets	$7,973,514	$9,571,346	$1,597,832
Avg Acc Depr	$923,622	$2,836,543	$1,912,920
Average Balance	$7,049,892	$6,734,804	-$315,089
Working Capital Allowance	$1,481,078	$1,393,395	-$87,683
Total Rate Base	**$8,530,970**	**$8,128,199**	**-$402,771**
Expenses for Working Capital	**Last Board Approved**	**2025**	**Var**
Eligible Distribution Expenses:			
3500-Distribution Expenses - Operation	$92,648	$208,000	$115,352
3550-Distribution Expenses - Maintenance	$198,496	$232,800	$34,304
3650-Billing and Collecting	$462,970	$572,330	$109,360
3700-Community Relations			
3800-Administrative and General Expenses	$421,000	$645,099	$224,099
Property Taxes	$17,768	$27,805	$10,037
Total Eligible Distribution Expenses	$1,192,882	$1,686,034	$493,152
3350-Power Supply Expenses	$18,554,822	$16,892,567	-$1,662,255
Total Expenses for Working Capital	$19,747,704	$18,578,602	-$1,169,103
Working Capital factor	7.50%	7.50%	0.00%
Total Working Capital	**$1,481,078**	**$1,393,395**	-$87,683

2.1.1 Rate Base Trend and Cost Drivers

The Rate Base trend table presents HHI's Rate Base calculations for all required years, including the Test Year 2025. Year-over-year variance analysis follows.

Table 2 – Rate Base Trend (1)

Particulars	Last Board Approved	2018	2019	2020	2021
Net Capital Assets in Service:					
Avg Gross Assets	$7,973,514	$7,979,565	$8,130,249	$8,299,020	$8,483,425
Avg Acc Depr	$923,622	$937,356	$1,200,355	$1,466,827	$1,736,881
Average Balance	$7,049,892	$7,042,209	$6,929,894	$6,832,193	$6,746,545
Working Capital Allowance	$1,481,078	$1,398,922	$1,338,138	$1,414,007	$1,321,795
Total Rate Base	**$8,530,970**	**$8,441,131**	**$8,268,033**	**$8,246,200**	**$8,068,339**
Expenses for Working Capital	**Last Board Approved**	**2018**	**2019**	**2020**	**2021**
Eligible Distribution Expenses:					
3500-Distribution Expenses - Operation	$92,648	$70,877	$83,464	$66,726	$119,464
3550-Distribution Expenses - Maintenance	$198,496	$189,516	$92,791	$213,918	$224,823
3650-Billing and collecting	$462,970	$411,917	$450,033	$389,139	$439,290
3700-Community Relations	$0	$0	$0	$0	$0
3800-Administrative and General Expenses	$421,000	$477,933	$466,514	$457,659	$473,808
Property Taxes	$17,768	$19,900	$22,728	$25,335	$25,697
Total Eligible Distribution Expenses	$1,192,882	$1,170,144	$1,115,530	$1,152,776	$1,283,081
3350-Power Supply Expenses	$18,554,822	$17,482,153	$16,726,313	$17,700,651	$16,340,848
Total Expenses for Working Capital	$19,747,704	$18,652,297	$17,841,843	$18,853,427	$17,623,929
Working Capital factor	7.50%	7.50%	7.50%	7.50%	7.50%
Total Working Capital	**$1,481,078**	**$1,398,922**	**$1,338,138**	**$1,414,007**	**$1,321,795**

Table 3 – Rate Base Trend (2)

Particulars	2022	2023	2024	2025
Net Capital Assets in Service:				
Avg Gross Assets	$8,707,660	$8,975,927	$9,265,830	$9,571,346
Avg Acc Depr	$2,010,672	$2,281,097	$2,552,924	$2,836,543
Average Balance	$6,696,988	$6,694,830	$6,712,906	$6,734,804
Working Capital Allowance	$1,239,658	$1,325,001	$1,386,236	$1,393,395
Total Rate Base	**$7,936,647**	**$8,019,832**	**$8,099,142**	**$8,128,199**
Expenses for Working Capital	**2022**	**2023**	**2024**	**2025**
Eligible Distribution Expenses:				
3500-Distribution Expenses - Operation	$116,891	$122,374	$193,477	$208,000
3550-Distribution Expenses - Maintenance	$222,596	$243,111	$224,300	$232,800
3650-Billing and collecting	$441,550	$616,204	$560,320	$572,330
3700-Community Relations	$0	$0	$0	$0
3800-Administrative and General Expenses	$482,411	$574,056	$589,561	$645,099
Property Taxes	$26,088	$26,963	$27,315	$27,805
Total Eligible Distribution Expenses	$1,289,537	$1,582,709	$1,594,973	$1,686,034
3350-Power Supply Expenses	$15,239,243	$16,083,977	$16,888,176	$16,892,567
Total Expenses for Working Capital	$16,528,779	$17,666,686	$18,483,149	$18,578,602
Working Capital factor	7.50%	7.50%	7.50%	7.50%
Total Working Capital	**$1,239,658**	**$1,325,001**	**$1,386,236**	**$1,393,395**

HHI notes that it uses “in-service”, “capital additions” and “capital expenditures” interchangeably as HHI does not have any Work in Progress capital projects.

The Rate Base for the 2025 Test Year has decreased by -$402,771 over the last board approved mostly due to the depreciation calculations. HHI has added $1,861,436 in assets since 2018. The reason for the increase from the 2018 Cost of Service is mainly attributed to the following:

Major capital cost drivers: 2018	**Acct**	**$**
System Access:		
• New Subdivision	1845	$25,370
• New Meters	1860	$10,100
• Transformers	1860	$12,190
System Renewal:		
• Pole Replacement	1830	$75,232
• Switches	1835	$12,609

System Service:

• Telemetry H1	1815	$22,910

General Service:

• Computer Software	1611	$36,855

Major capital cost drivers: 2019	**Acct**	**$**

System Access:

• Smart Meters for retesting	1860	$23,364
• Transformer	1850	$14,770

System Renewal:

• Pole Replacement	1830	$83,519
• Switches	1835	$15,428

System Service:

• 44KV Bushing	1845	$17,601

Major capital cost drivers: 2020	**Acct**	**$**

System Access:

• New Subdivision	1845	$16,421
• New Subdivision	1845	$12,662
• New Meters	1860	$46,108
• Transformers	1860	$27,516

System Renewal:

• Pole Replacement	1830	$62,684
• Switches and Cross Arms	1835	$32,225
• 44KV Pole Design / Frame	1835	$10,900
• Battery for the 115kV Substation	1815	$11,200

Major capital cost drivers: 2021	**Acct**	**$**
System Access:		
• New Subdivision	1845	$32,962
• New Meters	1860	$29,862
• Transformers	1860	$77,804
System Renewal:		
• Pole Replacement	1830	$20,777
• Porcelain Insulators	1835	$14,962
• 44KV Pole Design / Frame	1835	$47,254

Major capital cost drivers: 2022	**Acct**	**$**
System Access:		
• Meter	1860	$57,029
• New Transformers Inventory	1850	$49,155
System Renewal:		
• Pole Replacement	1830	$93,454
• Switches	1835	$45,771
• Pole Circuit Switcher / Bushing	1835	$73,577

Major capital cost drivers: 2023	**Acct**	**$**
System Access:		
• Meter	1860	$64,286
• New Transformers Inventory	1850	$92,964
System Renewal:		
• Pole Replacement	1830	$100,074
• Sec Bushing	1835	$12,153

Major capital cost drivers: 2024	**Acct**	**$**
System Access:		
• New Subdivision	1845	$15,000
• New Meters	1860	$59,500
• Transformers	1860	$65,000
System Renewal:		
• Pole Replacement	1830	$110,000
• Switches	1835	$20,000
• Underground Smerdon Rd	1845	$45,000
• 3 Gang Operated Vacuum Recloser	1815	$63,000

Major capital cost drivers: 2025	**Acct**	**$**
System Access:		
• New Subdivision	1845	$15,000
• New Meters	1860	$60,600
• Gate Keeper	1860	27,944
• Transformers	1860	$65,000
System Renewal:		
• Pole Replacement	1830	$115,000
• Switches	1835	$10,000
• Porcelain Arrestors	1845	$20,000
• Porcelain Insulator	1815	$20,000

2.2. FIXED ASSET

2.2.1 Fixed Asset Continuity

This Schedule presents a continuity schedule of its investment in capital assets, the associated accumulated amortization, and the net book value for each Capital USoA account for the 2018 to 2023 Actuals and 2024 Bridge and 2025 Test Years.

HHI attests that the OEB Appendices 2-BA continuity statements presented in Chapter 2 Appendices 2-AB and at Appendix 2C reconcile with the calculated depreciation expenses at section 2.2.3 and presented by asset account. The utility also attests that the net book value balances reported on Appendix 2-BA and balances reconcile with the rate base calculation. The Excel version of the OEB Appendices is filed in conjunction with this application.

Information on year-over-year variance and explanations where variances exceed the materiality threshold is summarized in the previous section 2.1.3 and explained in detail in HHI's 2025 Distribution System Plan.

HHI does not have any asset retirement obligations (AROs) or any associated depreciation or accretion expenses related to an asset retirement obligation.

For all years except 2023, capital expenditures are equivalent to in-service additions where WIP is shown in the continuity schedule.

At December 31, 2023, HHI had an incomplete project. This project is expected to be completed in 2024. The costs as of December 31, 2023, were placed in the WIPs, with an equivalent amount recorded in Deferred revenue. There are anticipated additional expenses in 2024, and accordingly, the deferred revenue will be adjusted based on the final figures from the economic model study.

Therefore, in 2024, HHI will remove the WIPs and redistribute them into the appropriate accounts 1830, 1845, and 1850. The amortizations will consider these WIPs from the date they are put into service. (Direction from MNP LLP)

Accumulated Depreciation

HHI has adopted depreciation rates based on the Kinectrics Asset Depreciation Study, which can be found at the following secure link:

https://www.oeb.ca/oeb/_Documents/EB-2010-0178/Kinetrics-418033-OEB%20Asset%20Amortization-%20Final%20Rep.pdf

The depreciation rates, HHI's capitalization policy, methodology, and depreciation expenses continuity schedules are presented in section 2.2.3.

Below are the Fixed Asset Continuity Schedules for 2018 to 2025.

Table 4 – 2017 Continuity schedule

Fixed Asset Continuity Schedule [1]

Year 2017

CCA Class	OEB	Description	Cost Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	Net Book Value	Avg Gross Balance	Avg Acc Dep
12	1611	Computer Software (Formally known as Account 1925)	$76,571	$1,201	$0	$77,772	$53,740	$10,056	$ -	$63,796	$13,976	$77,171	$58,768
CEC	1612	Land Rights (Formally known as Account 1906 and 1806)	$5,980	$0	$0	$5,980	$0	$0	$ -	$0	$5,980	$5,980	$0
N/A	1805	Land	$20,000	$0	$0	$20,000	$0	$0	$ -	$0	$20,000	$20,000	$0
47	1808	Buildings	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
13	1810	Leasehold Improvements	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
47	1815	Transformer Station Equipment >50 kV	$435,936	$3,602,548	$0	$4,038,484	$63,107	$17,718	$ -	$80,825	$3,957,659	$2,237,210	$71,966
47	1820	Distribution Station Equipment <50 kV	$1,349,340	$0	$0	$1,349,340	$93,923	$36,767	$ -	$130,690	$1,218,650	$1,349,340	$112,306
47	1825	Storage Battery Equipment	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
47	1830	Poles, Towers & Fixtures	$577,790	$109,536	$0	$687,326	$57,499	$24,632	$ -	$82,131	$605,195	$632,558	$69,815
47	1835	Overhead Conductors & Devices	$333,769	$15,658	$0	$349,427	$30,247	$11,755	$ -	$42,002	$307,425	$341,598	$36,124
47	1840	Underground Conduit	$39,269	$67	$0	$39,336	$8,194	$2,553	$ -	$10,747	$28,589	$39,303	$9,471
47	1845	Underground Conductors & Devices	$146,080	$67	$0	$146,147	$29,078	$9,319	$ -	$38,397	$107,750	$146,114	$33,737
47	1850	Line Transformers	$218,610	$8,280	$0	$226,890	$29,002	$9,688	$ -	$38,690	$188,200	$222,750	$33,846
47	1855	Services (Overhead & Underground)	$25,772	$554	$0	$26,326	$3,451	$1,196	$ -	$4,647	$21,679	$26,049	$4,049
47	1860	Meters	$7,143	$0	$0	$7,143	-$32	$317	$ -	$285	$6,858	$7,143	$127
47	1860	Meters (Smart Meters)	$519,211	$29,429	$0	$548,640	$110,468	$62,648	-$ 3,277	$169,839	$378,802	$533,926	$140,153
N/A	1905	Land	$28,300	$0	$0	$28,300	$0	$0	$ -	$0	$28,300	$28,300	$0
47	1908	Buildings & Fixtures	$675,321	$1,500	$0	$676,821	$102,542	$35,371	$ -	$137,913	$538,908	$676,071	$120,228
13	1910	Leasehold Improvements	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
8	1915	Office Furniture & Equipment (10 years)	$23,739	$3,845	$0	$27,584	$9,696	$3,271	$ -	$12,967	$14,617	$25,661	$11,331
8	1915	Office Furniture & Equipment (5 years)	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
10	1920	Computer Equipment - Hardware	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
45	1920	Computer Equip.-Hardware(Post Mar. 22/04)	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
45.1	1920	Computer Equip.-Hardware(Post Mar. 19/07)	$9,312	$2,077	$0	$11,389	$6,805	$1,516	$ -	$8,321	$3,068	$10,350	$7,563
10	1930	Transportation Equipment	$6,392	$0	$0	$6,392	$6,392	$0	$ -	$6,392	$0	$6,392	$6,392
8	1935	Stores Equipment	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
8	1940	Tools, Shop & Garage Equipment	$20,977	$0	$0	$20,977	-$5,180	$14,366	$ -	$9,186	$11,791	$20,977	$2,003
8	1945	Measurement & Testing Equipment	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
8	1950	Power Operated Equipment	$1,552	$0	$0	$1,552	$579	$249	$ -	$828	$724	$1,552	$703
8	1955	Communications Equipment	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
8	1955	Communication Equipment (Smart Meters)	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
8	1960	Miscellaneous Equipment	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
47	1970	Load Management Controls Customer Premises	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
47	1975	Load Management Controls Utility Premises	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
47	1980	System Supervisor Equipment	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
47	1985	Miscellaneous Fixed Assets	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
47	1990	Other Tangible Property	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
47	1995	Contributions & Grants	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
N/A	etc.	Construction in progress	$2,807,257	-$2,807,257	$0	$0	$0	$0	$ -	$0	$0	$1,403,628	$0
	etc.	Contributions & Grants	-$337,664	-$49,138	$0	-$386,802	-$21,338	-$9,396	$ -	-$30,734	-$356,068	-$362,233	-$26,036
	etc.		$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
	etc.		$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
	etc.		$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
	etc.		$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
	etc.		$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
	etc.		$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
	etc.		$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
	etc.		$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
			$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
		Sub-Total	**$6,990,656.26**	**$918,368.01**	**$0.00**	**$7,909,024.27**	**$578,162.24**	**$232,025.87**	**-$3,277.00**	**$806,921.11**	**$7,102,103.16**	**$7,449,840.27**	**$692,541.68**
		Less Socialized Renewable Energy Generation Investments (input as negative)Less Socialized Renewable Energy Generation Investments (input as				$0.00				$0.00	$0.00		
		Less Other Non Rate-Regulated Utility Assets (input as negative)Less Other Non Rate-Regulated Utility Assets (input as negative)				$0.00				$0.00	$0.00		
		Total PP&E	**$6,990,656.26**	**$918,368.01**	**$0.00**	**$7,909,024.27**	**$578,162.24**	**$232,025.87**	**-$3,277.00**	**$806,921.11**	**$7,102,103.16**	**$7,449,840.27**	**$692,541.68**
		Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets)											$6,757,299
		Total						**$232,026**					

Table 5 – 2018 Continuity schedule

Year 2018

CCA Class [2]	OEB Account [3]	Description [3]	Cost Opening Balance [8]	Cost Additions [4]	Cost Disposals [6]	Cost Closing Balance	Accumulated Depreciation Opening Balance [8]	Accumulated Depreciation Additions	Accumulated Depreciation Disposals [6]	Accumulated Depreciation Closing Balance	Net Book Value	Avg Gross Balance	Avg Acc Dep
	1609	Capital Contributions Paid	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
12	1611	Computer Software (Formally known as Account 1925)	$77,772	**$36,855**	$0	$114,627	$63,796	$11,223	$ -	$75,019	$39,608	$96,199	$69,407
CEC	1612	Land Rights (Formally known as Account 1906 and 1806)	$5,980	$0	$0	$5,980	$0	$0	$ -	$0	$5,980	$5,980	$0
N/A	1805	Land	$20,000	$0	$0	$20,000	$0	$0	$ -	$0	$20,000	$20,000	$0
47	1808	Buildings	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
13	1810	Leasehold Improvements	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
47	1815	Transformer Station Equipment >50 kV	$4,038,484	**$21,714**	$0	$4,060,197	$80,825	$91,368	$ -	$172,193	$3,888,005	$4,049,340	$126,509
47	1820	Distribution Station Equipment <50 kV	$1,349,340	**$1,196**	$0	$1,350,536	$130,690	$32,575	$ -	$163,265	$1,187,271	$1,349,938	$146,977
47	1825	Storage Battery Equipment	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
47	1830	Poles, Towers & Fixtures -Wood	$687,326	**$78,753**	**-$3,521**	$762,558	$82,131	$24,487	-$ 980	$105,638	$656,920	$724,942	$93,884
47	1830	Poles, Towers & Fixtures - Steel	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
47	1835	Overhead Conductors & Devices	$349,427	**$21,062**	$0	$370,489	$42,002	$9,505	$ -	$51,507	$318,982	$359,958	$46,754
47	1840	Underground Conduit	$39,336	$0	$0	$39,336	$10,747	$2,546	$ -	$13,293	$26,043	$39,336	$12,020
47	1845	Underground Conductors & Devices	$146,147	**$25,370**	$0	$171,517	$38,397	$9,375	$ -	$47,772	$123,745	$158,832	$43,084
47	1850	Line Transformers - Overhead & Underground	$226,890	**$12,190**	$0	$239,080	$38,690	$9,953	$ -	$48,643	$190,437	$232,985	$43,667
47	1855	Services -Overhead	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
47	1855	Services - Underground	$26,326	**$1,494**	$0	$27,820	$4,647	$1,200	$ -	$5,847	$21,973	$27,073	$5,247
47	1860	Meters - Energy Meters, CT/PT, Repeaters, & Collectors	$0	**$67**	$0	$67	$0	$0	$ -	$0	$67	$34	$0
47	1860	Meters - Wholesale	$7,143	$0	$0	$7,143	$285	$73	$ -	$358	$6,785	$7,143	$322
47	1860	Meters (Smart Meters)	$548,640	**$17,628**	**-$7,595**	$558,673	$169,839	$46,811	-$ 2,719	$213,930	$344,743	$553,657	$191,884
N/A	1905	Land	$28,300	$0	$0	$28,300	$0	$0	$ -	$0	$28,300	$28,300	$0
47	1908	Buildings & Fixtures	$676,821	**$1,200**	$0	$678,021	$137,913	$35,461	$ -	$173,374	$504,647	$677,421	$155,644
13	1910	Leasehold Improvements	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
8	1915	Office Furniture & Equipment (10 years)	$27,584	**$958**	$0	$28,541	$12,967	$2,903	$ -	$15,870	$12,672	$28,063	$14,418
8	1915	Office Furniture & Equipment (5 years)	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
10	1920	Computer Equipment - Hardware	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
45	1920	Computer Equip.-Hardware(Post Mar. 22/04)	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
45.1	1920	Computer Equip.-Hardware(Post Mar. 19/07)	$11,389	$0	$0	$11,389	$8,321	$1,162	$ -	$9,483	$1,906	$11,389	$8,902
10	1930	Transportation Equipment - under 3 Tons	$6,392	$0	-$6,392	$0	$6,392	$0	-$ 6,392	$0	$0	$3,196	$3,196
10	1930	Transportation Equipment - 3 Tons & Over	$0	$0	$0	$0		$0	$ -	$0	$0	$0	$0
8	1935	Stores Equipment	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
8	1940	Tools, Shop & Garage Equipment	$20,977	$0	$0	$20,977	$9,186	$2,469	$ -	$11,655	$9,322	$20,977	$10,421
8	1945	Measurement & Testing Equipment	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
8	1950	Power Operated Equipment	$1,552	$0	$0	$1,552	$828	$207	$ -	$1,035	$517	$1,552	$931
8	1955	Communications Equipment	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
8	1955	Communication Equipment (Smart Meters)	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
8	1960	Miscellaneous Equipment	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
47	1970	Load Management Controls Customer Premises	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
47	1975	Load Management Controls Utility Premises	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
47	1980	System Supervisor Equipment	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
47	1985	Miscellaneous Fixed Assets	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
47	1990	Other Tangible Property	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
47	1995	Contributions & Grants	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
	2440	Deferred Revenue	-$386,802	-$59,897	$0	-$446,698	-$30,734	-$10,356	$ -	-$41,090	-$405,608	-$416,750	-$35,912
	2005	Property Under Finance Lease	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
	2055	WIP	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
		Sub-Total	**$7,909,024**	**$158,590**	**-$17,508**	**$8,050,106**	**$806,921**	**$270,962**	**-$ 10,092**	**$1,067,791**	**$6,982,315**	**$7,979,565**	**$937,356**
		Less Socialized Renewable Energy Generation Investments (input as negative)				$0				$0	$0	$0	$0
		Less Other Non Rate-Regulated Utility Assets (input as							$ -	$0	$0	$0	$0
		Total PP&E	**$7,909,024**	**$158,590**	**-$17,508**	**$8,050,106**	**$806,921**	**$270,962**	**-$ 10,092**	**$1,067,791**	**$6,982,315**	$7,979,565	$937,356
		Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable[8]								RRR -$1,108,872			$7,042,209
		Total						**$270,962**		-$41,081			$7,042,209

$0 Account 2440 is cost less accumulated amortization f

			Less: *Fully Allocated Depreciation*	
10		Transportation	Transportation	
8		Stores Equipment	Stores Equipment	
47		Deferred Revenue	Deferred Revenue	
			Net Depreciation	$ 270,962

Table 6 – 2019 Continuity schedule

Year 2019

CCA Class [2]	OEB Account [3]	Description [3]	Cost				Accumulated Depreciation				Net Book Value	Avg Gross Balance	Avg Acc Dep
			Opening Balance [5]	Additions [4]	Disposals [6]	Closing Balance	Opening Balance [5]	Additions	Disposals [6]	Closing Balance			
0	1609	Capital Contributions Paid	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
12	1611	Computer Software (Formally known as Account 1925)	$114,627	$0	$0	$114,627	$75,019	$10,952	$ -	$85,971	$28,656	$114,627	$80,495
CEC	1612	Land Rights (Formally known as Account 1906 and 1806)	$5,980	$0	$0	$5,980	$0	$0	$ -	$0	$5,980	$5,980	$0
N/A	1805	Land	$20,000	$0	$0	$20,000	$0	$0	$ -	$0	$20,000	$20,000	$0
47	1808	Buildings	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
13	1810	Leasehold Improvements	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
47	1815	Transformer Station Equipment >50 kV	$4,060,197	$0	$0	$4,060,197	$172,193	$91,730	$ -	$263,922	$3,796,275	$4,060,197	$218,057
47	1820	Distribution Station Equipment <50 kV	$1,350,536	**$17,610**	$0	$1,368,146	$163,265	$30,328	$ -	$193,593	$1,174,553	$1,359,341	$178,429
47	1825	Storage Battery Equipment	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
47	1830	Poles, Towers & Fixtures -Wood	$762,558	**$83,978**	**-$458**	$846,078	$105,638	$25,711	-$ 267	$131,081	$714,996	$804,318	$118,360
47	1830	Poles, Towers & Fixtures - Steel	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
47	1835	Overhead Conductors & Devices	$370,489	**$16,531**	$0	$387,020	$51,507	$9,568	$ -	$61,075	$325,945	$378,755	$56,291
47	1840	Underground Conduit	$39,336	$0	$0	$39,336	$13,293	$2,329	$ -	$15,622	$23,714	$39,336	$14,458
47	1845	Underground Conductors & Devices	$171,517	$0	$0	$171,517	$47,772	$9,913	$ -	$57,685	$113,832	$171,517	$52,728
47	1850	Line Transformers - Overhead & Underground	$239,080	**$14,770**	$0	$253,850	$48,643	$10,238	$ -	$58,881	$194,969	$246,465	$53,762
47	1855	Services -Overhead	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
47	1855	Services - Underground	$27,820	**$924**	$0	$28,744	$5,847	$1,261	$ -	$7,109	$21,635	$28,282	$6,478
47	1860	Meters - Energy Meters, CT/PT, Repeaters, & Collectors	$67	$0	$0	$67	$0	$0	$ -	$0	$67	$67	$0
47	1860	Meters - Wholesale	$7,143	$0	$0	$7,143	$358	$67	$ -	$426	$6,718	$7,143	$392
47	1860	Meters (Smart Meters)	$558,673	**$34,838**	**-$6,651**	$586,860	$213,930	$46,635	-$ 2,859	$257,706	$329,155	$572,767	$235,818
N/A	1905	Land	$28,300	$0	$0	$28,300	$0	$0	$ -	$0	$28,300	$28,300	$0
47	1908	Buildings & Fixtures	$678,021	$0	$0	$678,021	$173,374	$35,501	$ -	$208,875	$469,146	$678,021	$191,125
13	1910	Leasehold Improvements	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
8	1915	Office Furniture & Equipment (10 years)	$28,541	$0	$0	$28,541	$15,870	$2,388	$ -	$18,257	$10,284	$28,541	$17,064
8	1915	Office Furniture & Equipment (5 years)	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
10	1920	Computer Equipment - Hardware	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
45	1920	Computer Equip.-Hardware(Post Mar. 22/04)	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
45.1	1920	Computer Equip.-Hardware(Post Mar. 19/07)	$11,389	$0	$0	$11,389	$9,483	$724	$ -	$10,207	$1,182	$11,389	$9,845
10	1930	Transportation Equipment - under 3 Tons	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
10	1930	Transportation Equipment - 3 Tons & Over	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
8	1935	Stores Equipment	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
8	1940	Tools, Shop & Garage Equipment	$20,977	$0	$0	$20,977	$11,655	$2,370	$ -	$14,025	$6,952	$20,977	$12,840
8	1945	Measurement & Testing Equipment	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
8	1950	Power Operated Equipment	$1,552	$0	$0	$1,552	$1,035	$207	$ -	$1,242	$310	$1,552	$1,138
8	1955	Communications Equipment	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
8	1955	Communication Equipment (Smart Meters)	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
8	1960	Miscellaneous Equipment	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
47	1970	Load Management Controls Customer Premises	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
47	1975	Load Management Controls Utility Premises	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
47	1980	System Supervisor Equipment	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
47	1985	Miscellaneous Fixed Assets	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
47	1990	Other Tangible Property	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
47	1995	Contributions & Grants	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
0	2440	Deferred Revenue	-$446,698	-$1,255	$0	-$447,954	-$41,090	-$11,669	$ -	-$52,758	-$395,195	-$447,326	-$46,924
0	2005	Property Under Finance Lease	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
0	2055	WIP	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
		Sub-Total	**$8,050,106**	**$167,395**	**-$7,109**	**$8,210,392**	**$1,067,791**	**$268,253**	**-$ 3,126**	**$1,332,918**	**$6,877,474**	**$8,130,249**	**$1,200,355**
		Less Socialized Renewable Energy Generation Investments (input as negative)				$0				$0	$0	$0	$0
		Less Other Non Rate-Regulated Utility Assets (input as				$0				$0	$0	$0	$0
		Total PP&E	**$8,050,106**	**$167,395**	**-$7,109**	**$8,210,392**	**$1,067,791**	**$268,253**	**-$ 3,126**	**$1,332,918**	**$6,877,474**	$8,130,249	$1,200,355
		Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable[8]							RRR	-$1,385,668			$6,929,894
		Total						**$268,253**		-$52,750			$6,929,894

Account 2440 is cost less accumulated amortization for

		Less: *Fully Allocated Depreciation*	
10		Transportation	
8		Stores Equipment	
47		Deferred Revenue	
		Net Depreciation	$ 268,253

Table 7 – 2020 Continuity schedule

Year 2020

CCA Class [2]	OEB Account [3]	Description [3]	Cost Opening Balance [8]	Cost Additions [4]	Cost Disposals [6]	Cost Closing Balance	Accumulated Depreciation Opening Balance [8]	Accumulated Depreciation Additions	Accumulated Depreciation Disposals [6]	Accumulated Depreciation Closing Balance	Net Book Value	Avg Gross Balance	Avg Acc Dep	RRR	Var from RRR	
0	1609	Capital Contributions Paid	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0		$ -	
12	1611	Computer Software (Formally known as Account 1925)	$114,627	$0	$0	$114,627	$85,971	$9,327	$ -	$95,298	$19,329	$114,627	$90,634	$ 114,627	$ -	
CEC	1612	Land Rights (Formally known as Account 1906 and 1806)	$5,980	$0	$0	$5,980	$0	$0	$ -	$0	$5,980	$5,980	$0	$ 5,980	$ -	
N/A	1805	Land	$20,000	$0	$0	$20,000	$0	$0	$ -	$0	$20,000	$20,000	$0	$ 20,000	$ -	
47	1808	Buildings	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0	$ -	$ -	
13	1810	Leasehold Improvements	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0		$ -	
47	1815	Transformer Station Equipment >50 kV	$4,060,197	**$11,200**	$0	$4,071,397	$263,922	$91,834	$ -	$355,756	$3,715,641	$4,065,797	$309,839	$ 4,071,397	$ -	
47	1820	Distribution Station Equipment <50 kV	$1,368,146	$0	$0	$1,368,146	$193,593	$30,719	$ -	$224,312	$1,143,834	$1,368,146	$208,952	$ 1,368,146	$ -	
47	1825	Storage Battery Equipment	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0		$ -	
47	1830	Poles, Towers & Fixtures -Wood	$846,078	**$63,563**	**-$879**	$908,762	$131,081	$26,356	$ -	$157,437	$751,325	$877,420	$144,259	$ -	-$ 908,762	ol
47	1830	Poles, Towers & Fixtures - Steel	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0	$ 908,762	$ 908,762	ol
47	1835	Overhead Conductors & Devices	$387,020	**$43,126**	$0	$430,146	$61,075	$8,831	$ -	$69,906	$360,239	$408,583	$65,491	$ 430,146	$ -	
47	1840	Underground Conduit	$39,336	**$12,662**	$0	$51,999	$15,622	$2,326	$ -	$17,948	$34,051	$45,667	$16,785	$ 51,999	$ -	
47	1845	Underground Conductors & Devices	$171,517	**$16,421**	$0	$187,939	$57,685	$8,232	$ -	$65,917	$122,022	$179,728	$61,801	$ 187,939	$ -	
47	1850	Line Transformers - Overhead & Underground	$253,850	**$27,516**	$0	$281,366	$58,881	$10,409	$ -	$69,290	$212,076	$267,608	$64,086	$ 281,366	$ -	ol
47	1855	Services -Overhead	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0	$ 28,744	$ 28,744	ol
47	1855	Services - Underground	$28,744	$0	$0	$28,744	$7,109	$1,277	$ -	$8,386	$20,358	$28,744	$7,747		-$ 28,744	ol
47	1860	Meters - Energy Meters, CT/PT, Repeaters, & Collectors	$67	$0	$0	$67	$0	$0	$ -	$0	$67	$67	$0	$ -	-$ 67	ol
47	1860	Meters - Wholesale	$7,143	$0	$0	$7,143	$426	$179	$ -	$605	$6,539	$7,143	$515	$ -	-$ 7,143	ol
47	1860	Meters (Smart Meters)	$586,860	**$46,108**	$0	$632,968	$257,706	$50,219	-$ 392	$307,533	$325,436	$609,914	$282,619	$ 640,179	$ 7,210	ol
N/A	1905	Land	$28,300	$0	$0	$28,300	$0	$0	$ -	$0	$28,300	$28,300	$0	$ 28,300	$ -	
47	1908	Buildings & Fixtures	$678,021	$0	$0	$678,021	$208,875	$35,501	$ -	$244,376	$433,645	$678,021	$226,626	$ 678,021	$ -	
13	1910	Leasehold Improvements	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0		$ -	
8	1915	Office Furniture & Equipment (10 years)	$28,541	**$2,250**	$0	$30,791	$18,257	$2,048	$ -	$20,305	$10,486	$29,666	$19,281	$ 30,791	$ -	
8	1915	Office Furniture & Equipment (5 years)	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0		$ -	
10	1920	Computer Equipment - Hardware	$0	**$4,350**	$0	$4,350	$0	$0	$ -	$0	$4,350	$2,175	$0	$ 15,739	$ 11,389	
45	1920	Computer Equip.-Hardware(Post Mar. 22/04)	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0		$ -	
45.1	1920	Computer Equip.-Hardware(Post Mar. 19/07)	$11,389	$0	$0	$11,389	$10,207	$657	$ -	$10,864	$525	$11,389	$10,535		-$ 11,389	
10	1930	Transportation Equipment - under 3 Tons	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0	$ -	$ -	ol
10	1930	Transportation Equipment - 3 Tons & Over	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0		$ -	ol
8	1935	Stores Equipment	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0	$ -	$ -	
8	1940	Tools, Shop & Garage Equipment	$20,977	$0	$0	$20,977	$14,025	$1,913	$ -	$15,938	$5,039	$20,977	$14,982	$ 20,977	$ -	
8	1945	Measurement & Testing Equipment	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0	$ -	$ -	
8	1950	Power Operated Equipment	$1,552	$0	$0	$1,552	$1,242	$207	$ -	$1,449	$103	$1,552	$1,345	$ 1,552	$ -	
8	1955	Communications Equipment	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0	$ -	$ -	
8	1955	Communication Equipment (Smart Meters)	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0		$ -	
8	1960	Miscellaneous Equipment	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0	$ -	$ -	
47	1970	Load Management Controls Customer Premises	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0		$ -	
47	1975	Load Management Controls Utility Premises	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0		$ -	
47	1980	System Supervisor Equipment	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0	$ -	$ -	
47	1985	Miscellaneous Fixed Assets	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0		$ -	
47	1990	Other Tangible Property	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0		$ -	
47	1995	Contributions & Grants	$0		$0	$0	$0		$ -	$0	$0	$0	$0		$ -	
0	2440	Deferred Revenue	-$447,954	-$49,062	$0	-$497,015	-$52,758	-$11,825	$ -	-$64,583	-$432,432	-$472,484	-$58,671	-$ 432,432	$64,583	
0	2005	Property Under Finance Lease	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0	$ -	$ -	
0	2055	WIP	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0	$ -	$ -	
		Sub-Total	**$8,210,392**	**$178,135**	**-$879**	**$8,387,648**	**$1,332,918**	**$268,210**	**-$ 392**	**$1,600,736**	**$6,786,912**	**$8,299,020**	**$1,466,827**	**$ 8,452,231**	**$ 64,583**	
		Less Socialized Renewable Energy Generation Investments (input as negative)		$0	$0	$0				$0	$0	$0	$0			
		Less Other Non Rate-Regulated Utility Assets (input as		$0	$0	$0				$0	$0	$0	$0			
		Total PP&E	**$8,210,392**	**$178,135**		**$8,387,648**	**$1,332,918**	**$268,210**	**-$ 392**	**$1,600,736**	**$6,786,912**	$8,299,020	$1,466,827			
		Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable[8]							RRR	-$1,665,311			$6,832,193			
		Total						**$268,210**		-$64,575			$6,832,193			

Account 2440 is cost less accumulated amortization for contributed capital

			Less: *Fully Allocated Depreciation*	
10		Transportation	Transportation	
8		Stores Equipment	Stores Equipment	
47		Deferred Revenue	Deferred Revenue	
			Net Depreciation	$ 268,210

Table 8 – 2021 Continuity schedule

Year 2021

CCA Class [2]	OEB Account [3]	Description [3]	Cost				Accumulated Depreciation				Net Book Value	Avg Gross Balance	Avg Acc Dep
			Opening Balance [5]	Additions [4]	Disposals [6]	Closing Balance	Opening Balance [5]	Additions	Disposals [6]	Closing Balance			
0	1609	Capital Contributions Paid	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
12	1611	Computer Software (Formally known as Account 1925)	$114,627	**$9,350**	$0	$123,977	$95,298	$8,879	$ -	$104,177	$19,800	$119,302	$99,737
CEC	1612	Land Rights (Formally known as Account 1906 and 1806)	$5,980	$0	$0	$5,980	$0	$0	$ -	$0	$5,980	$5,980	$0
N/A	1805	Land	$20,000	$0	$0	$20,000	$0	$0	$ -	$0	$20,000	$20,000	$0
47	1808	Buildings	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
13	1810	Leasehold Improvements	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
47	1815	Transformer Station Equipment >50 kV	$4,071,397	$0	$0	$4,071,397	$355,756	$91,979	$ -	$447,735	$3,623,662	$4,071,397	$401,746
47	1820	Distribution Station Equipment <50 kV	$1,368,146	$0	$0	$1,368,146	$224,312	$30,719	$ -	$255,031	$1,113,115	$1,368,146	$239,671
47	1825	Storage Battery Equipment	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
47	1830	Poles, Towers & Fixtures -Wood	$908,762	**$20,777**	$0	$929,539	$157,437	$27,476	$ -	$184,914	$744,626	$919,151	$171,175
47	1830	Poles, Towers & Fixtures - Steel	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
47	1835	Overhead Conductors & Devices	$430,146	**$75,763**	$0	$505,908	$69,906	$9,973	$ -	$79,879	$426,030	$468,027	$74,893
47	1840	Underground Conduit	$51,999	**$8,351**	$0	$60,349	$17,948	$2,605	$ -	$20,553	$39,796	$56,174	$19,251
47	1845	Underground Conductors & Devices	$187,939	**$34,207**	$0	$222,146	$65,917	$8,367	$ -	$74,284	$147,861	$205,042	$70,101
47	1850	Line Transformers - Overhead & Underground	$281,366	**$77,805**	$0	$359,171	$69,290	$11,365	$ -	$80,655	$278,515	$320,268	$74,973
47	1855	Services -Overhead	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
47	1855	Services - Underground	$28,744	**$3,000**	$0	$31,744	$8,386	$1,335	$ -	$9,721	$22,023	$30,244	$9,053
47	1860	Meters - Energy Meters, CT/PT, Repeaters, & Collectors	$67	$0	$0	$67	$0	$0	$ -	$0	$67	$67	$0
47	1860	Meters - Wholesale	$7,143	$0	$0	$7,143	$605	$285	$ -	$890	$6,254	$7,143	$747
47	1860	Meters (Smart Meters)	$632,968	**$41,531**	$0	$674,499	$307,533	$52,571	$ -	$360,104	$314,395	$653,734	$333,818
N/A	1905	Land	$28,300	$0	$0	$28,300	$0	$0	$ -	$0	$28,300	$28,300	$0
47	1908	Buildings & Fixtures	$678,021	$0	$0	$678,021	$244,376	$35,501	$ -	$279,877	$398,144	$678,021	$262,127
13	1910	Leasehold Improvements	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
8	1915	Office Furniture & Equipment (10 years)	$30,791	$0	$0	$30,791	$20,305	$2,094	$ -	$22,399	$8,392	$30,791	$21,352
8	1915	Office Furniture & Equipment (5 years)	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
10	1920	Computer Equipment - Hardware	$4,350	**$1,245**	$0	$5,595	$0	$0	$ -	$0	$5,595	$4,973	$0
45	1920	Computer Equip.-Hardware(Post Mar. 22/04)	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
45.1	1920	Computer Equip.-Hardware(Post Mar. 19/07)	$11,389	$0	$0	$11,389	$10,864	$1,480	$ -	$12,344	-$955	$11,389	$11,604
10	1930	Transportation Equipment - under 3 Tons	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
10	1930	Transportation Equipment - 3 Tons & Over	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
8	1935	Stores Equipment	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
8	1940	Tools, Shop & Garage Equipment	$20,977	$0	$0	$20,977	$15,938	$1,235	$ -	$17,173	$3,804	$20,977	$16,556
8	1945	Measurement & Testing Equipment	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
8	1950	Power Operated Equipment	$1,552	$0	$0	$1,552	$1,449	$103	$ -	$1,552	$0	$1,552	$1,500
8	1955	Communications Equipment	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
8	1955	Communication Equipment (Smart Meters)	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
8	1960	Miscellaneous Equipment	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
47	1970	Load Management Controls Customer Premises	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
47	1975	Load Management Controls Utility Premises	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
47	1980	System Supervisor Equipment	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
47	1985	Miscellaneous Fixed Assets	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
47	1990	Other Tangible Property	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
47	1995	Contributions & Grants	$0		$0	$0	$0		$ -	$0	$0	$0	$0
0	2440	Deferred Revenue	-$497,015	-$80,474	$0	-$577,489	-$64,583	-$13,679	$ -	-$78,262	-$499,227	-$537,252	-$71,423
0	2005	Property Under Finance Lease	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
0	2055	WIP	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
		Sub-Total	**$8,387,648**	**$191,555**	**$0**	**$8,579,203**	**$1,600,736**	**$272,289**	**$ -**	**$1,873,025**	**$6,706,177**	**$8,483,425**	**$1,736,881**
		Less Socialized Renewable Energy Generation Investments (input as negative)				$0	$0			$0	$0	$0	$0
		Less Other Non Rate-Regulated Utility Assets (input as				$0	$0			$0	$0	$0	$0
		Total PP&E	**$8,387,648**	**$191,555**	**$0**	**$8,579,203**	**$1,600,736**	**$272,289**	**$ -**	**$1,873,025**	**$6,706,177**	$8,483,425	$1,736,881
		Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable[6]							RRR	-$1,951,279			$6,746,545
		Total						**$272,289**		-$78,253			$6,746,545

Account 2440 is cost less accumulated amortization fo

		Less: *Fully Allocated Depreciation*	
10		Transportation	Transportation
8		Stores Equipment	Stores Equipment
47		Deferred Revenue	Deferred Revenue
			Net Depreciation $ 272,289

Table 9 – 2022 Continuity schedule

Year 2022

CCA Class [2]	OEB Account [3]	Description [3]	Cost Opening Balance [8]	Cost Additions [4]	Cost Disposals [8]	Cost Closing Balance	Accumulated Depreciation Opening Balance [8]	Accumulated Depreciation Additions	Accumulated Depreciation Disposals [8]	Accumulated Depreciation Closing Balance	Net Book Value	Avg Gross Balance	Avg Acc Dep
0	1609	Capital Contributions Paid	$0	$0	$0	$0	$0	$0		$0	$0	$0	$0
12	1611	Computer Software (Formally known as Account 1925)	$123,977	$0	$0	$123,977	$104,177	$9,263		$113,440	$10,537	$123,977	$108,808
CEC	1612	Land Rights (Formally known as Account 1906 and 1806)	$5,980	$0	$0	$5,980	$0	$0		$0	$5,980	$5,980	$0
N/A	1805	Land	$20,000	$0	$0	$20,000	$0	$0		$0	$20,000	$20,000	$0
47	1808	Buildings	$0	$0	$0	$0	$0	$0		$0	$0	$0	$0
13	1810	Leasehold Improvements	$0	$0	$0	$0	$0	$0		$0	$0	$0	$0
47	1815	Transformer Station Equipment >50 kV	$4,071,397	**$56,556**	$0	$4,127,953	$447,735	$92,179		$539,914	$3,588,039	$4,099,675	$493,825
47	1820	Distribution Station Equipment <50 kV	$1,368,146	$0	$0	$1,368,146	$255,031	$30,719		$285,750	$1,082,396	$1,368,146	$270,390
47	1825	Storage Battery Equipment	$0	$0	$0	$0	$0	$0		$0	$0	$0	$0
47	1830	Poles, Towers & Fixtures -Wood	$929,539	**$98,258**	**-$4,804**	$1,022,994	$184,914	$29,723	-$ 1,801	$212,835	$810,159	$976,267	$198,874
47	1830	Poles, Towers & Fixtures - Steel	$0	$0	$0	$0	$0	$0		$0	$0	$0	$0
47	1835	Overhead Conductors & Devices	$505,908	**$62,792**	$0	$568,701	$79,879	$10,554		$90,433	$478,268	$537,305	$85,156
47	1840	Underground Conduit	$60,349	$0	$0	$60,349	$20,553	$2,674		$23,227	$37,122	$60,349	$21,890
47	1845	Underground Conductors & Devices	$222,146	$0	$0	$222,146	$74,284	$8,552		$82,837	$139,309	$222,146	$78,561
47	1850	Line Transformers - Overhead & Underground	$359,171	**$49,155**	$0	$408,326	$80,655	$12,685		$93,340	$314,986	$383,748	$86,997
47	1855	Services -Overhead	$0	$0	$0	$0	$0	$0		$0	$0	$0	$0
47	1855	Services - Underground	$31,744	**$1,572**	$0	$33,316	$9,721	$1,377		$11,098	$22,218	$32,530	$10,409
47	1860	Meters - Energy Meters, CT/PT, Repeaters, & Collectors	$67	$0	$0	$67	$0	$0		$0	$67	$67	$0
47	1860	Meters - Wholesale	$7,143	$0	$0	$7,143	$890	$285		$1,175	$5,969	$7,143	$1,032
47	1860	Meters (Smart Meters)	$674,499	**$57,029**	$0	$731,528	$360,104	$55,857		$415,961	$315,568	$703,014	$388,032
N/A	1905	Land	$28,300	$0	$0	$28,300	$0	$0		$0	$28,300	$28,300	$0
47	1908	Buildings & Fixtures	$678,021	$0	$0	$678,021	$279,877	$35,501		$315,378	$362,643	$678,021	$297,628
13	1910	Leasehold Improvements	$0	$0	$0	$0	$0	$0		$0	$0	$0	$0
8	1915	Office Furniture & Equipment (10 years)	$30,791	$0	$0	$30,791	$22,399	$2,038		$24,437	$6,354	$30,791	$23,418
8	1915	Office Furniture & Equipment (5 years)	$0	$0	$0	$0	$0	$0		$0	$0	$0	$0
10	1920	Computer Equipment - Hardware	$5,595	$0	$0	$5,595	$0	$0		$0	$5,595	$5,595	$0
45	1920	Computer Equip.-Hardware(Post Mar. 22/04)	$0	$0	$0	$0	$0	$0		$0	$0	$0	$0
45.1	1920	Computer Equip.-Hardware(Post Mar. 19/07)	$11,389	**$2,210**	$0	$13,599	$12,344	$1,227		$13,571	$28	$12,494	$12,957
10	1930	Transportation Equipment - under 3 Tons	$0	$0	$0	$0	$0	$0		$0	$0	$0	$0
10	1930	Transportation Equipment - 3 Tons & Over	$0	$0	$0	$0	$0	$0		$0	$0	$0	$0
8	1935	Stores Equipment	$0	$0	$0	$0	$0	$0		$0	$0	$0	$0
8	1940	Tools, Shop & Garage Equipment	$20,977	$0	$0	$20,977	$17,173	$943		$18,116	$2,861	$20,977	$17,645
8	1945	Measurement & Testing Equipment	$0	$0	$0	$0	$0	$0		$0	$0	$0	$0
8	1950	Power Operated Equipment	$1,552	$0	$0	$1,552	$1,552	$103		$1,655	-$103	$1,552	$1,603
8	1955	Communications Equipment	$0	$0	$0	$0	$0	$0		$0	$0	$0	$0
8	1955	Communication Equipment (Smart Meters)	$0	$0	$0	$0	$0	$0		$0	$0	$0	$0
8	1960	Miscellaneous Equipment	$0	$0	$0	$0	$0	$0		$0	$0	$0	$0
47	1970	Load Management Controls Customer Premises	$0	$0	$0	$0	$0	$0		$0	$0	$0	$0
47	1975	Load Management Controls Utility Premises	$0	$0	$0	$0	$0	$0		$0	$0	$0	$0
47	1980	System Supervisor Equipment	$0	$0	$0	$0	$0	$0		$0	$0	$0	$0
47	1985	Miscellaneous Fixed Assets	$0	$0	$0	$0	$0	$0		$0	$0	$0	$0
47	1990	Other Tangible Property	$0	$0	$0	$0	$0	$0		$0	$0	$0	$0
47	1995	Contributions & Grants	$0		$0	$0	$0			$0	$0	$0	$0
0	2440	Deferred Revenue	-$577,489	-$65,854	$0	-$643,343	-$78,262	-$16,584	$ -	-$94,846	-$548,497	-$610,416	-$86,554
0	2005	Property Under Finance Lease	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
0	2055	WIP	$0	$0	$0	$0	$0	$0	$ -	$0	$0	$0	$0
		Sub-Total	**$8,579,203**	**$261,720**	**-$4,804**	**$8,836,118**	**$1,873,025**	**$277,095**	**-$ 1,801**	**$2,148,319**	**$6,687,799**	**$8,707,660**	**$2,010,672**
		Less Socialized Renewable Energy Generation Investments (input as negative)				$0				$0	$0	$0	$0
		Less Other Non Rate-Regulated Utility Assets (input as				$0				$0	$0	$0	$0
		Total PP&E	**$8,579,203**	**$261,720**	**-$4,804**	**$8,836,118**	**$1,873,025**	**$277,095**	**-$ 1,801**	**$2,148,319**	**$6,687,799**	$8,707,660	$2,010,672
		Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable[8]							RRR	-$2,243,157			$6,696,988
		Total						**$277,095**		-$94,838			$6,696,988

Account 2440 is cost less accumulated amortization fo

			Less: *Fully Allocated Depreciation*	
10		Transportation	Transportation	
8		Stores Equipment	Stores Equipment	
47		Deferred Revenue	Deferred Revenue	
			Net Depreciation	$ 277,095

Table 10 – 2023 Continuity schedule

Year 2023

CCA Class [2]	OEB Account [3]	Description [3]	Cost				Accumulated Depreciation				Net Book Value	Avg Gross Balance	Avg Acc Dep
			Opening Balance [5]	Additions [4]	Disposals [6]	Closing Balance	Opening Balance [5]	Additions	Disposals [6]	Closing Balance			
0	1609	Capital Contributions Paid	$0	$0		$0	$0	$0		$0	$0	$0	$0
12	1611	Computer Software (Formally known as Account 1925)	$123,977	$0		$123,977	$113,440	$5,403		$118,843	$5,134	$123,977	$116,141
CEC	1612	Land Rights (Formally known as Account 1906 and 1806)	$5,980	$0		$5,980	$0	$0		$0	$5,980	$5,980	$0
N/A	1805	Land	$20,000	$0		$20,000	$0	$0		$0	$20,000	$20,000	$0
47	1808	Buildings	$0	$0		$0	$0	$0		$0	$0	$0	$0
13	1810	Leasehold Improvements	$0	$0		$0	$0	$0		$0	$0	$0	$0
47	1815	Transformer Station Equipment >50 kV	$4,127,953	**$12,153**		$4,140,106	$539,914	$93,432		$633,346	$3,506,760	$4,134,030	$586,630
47	1820	Distribution Station Equipment <50 kV	$1,368,146	$0		$1,368,146	$285,750	$30,719		$316,469	$1,051,677	$1,368,146	$301,109
47	1825	Storage Battery Equipment	$0	$0		$0	$0	$0		$0	$0	$0	$0
47	1830	Poles, Towers & Fixtures -Wood	$1,022,994	**$103,612**	**-$3,538**	$1,123,068	$212,835	$29,223	-$ 1,594	$240,465	$882,603	$1,073,031	$226,650
47	1830	Poles, Towers & Fixtures - Steel	$0	$0		$0	$0	$0		$0	$0	$0	$0
47	1835	Overhead Conductors & Devices	$568,701	**$3,474**		$572,175	$90,433	$11,103		$101,536	$470,639	$570,438	$95,985
47	1840	Underground Conduit	$60,349	$0		$60,349	$23,227	$2,632		$25,859	$34,490	$60,349	$24,543
47	1845	Underground Conductors & Devices	$222,146	$0		$222,146	$82,837	$8,509		$91,345	$130,800	$222,146	$87,091
47	1850	Line Transformers - Overhead & Underground	$408,326	**$96,589**	**-$3,625**	$501,290	$93,340	$7,653		$100,993	$400,297	$454,808	$97,166
47	1855	Services -Overhead	$0	$0		$0	$0	$0		$0	$0	$0	$0
47	1855	Services - Underground	$33,316	**$851**		$34,166	$11,098	$1,443		$12,540	$21,626	$33,741	$11,819
47	1860	Meters - Energy Meters, CT/PT, Repeaters, & Collectors	$67	$0		$67	$0	$0		$0	$67	$67	$0
47	1860	Meters - Wholesale	$7,143	$0		$7,143	$1,175	$285		$1,460	$5,684	$7,143	$1,317
47	1860	Meters (Smart Meters)	$731,528	**$70,517**	**-$6,230**	$795,815	$415,961	$59,567	-$ 4,751	$470,778	$325,037	$763,672	$443,369
N/A	1905	Land	$28,300	$0		$28,300	$0	$0		$0	$28,300	$28,300	$0
47	1908	Buildings & Fixtures	$678,021	**$1,995**		$680,016	$315,378	$35,556		$350,934	$329,082	$679,019	$333,156
13	1910	Leasehold Improvements	$0	$0		$0	$0	$0		$0	$0	$0	$0
8	1915	Office Furniture & Equipment (10 years)	$30,791	$0		$30,791	$24,437	$1,757		$26,194	$4,597	$30,791	$25,316
8	1915	Office Furniture & Equipment (5 years)	$0	$0		$0	$0	$0		$0	$0	$0	$0
10	1920	Computer Equipment - Hardware	$5,595	$0		$5,595	$0	$0		$0	$5,595	$5,595	$0
45	1920	Computer Equip.-Hardware(Post Mar. 22/04)	$0	$0		$0	$0	$0		$0	$0	$0	$0
45.1	1920	Computer Equip.-Hardware(Post Mar. 19/07)	$13,599	**$3,820**		$17,420	$13,571	$1,562		$15,133	$2,287	$15,509	$14,352
10	1930	Transportation Equipment - under 3 Tons	$0	$0		$0	$0	$0		$0	$0	$0	$0
10	1930	Transportation Equipment - 3 Tons & Over	$0	$0		$0	$0	$0		$0	$0	$0	$0
8	1935	Stores Equipment	$0	$0		$0	$0	$0		$0	$0	$0	$0
8	1940	Tools, Shop & Garage Equipment	$20,977	$0		$20,977	$18,116	$825		$18,941	$2,036	$20,977	$18,529
8	1945	Measurement & Testing Equipment	$0	$0		$0	$0	$0		$0	$0	$0	$0
8	1950	Power Operated Equipment	$1,552	$0		$1,552	$1,655	-$103		$1,552	$0	$1,552	$1,603
8	1955	Communications Equipment	$0	$0		$0	$0	$0		$0	$0	$0	$0
8	1955	Communication Equipment (Smart Meters)	$0	$0		$0	$0	$0		$0	$0	$0	$0
8	1960	Miscellaneous Equipment	$0	$0		$0	$0	$0		$0	$0	$0	$0
47	1970	Load Management Controls Customer Premises	$0	$0		$0	$0	$0		$0	$0	$0	$0
47	1975	Load Management Controls Utility Premises	$0	$0		$0	$0	$0		$0	$0	$0	$0
47	1980	System Supervisor Equipment	$0	$0		$0	$0	$0		$0	$0	$0	$0
47	1985	Miscellaneous Fixed Assets	$0	$0		$0	$0	$0		$0	$0	$0	$0
47	1990	Other Tangible Property	$0	$0		$0	$0	$0		$0	$0	$0	$0
47	1995	Contributions & Grants	$0	$0		$0	$0			$0	$0	$0	$0
0	2440	Deferred Revenue	-$643,343	-$246,120		-$889,463	-$94,846	-$17,666		-$112,512	-$776,951	-$766,403	-$103,679
0	2005	Property Under Finance Lease	$0	$0		$0	$0	$0		$0	$0	$0	$0
0	2055	WIP	$0	$246,120		$246,120	$0	$0		$0	$246,120	$123,060	$0
		Sub-Total	**$8,836,118**	**$293,011**	**-$13,393**	**$9,115,736**	**$2,148,319**	**$271,900**	**-$ 6,344**	**$2,413,875**	**$6,701,861**	**$8,975,927**	**$2,281,097**
		Less Socialized Renewable Energy Generation Investments (input as negative)		$0		$0				$0	$0	$0	$0
		Less Other Non Rate-Regulated Utility Assets (input as		$0		$0				$0	$0	$0	$0
		Total PP&E	**$8,836,118**	**$293,011**	**-$13,393**	**$9,115,736**	**$2,148,319**	**$271,900**	**-$ 6,344**	**$2,413,875**	**$6,701,861**	$8,975,927	$2,281,097
		Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable[8]							RRR	-$2,526,378			$6,694,830
		Total						**$271,900**		-$112,504			$6,694,830

Account 2440 is cost less accumulated amortization for

			Less: *Fully Allocated Depreciation*	
10		Transportation	Transportation	
8		Stores Equipment	Stores Equipment	
47		Deferred Revenue	Deferred Revenue	
			Net Depreciation	$ 271,900

Table 11 – 2024 Continuity schedule

Year 2024

CCA Class [2]	OEB Account [3]	Description [3]	Cost				Accumulated Depreciation				Net Book Value	Avg Gross Balance	Avg Acc Dep
			Opening Balance [5]	Additions [4]	Disposals [6]	Closing Balance	Opening Balance [5]	Additions	Disposals [6]	Closing Balance			
0	1609	Capital Contributions Paid	$0	$0		$0	$0	$0		$0	$0	$0	$0
12	1611	Computer Software (Formally known as Account 1925)	$123,977	**$7,000**		$130,977	$118,843	$2,570		$121,413	$9,564	$127,477	$120,128
CEC	1612	Land Rights (Formally known as Account 1906 and 1806)	$5,980	$0		$5,980	$0	$0		$0	$5,980	$5,980	$0
N/A	1805	Land	$20,000	$0		$20,000	$0	$0		$0	$20,000	$20,000	$0
47	1808	Buildings	$0	$0		$0	$0	$0		$0	$0	$0	$0
13	1810	Leasehold Improvements	$0	$0		$0	$0	$0		$0	$0	$0	$0
47	1815	Transformer Station Equipment >50 kV	$4,140,106	$0		$4,140,106	$633,346	$93,567		$726,913	$3,413,193	$4,140,106	$680,129
47	1820	Distribution Station Equipment <50 kV	$1,368,146	$0		$1,368,146	$316,469	$30,719		$347,188	$1,020,958	$1,368,146	$331,828
47	1825	Storage Battery Equipment	$0	$0		$0	$0	$0		$0	$0	$0	$0
47	1830	Poles, Towers & Fixtures -Wood	$1,123,068	**$192,040**		$1,315,108	$240,465	$33,410		$273,875	$1,041,233	$1,219,088	$257,170
47	1830	Poles, Towers & Fixtures - Steel	$0	$0		$0	$0	$0		$0	$0	$0	$0
47	1835	Overhead Conductors & Devices	$572,175	$83,000		$655,175	$101,536	$11,824		$113,360	$541,815	$613,675	$107,448
47	1840	Underground Conduit	$60,349	$0		$60,349	$25,859	$2,632		$28,491	$31,859	$60,349	$27,175
47	1845	Underground Conductors & Devices	$222,146	$97,040		$319,186	$91,345	$11,493		$102,839	$216,347	$270,666	$97,092
47	1850	Line Transformers - Overhead & Underground	$501,290	$147,040		$648,330	$100,993	$17,087		$118,080	$530,250	$574,810	$109,536
47	1855	Services -Overhead	$0	$0		$0	$0	$0		$0	$0	$0	$0
47	1855	Services - Underground	$34,166	$800		$34,966	$12,540	$1,467		$14,007	$20,959	$34,566	$13,274
47	1860	Meters - Energy Meters, CT/PT, Repeaters, & Collectors	$67	$0		$67	$0	$0		$0	$67	$67	$0
47	1860	Meters - Wholesale	$7,143	$0		$7,143	$1,460	$285		$1,745	$5,399	$7,143	$1,602
47	1860	Meters (Smart Meters)	$795,815	$59,500		$855,315	$470,778	$64,442		$535,220	$320,095	$825,565	$502,999
N/A	1905	Land	$28,300	$0		$28,300	$0	$0		$0	$28,300	$28,300	$0
47	1908	Buildings & Fixtures	$680,016	$1,500		$681,516	$350,934	$35,673		$386,607	$294,910	$680,766	$368,770
13	1910	Leasehold Improvements	$0	$0		$0	$0	$0		$0	$0	$0	$0
8	1915	Office Furniture & Equipment (10 years)	$30,791	$1,500		$32,291	$26,194	$1,807		$28,001	$4,290	$31,541	$27,098
8	1915	Office Furniture & Equipment (5 years)	$0	$0		$0	$0	$0		$0	$0	$0	$0
10	1920	Computer Equipment - Hardware	$5,595	$0		$5,595	$0	$0		$0	$5,595	$5,595	$0
45	1920	Computer Equip.-Hardware(Post Mar. 22/04)	$0	$0		$0	$0	$0		$0	$0	$0	$0
45.1	1920	Computer Equip.-Hardware(Post Mar. 19/07)	$17,420	$1,500		$18,920	$15,133	$2,094		$17,226	$1,693	$18,170	$16,179
10	1930	Transportation Equipment - under 3 Tons	$0	$0		$0	$0	$0		$0	$0	$0	$0
10	1930	Transportation Equipment - 3 Tons & Over	$0	$0		$0	$0	$0		$0	$0	$0	$0
8	1935	Stores Equipment	$0	$0		$0	$0	$0		$0	$0	$0	$0
8	1940	Tools, Shop & Garage Equipment	$20,977	$0		$20,977	$18,941	$825		$19,766	$1,211	$20,977	$19,354
8	1945	Measurement & Testing Equipment	$0	$0		$0	$0	$0		$0	$0	$0	$0
8	1950	Power Operated Equipment	$1,552	$0		$1,552	$1,552	$0		$1,552	$0	$1,552	$1,552
8	1955	Communications Equipment	$0	$0		$0	$0	$0		$0	$0	$0	$0
8	1955	Communication Equipment (Smart Meters)	$0	$0		$0	$0	$0		$0	$0	$0	$0
8	1960	Miscellaneous Equipment	$0	$0		$0	$0	$0		$0	$0	$0	$0
47	1970	Load Management Controls Customer Premises	$0	$0		$0	$0	$0		$0	$0	$0	$0
47	1975	Load Management Controls Utility Premises	$0	$0		$0	$0	$0		$0	$0	$0	$0
47	1980	System Supervisor Equipment	$0	$0		$0	$0	$0		$0	$0	$0	$0
47	1985	Miscellaneous Fixed Assets	$0	$0		$0	$0	$0		$0	$0	$0	$0
47	1990	Other Tangible Property	$0	$0		$0	$0	$0		$0	$0	$0	$0
47	1995	Contributions & Grants	$0	$0		$0	$0	$0		$0	$0	$0	$0
0	2440	Deferred Revenue	-$889,463	-$44,612		-$934,075	-$112,512	-$31,795		-$144,308	-$789,768	-$911,769	-$128,410
0	2005	Property Under Finance Lease	$0	$0		$0	$0	$0		$0	$0	$0	$0
0	2055	WIP	$246,120	-$246,120		$0	$0	$0		$0	$0	$123,060	$0
		Sub-Total	**$9,115,736**	**$300,188**	**$0**	**$9,415,924**	**$2,413,875**	**$278,099**	**$ -**	**$2,691,973**	**$6,723,950**	**$9,265,830**	**$2,552,924**
		Less Socialized Renewable Energy Generation Investments (input as negative)				$0		$0		$0	$0	$0	$0
		Less Other Non Rate-Regulated Utility Assets (input as				$0		$0		$0	$0	$0	$0
		Total PP&E	**$9,115,736**	**$300,188**	**$0**	**$9,415,924**	**$2,413,875**	**$278,099**	**$ -**	**$2,691,973**	**$6,723,950**	$9,265,830	$2,552,924
		Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable[6]											$6,712,906
		Total						**$278,099**					$6,712,906

			Less: *Fully Allocated Depreciation*	
10		Transportation	Transportation	
8		Stores Equipment	Stores Equipment	
47		Deferred Revenue	Deferred Revenue	
			Net Depreciation	$ 278,099

Table 12 – 2025 Continuity schedule

Year 2025

CCA Class [2]	OEB Account [3]	Description [3]	Cost				Accumulated Depreciation				Net Book Value
			Opening Balance [5]	Additions [4]	Disposals [6]	Closing Balance	Opening Balance [5]	Additions	Disposals [6]	Closing Balance	
0	1609	Capital Contributions Paid	$0	$0		$0	$0	$0		$0	$0
12	1611	Computer Software (Formally known as Account 1925)	$130,977	$7,000		$137,977	$121,413	$3,970		$125,383	$12,594
CEC	1612	Land Rights (Formally known as Account 1906 and 1806)	$5,980	$0		$5,980	$0	$0		$0	$5,980
N/A	1805	Land	$20,000	$0		$20,000	$0	$0		$0	$20,000
47	1808	Buildings	$0	$0		$0	$0	$0		$0	$0
13	1810	Leasehold Improvements	$0	$0		$0	$0	$0		$0	$0
47	1815	Transformer Station Equipment >50 kV	$4,140,106	$0		$4,140,106	$726,913	$93,567		$820,480	$3,319,626
47	1820	Distribution Station Equipment <50 kV	$1,368,146	$0		$1,368,146	$347,188	$30,719		$377,907	$990,239
47	1825	Storage Battery Equipment	$0	$0		$0	$0	$0		$0	$0
47	1830	Poles, Towers & Fixtures -Wood	$1,315,108	$115,000		$1,430,108	$273,875	$35,910		$309,786	$1,120,323
47	1830	Poles, Towers & Fixtures - Steel	$0	$0		$0	$0	$0		$0	$0
47	1835	Overhead Conductors & Devices	$655,175	$50,000		$705,175	$113,360	$12,932		$126,292	$578,883
47	1840	Underground Conduit	$60,349	$0		$60,349	$28,491	$2,632		$31,123	$29,227
47	1845	Underground Conductors & Devices	$319,186	$15,000		$334,186	$102,839	$11,993		$114,832	$219,354
47	1850	Line Transformers - Overhead & Underground	$648,330	$65,000		$713,330	$118,080	$18,712		$136,792	$576,538
47	1855	Services -Overhead	$0	$0		$0	$0	$0		$0	$0
47	1855	Services - Underground	$34,966	$800		$35,766	$14,007	$1,497		$15,504	$20,262
47	1860	Meters - Energy Meters, CT/PT, Repeaters, & Collectors	$67	$0		$67	$0	$0		$0	$67
47	1860	Meters - Wholesale	$7,143	$0		$7,143	$1,745	$285		$2,030	$5,114
47	1860	Meters (Smart Meters)	$855,315	$88,544		$943,859	$535,220	$68,836		$604,056	$339,803
N/A	1905	Land	$28,300	$0		$28,300	$0	$0		$0	$28,300
47	1908	Buildings & Fixtures	$681,516	$1,500		$683,016	$386,607	$35,773		$422,379	$260,637
13	1910	Leasehold Improvements	$0	$0		$0	$0	$0		$0	$0
8	1915	Office Furniture & Equipment (10 years)	$32,291	$1,500		$33,791	$28,001	$1,982		$29,983	$3,808
8	1915	Office Furniture & Equipment (5 years)	$0	$0		$0	$0	$0		$0	$0
10	1920	Computer Equipment - Hardware	$5,595	$0		$5,595	$0	$0		$0	$5,595
45	1920	Computer Equip.-Hardware(Post Mar. 22/04)	$0	$0		$0	$0	$0		$0	$0
45.1	1920	Computer Equip.-Hardware(Post Mar. 19/07)	$18,920	$1,500		$20,420	$17,226	$2,394		$19,620	$800
10	1930	Transportation Equipment - under 3 Tons	$0	$0		$0	$0	$0		$0	$0
10	1930	Transportation Equipment - 3 Tons & Over	$0	$0		$0	$0	$0		$0	$0
8	1935	Stores Equipment	$0	$0		$0	$0	$0		$0	$0
8	1940	Tools, Shop & Garage Equipment	$20,977	$0		$20,977	$19,766	$825		$20,591	$386
8	1945	Measurement & Testing Equipment	$0	$0		$0	$0	$0		$0	$0
8	1950	Power Operated Equipment	$1,552	$0		$1,552	$1,552	$0		$1,552	$0
8	1955	Communications Equipment	$0	$0		$0	$0	$0		$0	$0
8	1955	Communication Equipment (Smart Meters)	$0	$0		$0	$0	$0		$0	$0
8	1960	Miscellaneous Equipment	$0	$0		$0	$0	$0		$0	$0
47	1970	Load Management Controls Customer Premises	$0	$0		$0	$0	$0		$0	$0
47	1975	Load Management Controls Utility Premises	$0	$0		$0	$0	$0		$0	$0
47	1980	System Supervisor Equipment	$0	$0		$0	$0	$0		$0	$0
47	1985	Miscellaneous Fixed Assets	$0	$0		$0	$0	$0		$0	$0
47	1990	Other Tangible Property	$0	$0		$0	$0	$0		$0	$0
47	1995	Contributions & Grants	$0	$0		$0	$0	$0		$0	$0
0	2440	Deferred Revenue	-$934,075	-$35,000		-$969,075	-$144,308	-$32,888		-$177,196	-$791,879
0	2005	Property Under Finance Lease	$0	$0		$0	$0	$0		$0	$0
0	2055	WIP	$0	$0		$0	$0	$0		$0	$0
		Sub-Total	**$9,415,924**	**$310,844**	**$0**	**$9,726,768**	**$2,691,973**	**$289,138**	**$ -**	**$2,981,112**	**$6,745,657**
		Less Socialized Renewable Energy Generation Investments (input as negative)				$0				$0	$0
		Less Other Non Rate-Regulated Utility Assets (input as				$0				$0	$0
		Total PP&E	**$9,415,924**	**$310,844**	**$0**	**$9,726,768**	**$2,691,973**	**$289,138**	**$ -**	**$2,981,112**	**$6,745,657**
		Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable[6]									
		Total						**$289,138**			

			Less: *Fully Allocated Depreciation*	
10		Transportation	Transportation	
8		Stores Equipment	Stores Equipment	
47		Deferred Revenue	Deferred Revenue	
			Net Depreciation	$ 289,138

2.2.2 Depreciation Expenses

In accordance with the July 17, 2012, letter from the Board on Regulatory accounting policy direction regarding changes to depreciation expense and capitalization policies and as such, HHI has adopted the Kinetrics proposed useful lives and componentization on January 1, 2013. 1The revised methodology was included in HHI's 2014 Cost of Service rate application EB-2013-0122.

Continuity Statements of the historical and forecasted depreciation expenses are presented on the next page and are filed in Excel format along with this application.

HHI confirms that it has applied the half-year rule to compute the net book value of Property, Plant and Equipment, and General Plant in the rate base.[2] Under the half-year rule, acquisitions and investments made during the year are amortized, assuming they entered service at the year's mid-point.

HHI's Depreciation rates and Capitalization Policy are presented below.

Depreciation Policy

This policy provides a structured approach to managing the depreciation of assets, ensuring that HHI's financial records accurately reflect the wear and tear on its infrastructure, supporting sustainable financial planning. The principle and methodology behind the policy has not changed since the last cost of service in 2018.

Depreciation Method

HHI will use the Straight-Line Method for depreciating its tangible capital assets. This method assumes that the asset's economic benefit is consumed evenly over its useful life.

Useful Life

The useful life of assets is determined based on MIFRS and if applicable, the specific conditions under which the asset operates. The following table provides the standard useful life for different categories of assets:

[1] MFR - Explanation of any deviations from the practice of depreciating significant parts or components of PP&E separately
[2] MFR – Identification of historical depreciation practice and proposal for test year. Variances from half- year rule.

Table 13 - Depreciation Rates

Account	Description	As of
1611	Computer Software (Formally known as Account 1925)	5
1820	Distribution Station Equipment <50 kV	55
1830	Poles, Towers & Fixtures	40
1835	Overhead Conductors & Devices	60
1845	Underground Conductors & Devices	35
1850	Line Transformers	40
1855	Services (Overhead & Underground)	40
1860	Meters	25
1860	Meters (Smart Meters)	15
1915	Office Furniture & Equipment (10 years)	10
1920	Computer Equipment - Hardware	5
1935	Stores Equipment	10
1940	Tools, Shop & Garage Equipment	10
1945	Measurement & Testing Equipment	10
1995	Contributions & Grants	40

Capitalization Threshold

Only assets with a purchase or construction cost exceeding $1,000 and an expected useful life of more than one year are capitalized and depreciated.

Revaluation of Useful Life

The useful life of assets is reviewed annually. Any changes in the expected life of an asset due to technological advances, changes in usage, or other factors will be adjusted prospectively.

Disposal of Assets

Upon disposal or retirement of an asset, the asset's cost and accumulated depreciation will be removed from HHI's books. Any gain or loss resulting from the disposal will be recognized in the income statement.

Regulatory Compliance

HHI ensures that its depreciation practices comply with all relevant regulatory requirements, including those set forth by the Ontario Energy Board (OEB) and other applicable bodies.

Table 14 – Depreciation Expenses 2018 (App 2-C)

Determination of Depreciation Expenses

Year 2018 IFRS

Account	Description	Opening Regulatory Gross PP&E	Less Fully Depreciated	Net for Depreciation	Additions	Total for Depreciation	Years	Depreciation Rate	Depreciation Expense	Depreciation Expense per Appendix 2-B Fixed Assets, Column K	Variance
		(a)	(b)	(c)	(d)	(e) = (c) + ½ x (d) 1	(f)	(g) = 1 / (f)	(h) = (e) / (f)	(l)	(m) = (h) - (l)
1609	Capital Contributions Paid	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1611	Computer Software (Formally known as Account 1925)	$ 77,772	$ 40,084	$ 37,688	$ 36,855	$ 56,115	5	20.00%	$ 11,223	$ 11,223	$ 0
1612	Land Rights (Formally known as Account 1906 and 1806)	$ 5,980	$ -	$ 5,980	$ -	$ 5,980			$ -	$ -	$ -
1805	Land	$ 20,000	$ -	$ 20,000	$ -	$ 20,000			$ -	$ -	$ -
1808	Buildings	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1810	Leasehold Improvements	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1815	Transformer Station Equipment >50 kV	$ 4,038,484	$ (62,220)	$ 4,100,704	$ 21,714	$ 4,111,560	45	2.22%	$ 91,368	$ 91,368	$ 0
1820	Distribution Station Equipment <50 kV	$ 1,349,340	$ (115,937)	$ 1,465,277	$ 1,196	$ 1,465,875	45	2.22%	$ 32,575	$ 32,575	$ (0)
1825	Storage Battery Equipment	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1830	Poles, Towers & Fixtures -Wood	$ 687,326	$ (375,222)	$ 1,062,548	$ 78,753	$ 1,101,924	45	2.22%	$ 24,487	$ 24,487	$ (0)
1830	Poles, Towers & Fixtures - Steel	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1835	Overhead Conductors & Devices	$ 349,427	$ (210,342)	$ 559,769	$ 21,062	$ 570,300	60	1.67%	$ 9,505	$ 9,505	$ (0)
1840	Underground Conduit	$ 39,336	$ (87,964)	$ 127,300	$ -	$ 127,300	50	2.00%	$ 2,546	$ 2,546	$ 0
1845	Underground Conductors & Devices	$ 146,147	$ (122,418)	$ 268,565	$ 25,370	$ 281,250	30	3.33%	$ 9,375	$ 9,375	$ 0
1850	Line Transformers - Overhead & Underground	$ 226,890	$ (165,135)	$ 392,025	$ 12,190	$ 398,120	40	2.50%	$ 9,953	$ 9,953	$ (0)
1855	Services -Overhead	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1855	Services - Underground	$ 26,326	$ (8,927)	$ 35,253	$ 1,494	$ 36,000	30	3.33%	$ 1,200	$ 1,200	$ 0
1860	Meters - Energy Meters, CT/PT, Repeaters, & Collectors	$ -	$ 34	$ (34)	$ 67	$ (0)	25	4.00%	$ (0)	$ -	$ (0)
1860	Meters - Wholesale	$ 7,143	$ 5,318	$ 1,825	$ -	$ 1,825	25	4.00%	$ 73	$ 73	$ 0
1860	Meters (Smart Meters)	$ 548,640	$ (144,708)	$ 693,348	$ 17,628	$ 702,162	15	6.67%	$ 46,811	$ 46,811	$ 0
1905	Land	$ 28,300	$ -	$ 28,300	$ -	$ 28,300			$ -	$ -	$ -
1908	Buildings & Fixtures	$ 676,821	$ 1,212	$ 675,609	$ 1,200	$ 676,209	19	5.24%	$ 35,461	$ 35,461	$ (0)
1910	Leasehold Improvements	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1915	Office Furniture & Equipment (10 years)	$ 27,584	$ (967)	$ 28,551	$ 958	$ 29,030	10	10.00%	$ 2,903	$ 2,903	$ (0)
1915	Office Furniture & Equipment (5 years)	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1920	Computer Equipment - Hardware	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1920	Computer Equip.-Hardware(Post Mar. 22/04)	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1920	Computer Equip.-Hardware(Post Mar. 19/07)	$ 11,389	$ 5,579	$ 5,810	$ -	$ 5,810	5	20.00%	$ 1,162	$ 1,162	$ (0)
1930	Transportation Equipment - under 3 Tons	$ 6,392	$ 6,392	$ -	$ -	$ -	8	12.50%	$ -	$ -	$ -
1930	Transportation Equipment - 3 Tons & Over	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1935	Stores Equipment	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1940	Tools, Shop & Garage Equipment	$ 20,977	$ (3,713)	$ 24,690	$ -	$ 24,690	10	10.00%	$ 2,469	$ 2,469	$ 0
1945	Measurement & Testing Equipment	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1950	Power Operated Equipment	$ 1,552	$ (104)	$ 1,656	$ -	$ 1,656	8	12.50%	$ 207	$ 207	$ (0)
1955	Communications Equipment	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1955	Communication Equipment (Smart Meters)	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1960	Miscellaneous Equipment	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1970	Load Management Controls Customer Premises	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1975	Load Management Controls Utility Premises	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1980	System Supervisor Equipment	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1985	Miscellaneous Fixed Assets	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1990	Other Tangible Property	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1995	Contributions & Grants	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
2440	Deferred Revenue	$ (386,802)	$ (39,615)	$ (347,187)	$ (59,897)	$ (377,135)	36	2.75%	$ (10,356)	$ (10,356)	$ (0)
2005	Property Under Finance Lease	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
2055	WIP	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
	Total	$ 7,909,024	$ (1,278,653)	$ 9,187,677	$ 158,590	$ 9,266,972			$ 270,962	$ 270,962	$ 0
										$ 270,962	

Table 15 – Depreciation Expenses 2019 (App 2-C)

Year 2019 IFRS

Account	Description	Opening Regulatory Gross PP&E	Less Fully Depreciated	Net for Depreciation	Additions	Total for Depreciation	Years	Depreciation Rate	Depreciation Expense	Depreciation Expense per Appendix 2-B Fixed Assets, Column K (l)	Variance
		(a)	(b)	(c)	(d)	(e) = (c) + ½ x (d) 1	(f)	(g) = 1 / (f)	(h) = (e) / (f)		(m) = (h) - (l)
1609	Capital Contributions Paid	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1611	Computer Software (Formally known as Account 19	$ 114,627	$ 59,867	$ 54,760	$ -	$ 54,760	5	20.00%	$ 10,952	$ 10,952	$ (0)
1612	Land Rights (Formally known as Account 1906 and	$ 5,980	$ -	$ 5,980	$ -	$ 5,980			$ -	$ -	$ -
1805	Land	$ 20,000	$ -	$ 20,000	$ -	$ 20,000			$ -	$ -	$ -
1808	Buildings	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1810	Leasehold Improvements	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1815	Transformer Station Equipment >50 kV	$ 4,060,197	$ (67,637)	$ 4,127,834	$ -	$ 4,127,834	45	2.22%	$ 91,730	$ 91,730	$ 0
1820	Distribution Station Equipment <50 kV	$ 1,350,536	$ (5,419)	$ 1,355,955	$ 17,610	$ 1,364,760	45	2.22%	$ 30,328	$ 30,328	$ (0)
1825	Storage Battery Equipment	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1830	Poles, Towers & Fixtures -Wood	$ 762,558	$ (352,428)	$ 1,114,986	$ 83,978	$ 1,156,975	45	2.22%	$ 25,711	$ 25,711	$ (0)
1830	Poles, Towers & Fixtures - Steel	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1835	Overhead Conductors & Devices	$ 370,489	$ (195,354)	$ 565,843	$ 16,531	$ 574,109	60	1.67%	$ 9,568	$ 9,568	$ 0
1840	Underground Conduit	$ 39,336	$ (77,114)	$ 116,450	$ -	$ 116,450	50	2.00%	$ 2,329	$ 2,329	$ 0
1845	Underground Conductors & Devices	$ 171,517	$ (125,873)	$ 297,390	$ -	$ 297,390	30	3.33%	$ 9,913	$ 9,913	$ 0
1850	Line Transformers - Overhead & Underground	$ 239,080	$ (163,055)	$ 402,135	$ 14,770	$ 409,520	40	2.50%	$ 10,238	$ 10,238	$ (0)
1855	Services -Overhead	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1855	Services - Underground	$ 27,820	$ (9,557)	$ 37,377	$ 924	$ 37,839	30	3.33%	$ 1,261	$ 1,261	$ (0)
1860	Meters - Energy Meters, CT/PT, Repeaters, & Collect	$ 67	$ 67	$ 0	$ -	$ 0	25	4.00%	$ 0	$ -	$ 0
1860	Meters - Wholesale	$ 7,143	$ 6,133	$ 1,010	$ -	$ 1,010	15	6.67%	$ 67	$ 67	$ (0)
1860	Meters (Smart Meters)	$ 558,673	$ (123,431)	$ 682,104	$ 34,838	$ 699,523	15	6.67%	$ 46,635	$ 46,635	$ (0)
1905	Land	$ 28,300	$ -	$ 28,300	$ -	$ 28,300			$ -	$ -	$ -
1908	Buildings & Fixtures	$ 678,021	$ 1,049	$ 676,972	$ -	$ 676,972	19	5.24%	$ 35,501	$ 35,501	$ (0)
1910	Leasehold Improvements	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1915	Office Furniture & Equipment (10 years)	$ 28,541	$ 4,666	$ 23,875	$ -	$ 23,875	10	10.00%	$ 2,388	$ 2,388	$ 0
1915	Office Furniture & Equipment (5 years)	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1920	Computer Equipment - Hardware	$ -	$ -	$ -	$ -	$ -	0		$ -	$ -	$ -
1920	Computer Equip.-Hardware(Post Mar. 22/04)	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1920	Computer Equip.-Hardware(Post Mar. 19/07)	$ 11,389	$ 7,769	$ 3,620	$ -	$ 3,620	5	20.00%	$ 724	$ 724	$ (0)
1930	Transportation Equipment - under 3 Tons	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1930	Transportation Equipment - 3 Tons & Over	$ -	$ -	$ -	$ -	$ -	8	12.50%	$ -	$ -	$ -
1935	Stores Equipment	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1940	Tools, Shop & Garage Equipment	$ 20,977	$ (2,723)	$ 23,700	$ -	$ 23,700	10	10.00%	$ 2,370	$ 2,370	$ 0
1945	Measurement & Testing Equipment	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1950	Power Operated Equipment	$ 1,552	$ (104)	$ 1,656	$ -	$ 1,656	8	12.50%	$ 207	$ 207	$ (0)
1955	Communications Equipment	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1955	Communication Equipment (Smart Meters)	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1960	Miscellaneous Equipment	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1970	Load Management Controls Customer Premises	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1975	Load Management Controls Utility Premises	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1980	System Supervisor Equipment	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1985	Miscellaneous Fixed Assets	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1990	Other Tangible Property	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1995	Contributions & Grants	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
2440	Deferred Revenue	$ (446,698)	$ (22,390)	$ (424,308)	$ (1,255)	$ (424,936)	36	2.75%	$ (11,669)	$ (11,669)	$ (0)
2005	Property Under Finance Lease	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
2055	WIP	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
	Total	$ 8,050,106	$ (1,065,534)	$ 9,115,640	$ 167,395	$ 9,199,338			$ 268,253	$ 268,253	**$ (0)**
										$ 268,253	

Table 16 – Depreciation Expenses 2020 (App 2-C)

Year 2020 IFRS

Account	Description	Opening Regulatory Gross PP&E	Less Fully Depreciated	Net for Depreciation	Additions	Total for Depreciation	Years	Depreciation Rate	Depreciation Expense	Depreciation Expense per Appendix 2-B Fixed Assets, Column K	Variance
		(a)	(b)	(c)	(d)	(e) = (c) + ½ x (d) 1	(f)	(g) = 1 / (f)	(h) = (e) / (f)	(l)	(m) = (h) - (l)
1609	Capital Contributions Paid	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1611	Computer Software (Formally known as Account 19	$ 114,627	$ 67,992	$ 46,635	$ -	$ 46,635	5	20.00%	$ 9,327	$ 9,327	$ (0)
1612	Land Rights (Formally known as Account 1906 and	$ 5,980	$ -	$ 5,980	$ -	$ 5,980			$ -	$ -	$ -
1805	Land	$ 20,000	$ -	$ 20,000	$ -	$ 20,000			$ -	$ -	$ -
1808	Buildings	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1810	Leasehold Improvements	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1815	Transformer Station Equipment >50 kV	$ 4,060,197	$ (66,733)	$ 4,126,930	$ 11,200	$ 4,132,530	45	2.22%	$ 91,834	$ 91,834	$ 0
1820	Distribution Station Equipment <50 kV	$ 1,368,146	$ (14,209)	$ 1,382,355	$ -	$ 1,382,355	45	2.22%	$ 30,719	$ 30,719	$ (0)
1825	Storage Battery Equipment	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1830	Poles, Towers & Fixtures -Wood	$ 846,078	$ (308,159)	$ 1,154,237	$ 63,563	$ 1,186,018	45	2.22%	$ 26,356	$ 26,356	$ (0)
1830	Poles, Towers & Fixtures - Steel	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1835	Overhead Conductors & Devices	$ 387,020	$ (121,277)	$ 508,297	$ 43,126	$ 529,860	60	1.67%	$ 8,831	$ 8,831	$ (0)
1840	Underground Conduit	$ 39,336	$ (70,633)	$ 109,969	$ 12,662	$ 116,300	50	2.00%	$ 2,326	$ 2,326	$ 0
1845	Underground Conductors & Devices	$ 171,517	$ (67,232)	$ 238,749	$ 16,421	$ 246,960	30	3.33%	$ 8,232	$ 8,232	$ 0
1850	Line Transformers - Overhead & Underground	$ 253,850	$ (148,752)	$ 402,602	$ 27,516	$ 416,360	40	2.50%	$ 10,409	$ 10,409	$ (0)
1855	Services -Overhead	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1855	Services - Underground	$ 28,744	$ (9,566)	$ 38,310	$ -	$ 38,310	30	3.33%	$ 1,277	$ 1,277	$ (0)
1860	Meters - Energy Meters, CT/PT, Repeaters, & Collect	$ 67	$ 67	$ 0	$ -	$ 0	25	4.00%	$ 0	$ -	$ 0
1860	Meters - Wholesale	$ 7,143	$ 4,458	$ 2,685	$ -	$ 2,685	15	6.67%	$ 179	$ 179	$ 0
1860	Meters (Smart Meters)	$ 586,860	$ (143,371)	$ 730,231	$ 46,108	$ 753,285	15	6.67%	$ 50,219	$ 50,219	$ 0
1905	Land	$ 28,300	$ -	$ 28,300	$ -	$ 28,300			$ -	$ -	$ -
1908	Buildings & Fixtures	$ 678,021	$ 1,049	$ 676,972	$ -	$ 676,972	19	5.24%	$ 35,501	$ 35,501	$ (0)
1910	Leasehold Improvements	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1915	Office Furniture & Equipment (10 years)	$ 28,541	$ 9,186	$ 19,355	$ 2,250	$ 20,480	10	10.00%	$ 2,048	$ 2,048	$ 0
1915	Office Furniture & Equipment (5 years)	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1920	Computer Equipment - Hardware	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1920	Computer Equip.-Hardware(Post Mar. 22/04)	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1920	Computer Equip.-Hardware(Post Mar. 19/07)	$ 11,389	$ 10,279	$ 1,110	$ 4,350	$ 3,285	5	20.00%	$ 657	$ 657	$ (0)
1930	Transportation Equipment - under 3 Tons	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1930	Transportation Equipment - 3 Tons & Over	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1935	Stores Equipment	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1940	Tools, Shop & Garage Equipment	$ 20,977	$ 1,847	$ 19,130	$ -	$ 19,130	10	10.00%	$ 1,913	$ 1,913	$ 0
1945	Measurement & Testing Equipment	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1950	Power Operated Equipment	$ 1,552	$ (104)	$ 1,656	$ -	$ 1,656	8	12.50%	$ 207	$ 207	$ (0)
1955	Communications Equipment	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1955	Communication Equipment (Smart Meters)	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1960	Miscellaneous Equipment	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1970	Load Management Controls Customer Premises	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1975	Load Management Controls Utility Premises	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1980	System Supervisor Equipment	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1985	Miscellaneous Fixed Assets	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1990	Other Tangible Property	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1995	Contributions & Grants	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
2440	Deferred Revenue	$ (447,954)	$ (41,852)	$ (406,102)	$ (49,062)	$ (430,632)	36	2.75%	$ (11,825)	$ (11,825)	$ 0
2005	Property Under Finance Lease	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
2055	WIP	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
		$ -		$ -		$ -			$ -	$ -	$ -
	Total	$ 8,210,392	$ (897,010)	$ 9,107,402	$ 178,135	$ 9,196,469			$ 268,210	$ 268,210	**$ 0**
										$ 268,210	

Table 17 – Depreciation Expenses 2021 (App 2-C)

Year 2021 IFRS

Account	Description	Opening Regulatory Gross PP&E	Less Fully Depreciated	Net for Depreciation	Additions	Total for Depreciation	Years	Depreciation Rate	Depreciation Expense	Depreciation Expense per Appendix 2-B Fixed Assets, Column K	Variance
		(a)	(b)	(c)	(d)	(e) = (c) + ½ x (d) 1	(f)	(g) = 1 / (f)	(h) = (e) / (f)	(l)	(m) = (h) - (l)
1609	Capital Contributions Paid	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1611	Computer Software (Formally known as Account 19	$ 114,627	$ 74,907	$ 39,720	$ 9,350	$ 44,395	5	20.00%	$ 8,879	$ 8,879	$ (0)
1612	Land Rights (Formally known as Account 1906 and	$ 5,980	$ -	$ 5,980	$ -	$ 5,980			$ -	$ -	$ -
1805	Land	$ 20,000	$ -	$ 20,000	$ -	$ 20,000			$ -	$ -	$ -
1808	Buildings	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1810	Leasehold Improvements	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1815	Transformer Station Equipment >50 kV	$ 4,071,397	$ (67,658)	$ 4,139,055	$ -	$ 4,139,055	45	2.22%	$ 91,979	$ 91,979	$ 0
1820	Distribution Station Equipment <50 kV	$ 1,368,146	$ (14,209)	$ 1,382,355	$ -	$ 1,382,355	45	2.22%	$ 30,719	$ 30,719	$ (0)
1825	Storage Battery Equipment	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1830	Poles, Towers & Fixtures -Wood	$ 908,762	$ (317,290)	$ 1,226,052	$ 20,777	$ 1,236,441	45	2.22%	$ 27,476	$ 27,476	$ (0)
1830	Poles, Towers & Fixtures - Steel	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1835	Overhead Conductors & Devices	$ 430,146	$ (130,326)	$ 560,472	$ 75,763	$ 598,353	60	1.67%	$ 9,973	$ 9,973	$ 0
1840	Underground Conduit	$ 51,999	$ (74,082)	$ 126,081	$ 8,351	$ 130,256	50	2.00%	$ 2,605	$ 2,605	$ (0)
1845	Underground Conductors & Devices	$ 187,939	$ (45,980)	$ 233,919	$ 34,207	$ 251,022	30	3.33%	$ 8,367	$ 8,367	$ 0
1850	Line Transformers - Overhead & Underground	$ 281,366	$ (134,336)	$ 415,702	$ 77,805	$ 454,604	40	2.50%	$ 11,365	$ 11,365	$ 0
1855	Services -Overhead	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1855	Services - Underground	$ 28,744	$ (9,806)	$ 38,550	$ 3,000	$ 40,050	30	3.33%	$ 1,335	$ 1,335	$ (0)
1860	Meters - Energy Meters, CT/PT, Repeaters, & Collect	$ 67	$ 67	$ 0	$ -	$ 0	25	4.00%	$ 0	$ -	$ 0
1860	Meters - Wholesale	$ 7,143	$ 2,868	$ 4,275	$ -	$ 4,275	15	6.67%	$ 285	$ 285	$ 0
1860	Meters (Smart Meters)	$ 632,968	$ (134,836)	$ 767,804	$ 41,531	$ 788,570	15	6.67%	$ 52,571	$ 52,571	$ 0
1905	Land	$ 28,300	$ -	$ 28,300	$ -	$ 28,300			$ -	$ -	$ -
1908	Buildings & Fixtures	$ 678,021	$ 1,049	$ 676,972	$ -	$ 676,972	19	5.24%	$ 35,501	$ 35,501	$ (0)
1910	Leasehold Improvements	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1915	Office Furniture & Equipment (10 years)	$ 30,791	$ 9,851	$ 20,940	$ -	$ 20,940	10	10.00%	$ 2,094	$ 2,094	$ 0
1915	Office Furniture & Equipment (5 years)	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1920	Computer Equipment - Hardware	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1920	Computer Equip.-Hardware(Post Mar. 22/04)	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1920	Computer Equip.-Hardware(Post Mar. 19/07)	$ 15,739	$ 8,961	$ 6,778	$ 1,245	$ 7,401	5	20.00%	$ 1,480	$ 1,480	$ 0
1930	Transportation Equipment - under 3 Tons	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1930	Transportation Equipment - 3 Tons & Over	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1935	Stores Equipment	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1940	Tools, Shop & Garage Equipment	$ 20,977	$ 8,627	$ 12,350	$ -	$ 12,350	10	10.00%	$ 1,235	$ 1,235	$ 0
1945	Measurement & Testing Equipment	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1950	Power Operated Equipment	$ 1,552	$ 728	$ 824	$ -	$ 824	8	12.50%	$ 103	$ 103	$ (0)
1955	Communications Equipment	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1955	Communication Equipment (Smart Meters)	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1960	Miscellaneous Equipment	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1970	Load Management Controls Customer Premises	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1975	Load Management Controls Utility Premises	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1980	System Supervisor Equipment	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1985	Miscellaneous Fixed Assets	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1990	Other Tangible Property	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1995	Contributions & Grants	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
2440	Deferred Revenue	$ (497,015)	$ (39,111)	$ (457,904)	$ (80,474)	$ (498,141)	36	2.75%	$ (13,679)	$ (13,679)	$ (0)
2005	Property Under Finance Lease	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
2055	WIP	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
				$ -		$ -			$ -		$ -
	Total	$ 8,387,648	$ (860,576)	$ 9,248,224	$ 191,555	$ 9,344,001			$ 272,289	$ 272,289	$ 0
										$ 272,289	

Table 18 – Depreciation Expenses 2022 (App 2-C)

Year 2022 IFRS

Account	Description	Opening Regulatory Gross PP&E	Less Fully Depreciated	Net for Depreciation	Additions	Total for Depreciation	Years	Depreciation Rate	Depreciation Expense	Depreciation Expense per Appendix 2-B Fixed Assets, Column K	Variance
		(a)	(b)	(c)	(d)	(e) = (c) + ½ x (d) 1	(f)	(g) = 1 / (f)	(h) = (e) / (f)		(m) = (h) - (l)
1609	Capital Contributions Paid	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1611	Computer Software (Formally known as Account 19	$ 123,977	$ 77,662	$ 46,315	$ -	$ 46,315	5	20.00%	$ 9,263	$ 9,263	$ (0)
1612	Land Rights (Formally known as Account 1906 and	$ 5,980	$ -	$ 5,980	$ -	$ 5,980			$ -	$ -	$ -
1805	Land	$ 20,000	$ -	$ 20,000	$ -	$ 20,000			$ -	$ -	$ -
1808	Buildings	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1810	Leasehold Improvements	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1815	Transformer Station Equipment >50 kV	$ 4,071,397	$ (48,371)	$ 4,119,768	$ 56,556	$ 4,148,046	45	2.22%	$ 92,179	$ 92,179	$ 0
1820	Distribution Station Equipment <50 kV	$ 1,368,146	$ (14,209)	$ 1,382,355	$ -	$ 1,382,355	45	2.22%	$ 30,719	$ 30,719	$ (0)
1825	Storage Battery Equipment	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1830	Poles, Towers & Fixtures -Wood	$ 929,539	$ (358,851)	$ 1,288,390	$ 98,258	$ 1,337,520	45	2.22%	$ 29,723	$ 29,723	$ 0
1830	Poles, Towers & Fixtures - Steel	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1835	Overhead Conductors & Devices	$ 505,908	$ (95,953)	$ 601,861	$ 62,792	$ 633,258	60	1.67%	$ 10,554	$ 10,554	$ 0
1840	Underground Conduit	$ 60,349	$ (73,357)	$ 133,706	$ -	$ 133,706	50	2.00%	$ 2,674	$ 2,674	$ 0
1845	Underground Conductors & Devices	$ 222,146	$ (34,426)	$ 256,572	$ -	$ 256,572	30	3.33%	$ 8,552	$ 8,552	$ (0)
1850	Line Transformers - Overhead & Underground	$ 359,171	$ (123,635)	$ 482,806	$ 49,155	$ 507,383	40	2.50%	$ 12,685	$ 12,685	$ (0)
1855	Services -Overhead	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1855	Services - Underground	$ 31,744	$ (8,780)	$ 40,524	$ 1,572	$ 41,310	30	3.33%	$ 1,377	$ 1,377	$ (0)
1860	Meters - Energy Meters, CT/PT, Repeaters, & Collect	$ 67	$ 67	$ 0	$ -	$ 0	25	4.00%	$ 0	$ -	$ 0
1860	Meters - Wholesale	$ 7,143	$ 2,868	$ 4,275	$ -	$ 4,275	15	6.67%	$ 285	$ 285	$ 0
1860	Meters (Smart Meters)	$ 674,499	$ (134,836)	$ 809,335	$ 57,029	$ 837,850	15	6.67%	$ 55,857	$ 55,857	$ 0
1905	Land	$ 28,300	$ -	$ 28,300	$ -	$ 28,300			$ -	$ -	$ -
1908	Buildings & Fixtures	$ 678,021	$ 1,049	$ 676,972	$ -	$ 676,972	19	5.24%	$ 35,501	$ 35,501	$ (0)
1910	Leasehold Improvements	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1915	Office Furniture & Equipment (10 years)	$ 30,791	$ 10,411	$ 20,380	$ -	$ 20,380	10	10.00%	$ 2,038	$ 2,038	$ 0
1915	Office Furniture & Equipment (5 years)	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1920	Computer Equipment - Hardware	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1920	Computer Equip.-Hardware(Post Mar. 22/04)	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1920	Computer Equip.-Hardware(Post Mar. 19/07)	$ 16,984	$ 11,954	$ 5,030	$ 2,210	$ 6,135	5	20.00%	$ 1,227	$ 1,227	$ 0
1930	Transportation Equipment - under 3 Tons	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1930	Transportation Equipment - 3 Tons & Over	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1935	Stores Equipment	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1940	Tools, Shop & Garage Equipment	$ 20,977	$ 11,547	$ 9,430	$ -	$ 9,430	10	10.00%	$ 943	$ 943	$ 0
1945	Measurement & Testing Equipment	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1950	Power Operated Equipment	$ 1,552	$ 728	$ 824	$ -	$ 824	8	12.50%	$ 103	$ 103	$ (0)
1955	Communications Equipment	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1955	Communication Equipment (Smart Meters)	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1960	Miscellaneous Equipment	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1970	Load Management Controls Customer Premises	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1975	Load Management Controls Utility Premises	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1980	System Supervisor Equipment	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1985	Miscellaneous Fixed Assets	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1990	Other Tangible Property	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1995	Contributions & Grants	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
2440	Deferred Revenue	$ (577,489)	$ (6,472)	$ (571,017)	$ (65,854)	$ (603,944)	36	2.75%	$ (16,584)	$ (16,584)	$ (0)
2005	Property Under Finance Lease	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
2055	WIP	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
				$ -		$ -			$ -		$ -
	Total	$ 8,579,203	$ (782,604)	$ 9,361,807	$ 261,720	$ 9,492,666			$ 277,095	$ 277,095	$ 0
										$ 277,095	

Table 19 – Depreciation Expenses 2023 (App 2-C)

Year 2023 IFRS

Account	Description	Opening Regulatory Gross PP&E	Less Fully Depreciated	Net for Depreciation	Additions	Total for Depreciation	Years	Depreciation Rate	Depreciation Expense	Depreciation Expense per Appendix 2-B Fixed Assets, Column K	Variance
		(a)	(b)	(c)	(d)	(e) = (c) + ½ x (d) 1	(f)	(g) = 1 / (f)	(h) = (e) / (f)		(m) = (h) - (l)
1609	Capital Contributions Paid	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1611	Computer Software (Formally known as Account 19	$ 123,977	$ 96,962	$ 27,015	$ -	$ 27,015	5	20.00%	$ 5,403	$ 5,403	$ (0)
1612	Land Rights (Formally known as Account 1906 and	$ 5,980	$ -	$ 5,980	$ -	$ 5,980			$ -	$ -	$ -
1805	Land	$ 20,000	$ -	$ 20,000	$ -	$ 20,000			$ -	$ -	$ -
1808	Buildings	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1810	Leasehold Improvements	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1815	Transformer Station Equipment >50 kV	$ 4,127,953	$ (70,410)	$ 4,198,363	$ 12,153	$ 4,204,440	45	2.22%	$ 93,432	$ 93,432	$ (0)
1820	Distribution Station Equipment <50 kV	$ 1,368,146	$ (14,209)	$ 1,382,355	$ -	$ 1,382,355	45	2.22%	$ 30,719	$ 30,719	$ (0)
1825	Storage Battery Equipment	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1830	Poles, Towers & Fixtures -Wood	$ 1,022,994	$ (240,251)	$ 1,263,245	$ 103,612	$ 1,315,051	45	2.22%	$ 29,223	$ 29,223	$ (0)
1830	Poles, Towers & Fixtures - Steel	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1835	Overhead Conductors & Devices	$ 568,701	$ (95,742)	$ 664,443	$ 3,474	$ 666,180	60	1.67%	$ 11,103	$ 11,103	$ (0)
1840	Underground Conduit	$ 60,349	$ (71,242)	$ 131,591	$ -	$ 131,591	50	2.00%	$ 2,632	$ 2,632	$ (0)
1845	Underground Conductors & Devices	$ 222,146	$ (33,114)	$ 255,260	$ -	$ 255,260	30	3.33%	$ 8,509	$ 8,509	$ 0
1850	Line Transformers - Overhead & Underground	$ 408,326	$ 150,500	$ 257,826	$ 96,589	$ 306,120	40	2.50%	$ 7,653	$ 7,653	$ 0
1855	Services -Overhead	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1855	Services - Underground	$ 33,316	$ (9,537)	$ 42,853	$ 851	$ 43,278	30	3.33%	$ 1,443	$ 1,443	$ 0
1860	Meters - Energy Meters, CT/PT, Repeaters, & Collect	$ 67	$ 67	$ 0	$ -	$ 0	25	4.00%	$ 0	$ -	$ 0
1860	Meters - Wholesale	$ 7,143	$ 2,868	$ 4,275	$ -	$ 4,275	15	6.67%	$ 285	$ 285	$ 0
1860	Meters (Smart Meters)	$ 731,528	$ (126,725)	$ 858,253	$ 70,517	$ 893,512	15	6.67%	$ 59,567	$ 59,567	$ (0)
1905	Land	$ 28,300	$ -	$ 28,300	$ -	$ 28,300			$ -	$ -	$ -
1908	Buildings & Fixtures	$ 678,021	$ 998	$ 677,023	$ 1,995	$ 678,021	19	5.24%	$ 35,556	$ 35,556	$ (0)
1910	Leasehold Improvements	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1915	Office Furniture & Equipment (10 years)	$ 30,791	$ 13,221	$ 17,570	$ -	$ 17,570	10	10.00%	$ 1,757	$ 1,757	$ 0
1915	Office Furniture & Equipment (5 years)	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1920	Computer Equipment - Hardware	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1920	Computer Equip.-Hardware(Post Mar. 22/04)	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1920	Computer Equip.-Hardware(Post Mar. 19/07)	$ 19,194	$ 13,296	$ 5,898	$ 3,820	$ 7,808	5	20.00%	$ 1,562	$ 1,562	$ (0)
1930	Transportation Equipment - under 3 Tons	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1930	Transportation Equipment - 3 Tons & Over	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1935	Stores Equipment	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1940	Tools, Shop & Garage Equipment	$ 20,977	$ 12,727	$ 8,250	$ -	$ 8,250	10	10.00%	$ 825	$ 825	$ 0
1945	Measurement & Testing Equipment	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1950	Power Operated Equipment	$ 1,552	$ 2,376	$ (824)	$ -	$ (824)	8	12.50%	$ (103)	$ (103)	$ (0)
1955	Communications Equipment	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1955	Communication Equipment (Smart Meters)	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1960	Miscellaneous Equipment	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1970	Load Management Controls Customer Premises	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1975	Load Management Controls Utility Premises	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1980	System Supervisor Equipment	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1985	Miscellaneous Fixed Assets	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1990	Other Tangible Property	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1995	Contributions & Grants	$ -	$ -	$ -	$ -	$ -	0		$ -	$ -	$ -
2440	Deferred Revenue	$ (643,343)	$ (130,427)	$ (512,916)	$ (246,120)	$ (635,976)	36	2.78%	$ (17,666)	$ (17,666)	$ (0)
2005	Property Under Finance Lease	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
2055	WIP	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
				$ -		$ -			$ -		$ -
	Total	$ 8,836,118	$ (498,642)	$ 9,334,760	$ 46,891	$ 9,358,205			$ 271,900	$ 271,900	$ (0)
										$ 271,900	

Table 20 – Depreciation Expenses 2024 (App 2-C)

Year 2024 IFRS

Account	Description	Opening Regulatory Gross PP&E	Less Fully Depreciated	Net for Depreciation	Additions	Total for Depreciation	Years	Depreciation Rate	Depreciation Expense	Depreciation Expense per Appendix 2-B Fixed Assets, Column K	Variance
		(a)	(b)	(c)	(d)	(e) = (c) + ½ x (d) 1	(f)	(g) = 1 / (f)	(h) = (e) / (f)		(m) = (h) - (l)
1609	Capital Contributions Paid	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1611	Computer Software (Formally known as Account 19	$ 123,977	$ 114,627	$ 9,350	$ 7,000	$ 12,850	5	20.00%	$ 2,570	$ 2,570	$ (0)
1612	Land Rights (Formally known as Account 1906 and	$ 5,980	$ -	$ 5,980	$ -	$ 5,980			$ -	$ -	$ -
1805	Land	$ 20,000	$ -	$ 20,000	$ -	$ 20,000			$ -	$ -	$ -
1808	Buildings	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1810	Leasehold Improvements	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1815	Transformer Station Equipment >50 kV	$ 4,140,106	$ (70,410)	$ 4,210,516	$ -	$ 4,210,516	45	2.22%	$ 93,567	$ 93,567	$ (0)
1820	Distribution Station Equipment <50 kV	$ 1,368,146	$ (14,209)	$ 1,382,355	$ -	$ 1,382,355	45	2.22%	$ 30,719	$ 30,719	$ (0)
1825	Storage Battery Equipment	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1830	Poles, Towers & Fixtures -Wood	$ 1,123,068	$ (325,398)	$ 1,448,466	$ 110,000	$ 1,503,466	45	2.22%	$ 33,410	$ 33,410	$ (0)
1830	Poles, Towers & Fixtures - Steel	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1835	Overhead Conductors & Devices	$ 572,175	$ (95,742)	$ 667,917	$ 83,000	$ 709,417	60	1.67%	$ 11,824	$ 11,824	$ (0)
1840	Underground Conduit	$ 60,349	$ (71,242)	$ 131,591	$ -	$ 131,591	50	2.00%	$ 2,632	$ 2,632	$ (0)
1845	Underground Conductors & Devices	$ 222,146	$ (115,154)	$ 337,300	$ 15,000	$ 344,800	30	3.33%	$ 11,493	$ 11,493	$ 0
1850	Line Transformers - Overhead & Underground	$ 501,290	$ (149,685)	$ 650,975	$ 65,000	$ 683,475	40	2.50%	$ 17,087	$ 17,087	$ 0
1855	Services -Overhead	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1855	Services - Underground	$ 34,166	$ (9,437)	$ 43,603	$ 800	$ 44,003	30	3.33%	$ 1,467	$ 1,467	$ (0)
1860	Meters - Energy Meters, CT/PT, Repeaters, & Collect	$ 67	$ 67	$ 0	$ -	$ 0	25	4.00%	$ 0	$ -	$ 0
1860	Meters - Wholesale	$ 7,143	$ 2,868	$ 4,275	$ -	$ 4,275	15	6.67%	$ 285	$ 285	$ 0
1860	Meters (Smart Meters)	$ 795,815	$ (141,066)	$ 936,881	$ 59,500	$ 966,631	15	6.67%	$ 64,442	$ 64,442	$ (0)
1905	Land	$ 28,300	$ -	$ 28,300	$ -	$ 28,300			$ -	$ -	$ -
1908	Buildings & Fixtures	$ 680,016	$ 524	$ 679,492	$ 1,500	$ 680,242	19	5.24%	$ 35,672	$ 35,673	$ (0)
1910	Leasehold Improvements	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1915	Office Furniture & Equipment (10 years)	$ 30,791	$ 13,471	$ 17,320	$ 1,500	$ 18,070	10	10.00%	$ 1,807	$ 1,807	$ 0
1915	Office Furniture & Equipment (5 years)	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1920	Computer Equipment - Hardware	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1920	Computer Equip.-Hardware(Post Mar. 22/04)	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1920	Computer Equip.-Hardware(Post Mar. 19/07)	$ 23,015	$ 13,296	$ 9,719	$ 1,500	$ 10,469	5	20.00%	$ 2,094	$ 2,094	$ 0
1930	Transportation Equipment - under 3 Tons	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1930	Transportation Equipment - 3 Tons & Over	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1935	Stores Equipment	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1940	Tools, Shop & Garage Equipment	$ 20,977	$ 12,727	$ 8,250	$ -	$ 8,250	10	10.00%	$ 825	$ 825	$ 0
1945	Measurement & Testing Equipment	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1950	Power Operated Equipment	$ 1,552	$ 1,552	$ (0)	$ -	$ (0)	8	12.50%	$ (0)	$ -	$ (0)
1955	Communications Equipment	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1955	Communication Equipment (Smart Meters)	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1960	Miscellaneous Equipment	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1970	Load Management Controls Customer Premises	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1975	Load Management Controls Utility Premises	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1980	System Supervisor Equipment	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1985	Miscellaneous Fixed Assets	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1990	Other Tangible Property	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
1995	Contributions & Grants	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
2440	Deferred Revenue	$ (889,463)	$ 246,120	$ (1,135,583)	$ (44,612)	$ (1,157,889)	36	2.75%	$ (31,795)	$ (31,795)	$ (0)
2005	Property Under Finance Lease	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
2055	WIP	$ 246,120	$ -	$ 246,120	$ -	$ 246,120			$ -		$ -
				$ -		$ -			$ -		$ -
	Total	$ 9,115,736	$ (587,091)	$ 9,702,827	$ 300,188	$ 9,852,921			$ 278,099	$ 278,099	$ 0
										$ 246,304	

Table 21 – Depreciation Expenses 2025 (App 2-C)

Year 2025 IFRS

Account	Description	Opening Regulatory Gross PP&E	Less Fully Depreciated	Net for Depreciation	Additions	Total for Depreciation	Years	Depreciation Rate	Depreciation Expense	Depreciation Expense per Appendix 2-B Fixed Assets,	Variance
		(a)	(b)	(c)	(d)	(e) = (c) + ½ x (d) 1	(f)	(g) = 1 / (f)	(h) = (e) / (f)		(m) = (h) - (l)
0	Capital Contributions Paid	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
12	Computer Software (Formally known as Account 19	$ 130,977	$ 114,627	$ 16,350	$ 7,000	$ 19,850	5	20.00%	$ 3,970	$ 3,970	$ (0)
CEC	Land Rights (Formally known as Account 1906 and	$ 5,980	$ -	$ 5,980	$ -	$ 5,980			$ -	$ -	$ -
N/A	Land	$ 20,000	$ -	$ 20,000	$ -	$ 20,000			$ -	$ -	$ -
47	Buildings	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
13	Leasehold Improvements	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
47	Transformer Station Equipment >50 kV	$ 4,140,106	$ (70,410)	$ 4,210,516	$ -	$ 4,210,516	45	2.22%	$ 93,567	$ 93,567	$ (0)
47	Distribution Station Equipment <50 kV	$ 1,368,146	$ (14,209)	$ 1,382,355	$ -	$ 1,382,355	45	2.22%	$ 30,719	$ 30,719	$ (0)
47	Storage Battery Equipment	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
47	Poles, Towers & Fixtures -Wood	$ 1,315,108	$ (243,358)	$ 1,558,466	$ 115,000	$ 1,615,966	45	2.22%	$ 35,910	$ 35,910	$ (0)
47	Poles, Towers & Fixtures - Steel	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
47	Overhead Conductors & Devices	$ 655,175	$ (95,742)	$ 750,917	$ 50,000	$ 775,917	60	1.67%	$ 12,932	$ 12,932	$ (0)
47	Underground Conduit	$ 60,349	$ (71,242)	$ 131,591	$ -	$ 131,591	50	2.00%	$ 2,632	$ 2,632	$ (0)
47	Underground Conductors & Devices	$ 319,186	$ (33,114)	$ 352,300	$ 15,000	$ 359,800	30	3.33%	$ 11,993	$ 11,993	$ 0
47	Line Transformers - Overhead & Underground	$ 648,330	$ (67,645)	$ 715,975	$ 65,000	$ 748,475	40	2.50%	$ 18,712	$ 18,712	$ 0
47	Services -Overhead	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
47	Services - Underground	$ 34,966	$ (9,537)	$ 44,503	$ 800	$ 44,903	30	3.33%	$ 1,497	$ 1,497	$ (0)
47	Meters - Energy Meters, CT/PT, Repeaters, & Collect	$ 67	$ 67	$ 0	$ -	$ 0	25	4.00%	$ 0	$ -	$ 0
47	Meters - Wholesale	$ 7,143	$ 2,868	$ 4,275	$ -	$ 4,275	15	6.67%	$ 285	$ 285	$ 0
47	Meters (Smart Meters)	$ 855,315	$ (132,956)	$ 988,271	$ 88,544	$ 1,032,543	15	6.67%	$ 68,836	$ 68,836	$ 0
N/A	Land	$ 28,300	$ -	$ 28,300	$ -	$ 28,300			$ -	$ -	$ -
47	Buildings & Fixtures	$ 681,516	$ 117	$ 681,399	$ 1,500	$ 682,149	19	5.24%	$ 35,772	$ 35,773	$ (0)
13	Leasehold Improvements	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
8	Office Furniture & Equipment (10 years)	$ 32,291	$ 13,221	$ 19,070	$ 1,500	$ 19,820	10	10.00%	$ 1,982	$ 1,982	$ 0
8	Office Furniture & Equipment (5 years)	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
10	Computer Equipment - Hardware	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
45	Computer Equip.-Hardware(Post Mar. 22/04)	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
45.1	Computer Equip.-Hardware(Post Mar. 19/07)	$ 24,515	$ 13,296	$ 11,219	$ 1,500	$ 11,969	5	20.00%	$ 2,394	$ 2,394	$ 0
10	Transportation Equipment - under 3 Tons	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
10	Transportation Equipment - 3 Tons & Over	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
8	Stores Equipment	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
8	Tools, Shop & Garage Equipment	$ 20,977	$ 12,727	$ 8,250	$ -	$ 8,250	10	10.00%	$ 825	$ 825	$ 0
8	Measurement & Testing Equipment	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
8	Power Operated Equipment	$ 1,552	$ 1,552	$ (0)	$ -	$ (0)	8	12.50%	$ (0)	$ -	$ (0)
8	Communications Equipment	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
8	Communication Equipment (Smart Meters)	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
8	Miscellaneous Equipment	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
47	Load Management Controls Customer Premises	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
47	Load Management Controls Utility Premises	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
47	System Supervisor Equipment	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
47	Miscellaneous Fixed Assets	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
47	Other Tangible Property	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
47	Contributions & Grants	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
0	Deferred Revenue	$ (934,075)	$ 246,120	$ (1,180,195)	$ (35,000)	$ (1,197,695)	36	2.75%	$ (32,888)	$ (32,888)	$ (0)
0	Property Under Finance Lease	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
0	WIP	$ -	$ -	$ -	$ -	$ -			$ -	$ -	$ -
	Total	$ 9,415,924	$ (333,618)	$ 9,749,542	$ 310,844	$ 9,904,964			$ 289,138	$ 289,138	$ 0
										$ 256,250	

2.2.3 Summary of Capital Expenditure and Contribution

The tables below illustrate the gross fixed additions resulting from the capital investment by HHI from 2018 Board Approved to 2025 for the four OEB categories. HHI notes that it does not have any work in progress (WIP) and confirms that the capital expenditures below represent in-service additions.

Table 22 – Gross Fixed Asset Additions – System Access (App 2-AA)

Reporting Basis													
Projects	USoA	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
System Access		**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**
New Subdivision	1845	$25,370		$16,421	$32,962			$15,000	$15,000	$15,000	$15,000	$15,000	$15,000
New Subdivision	1840			$12,662									
New Customer Connections	1855	$1,494	$924	$0	$3,000	$1,572	$851	$800	$800	$800	$800	$800	$800
Smart Meter	1860	$10,100	$2,988	$46,108	$29,863	$57,029	$64,286	$59,500	$60,600	$61,755	$75,000	$76,200	$44,570
Gate Keepers	1860				$11,668				$27,944				
Smart Meter For Retest	1860		$25,199										
Transformer Inventory	1850	$12,190	$14,770	$27,516	$77,805	$49,155	$92,964	$65,000	$65,000	$60,000	$60,000	$60,000	$60,000
Wip							$246,120						
		$49,154	**$43,881**	**$102,707**	**$155,298**	**$107,756**	**$404,221**	**$140,300**	**$169,344**	**$137,555**	**$150,800**	**$152,000**	**$120,370**
		-$59,897	-$1,255	-$49,062	-$80,474	-$65,854	-$246,120	-$44,612	-$35,000	-$40,000	-$45,000	-$50,000	-$50,000
Sub-Total System Access - Contributed Capital													
Total System Access		**-$10,742**	**$42,625**	**$53,646**	**$74,824**	**$41,902**	**$158,101**	**$95,688**	**$134,344**	**$97,555**	**$105,800**	**$102,000**	**$70,370**

System Access:

From 2018 to 2025, the primary focus in System Access has been on managing the inventory of smart meters and transformers. Although there has been an increase in the development of small subdivisions, these projects are generally limited to just 10-15 lots per year. Nontheless, having inventory on hand is critical for connecting new services but also for meter replacement or resealing.

From 2025 to 2029, there will be significant focus on subdivisions, transformers, and smart meters. Parts and delivery will be a critical aspect, with annual price increases expected. Generation over 50 kW interval meters will also be a key area of concern. OEB testing of live transformers for PCBs may necessitate the need for new transformers. In the event of a subdivision expansion, new padmount transformers will be required, which will involve a capital contribution. Additionally, stocking transformers will be a challenge, as delivery times exceed 12 months, with the only available transformers coming from China, as per Bill S-211.

Table 23 – Gross Fixed Asset Additions – System Renewal (App 2-AA)

Reporting Basis													
Projects	USoA	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
System Renewal		**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**
Pole Replacement	1830	$75,232	$83,520	$62,684	$20,777	$93,455	$100,074	$110,000	$115,000	$122,500	$125,000	$130,000	$140,000
3/0 Conductor Upgrade	1835	$0	$0	$0	$2,327								
In Lines Switches /X-Arms	1835	$12,609	$15,428	$32,226	$1,250	$45,771	$3,474	$20,000	$10,000	$25,000	$25,000	$25,000	$25,000
Porcelain Arrestors	1835	$4,506	$1,103		$9,970				$20,000				
Porcelain Insulators	1835	$3,947	$0		$14,962				$20,000				
44 Kv Pole Design/ Frame	1835			$10,900	$47,254								
Batteries Sub 115 Kv	1815			$11,200									
Sec Bushings 55t3	1815						$12,153						
Ug Smerdon	1845							$0					
3 Gang Operated Vacum Reclosers	1815							$63,000					
Pole Circuit Switcher 55t3/ Change Bushings Spl	1835					$73,577							
Relocate 3 Phases Bon Pasteur										$80,000			
Split 44kv Structure To Have 2 Transfomers Loaded											$375,000		
Add Transformer To 115 Kv Te Replace The 55t2 (Over 60 Years Old												$2,100,000	
		$96,294	**$100,051**	**$117,010**	**$96,540**	**$212,803**	**$115,701**	**$193,000**	**$165,000**	**$227,500**	**$525,000**	**$2,255,000**	**$165,000**
Sub-Total System Renewal - Contributed Capital													
Total System Renewal		**$96,294**	**$100,051**	**$117,010**	**$96,540**	**$212,803**	**$115,701**	**$193,000**	**$165,000**	**$227,500**	**$525,000**	**$2,255,000**	**$165,000**

System Renewal

From 2024 to 2029, the renewal plan includes replacing approximately 17 poles annually and ongoing changes of porcelain hardware with polymer alternatives. In 2024, three vacuum reclosers at Substation 115 kV will be purchased , with two kept as spares. In 2025, Honeywell has informed us that to work in the legacy environment, an upgrade to NetSense version 12.2 is required for new Next Generation Gatekeepers in the event that the existing Gatekeepers fail. In 2026, the plan includes relocating the 3-phase line in the field for easier access and to avoid tree interference, reducing the risk of serious and prolonged outages. In 2027, the 44 kV structure will be split to have two existing transformers live, providing flexibility with a 20 MW capacity. In 2028, a new 15 MW transformer will be installed at Substation 115 kV, replacing the 60+ year-old 7.5 MW transformer, and considering a 15 MW or 25 MW transformer for redundancy and to accommodate load growth from increased EV and high-rise apartment building requests. The ongoing replacement of porcelain hardware with polymer alternatives will continue throughout 2029.

Table 24 – Gross Fixed Asset Additions – System Service (App 2-AA)

Reporting Basis													
Projects	USoA	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
System Service		2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Telemetrie H1	1815	$22,910											
44 Kv Bushings	1820		$17,610										
Lot Royal Cres	1845				$9,596								
		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Sub-Total System Service - Contributed Capital													
Total System Service		**$22,910**	**$17,610**	**$0**	**$9,596**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

Table 25 – Gross Fixed Asset Additions – General Plant (App 2-AA)

General Plant		2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Computer Hardware	1920			$4,350	$1,245	$2,210	$3,820	$1,500	$1,500	$4,500	$1,500	$1,500	$1,500
Computer Software	1611	$36,855			$9,350			$7,000	$7,000	$7,000	$7,000	$7,000	$7,000
Building	1908	$1,200					$1,995	$1,500	$1,500	$1,500	$1,500	$1,500	$1,500
Office Equipement	1915	$958		$2,250				$1,500	$1,500	$1,500	$1,500	$1,500	$1,500
Disposition Transportation Equipement	1930	-$6,392											
Sub-Total General Plant - Contributed Capital													
Total General Plant		$32,621	$0	$6,600	$10,595	$2,210	$5,815	$11,500	$11,500	$14,500	$11,500	$11,500	$11,500

General Plant

From 2018 to 2025 for computer Hardware and software (1920-1611) is to maintain an up to date approach for equipement and software. HHIs CIS upgrades and the necessity to change from time to time HHIs workstation is critical to the day tot day operation. Some of the needs are communicated by HHIs 3rd party experts UCPR and ERTH (representing Harris-Northstar).

2024-2029 are expected to be normal on-going needs unless the OEB brings new regulatin and software update are required. In these circumstances HHI will comply.

Building (1915): before 2018 the roof was totally re-done. From 2018-2029 HHI expect minimum work to be performed. The Weather may be the only thing that may affect HHI predictions if severe storms hit out area

Office equipment: (1915): workstations are an important aspect for our employees. All workstations issues were addressed in recent years. From 2025-2029 regular expenditures are expected.

2.2.4 Capital Additions: Year over Year Variance Analysis

HHI has identified variance over the materiality threshold of $20,000. HHI has chosen to explain its variance analysis based on capital additions.

Table 26 – Yearly Capital Additions by traditional grouping or account

USoA	Account	2018	2019	2020	2021	2022	2023	2024	2025
1611	Computer Software (Formally known as Account 1925)	$36,855.00	$0.00	$0.00	$9,350.00	$0.00	$0.00	$7,000.00	$7,000.00
1815	Transformer Station Equipment >50 kV	$21,713.64	$0.00	$11,200.00	$0.00	$56,556.00	$12,153.00	$0.00	
1820	Distribution Station Equipment <50 kV	$1,196.00	$17,610.00	$0.00	$0.00	$0.00	$0.00	$0.00	
1830	Poles, Towers & Fixtures -Wood	$78,752.59	$83,978.00	$63,563.15	$20,777.30	$98,258.47	$103,611.75	$192,040.00	$115,000.00
1835	Overhead Conductors & Devices	$21,062.49	$16,530.98	$43,125.55	$75,762.84	$62,792.45	$3,474.00	$83,000.00	$50,000.00
1840	Underground Conduit	$0.00	$0.00	$12,662.12	$8,350.95	$0.00	$0.00	$0.00	
1845	Underground Conductors & Devices	$25,370.00	$0.00	$16,421.40	$34,207.05	$0.00	$0.00	$97,040.00	$15,000.00
1850	Line Transformers - Overhead & Underground	$12,190.00	$14,770.00	$27,516.10	$77,804.50	$49,155.08	$96,589.00	$147,040.00	$65,000.00
1855	Services - Underground	$1,493.81	$923.50	$0.00	$3,000.00	$1,572.00	$850.60	$800.00	$800.00
1860	Meters - Energy Meters, CT/PT, Repeaters, & Collectors	$67.38	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
1860	Meters (Smart Meters)	$17,627.82	$34,837.99	$46,108.00	$41,530.66	$57,029.41	$70,516.72	$59,500.00	$88,544.00
1908	Buildings & Fixtures	$1,200.00	$0.00	$0.00	$0.00	$0.00	$1,995.00	$1,500.00	$1,500.00
1915	Office Furniture & Equipment (10 years)	$957.50	$0.00	$2,250.00	$0.00	$0.00	$0.00	$1,500.00	$1,500.00
1920	Computer Equipment - Hardware	$0.00	$0.00	$4,350.00	$1,245.02	$0.00	$0.00	$0.00	
1920	Computer Equip.-Hardware(Post Mar. 19/07)	$0.00	$0.00	$0.00	$0.00	$2,210.23	$3,820.44	$1,500.00	$1,500.00
2440	Deferred Revenue	-$59,896.61	-$1,255.42	-$49,061.62	-$80,473.80	-$65,854.12	-$246,120.00	-$44,612.00	-$35,000.00
2055	WIP	$0.00	$0.00	$0.00	$0.00	$0.00	$246,120.00	-$246,120.00	
	Sub-Total	$158,589.62	$167,395.05	$178,134.70	$191,554.52	$261,719.52	$293,010.51	$300,188.00	$310,844.00
	Total PP&E	$158,589.62	$167,395.05	$178,134.70	$191,554.52	$261,719.52	$293,010.51	$300,188.00	$310,844.00

Table 27 – Year over Year variances

USoA	Account	2019	2020	2021	2022	2023	2024	2025
1611	Computer Software (Formally known as Account 1925)	-$36,855.00	$0.00	$9,350.00	-$9,350.00	$0.00	$7,000.00	$0.00
1815	Transformer Station Equipment >50 kV	-$21,713.64	$11,200.00	-$11,200.00	$56,556.00	-$44,403.00	-$12,153.00	$0.00
1820	Distribution Station Equipment <50 kV	$16,414.00	-$17,610.00	$0.00	$0.00	$0.00	$0.00	$0.00
1830	Poles, Towers & Fixtures -Wood	$5,225.41	-$20,414.85	-$42,785.85	$77,481.17	$5,353.28	$88,428.25	-$77,040.00
1835	Overhead Conductors & Devices	-$4,531.51	$26,594.57	$32,637.29	-$12,970.39	-$59,318.45	$79,526.00	-$33,000.00
1840	Underground Conduit	$0.00	$12,662.12	-$4,311.17	-$8,350.95	$0.00	$0.00	$0.00
1845	Underground Conductors & Devices	-$25,370.00	$16,421.40	$17,785.65	-$34,207.05	$0.00	$97,040.00	-$82,040.00
1850	Line Transformers - Overhead & Underground	$2,580.00	$12,746.10	$50,288.40	-$28,649.42	$47,433.92	$50,451.00	-$82,040.00
1855	Services - Underground	-$570.31	-$923.50	$3,000.00	-$1,428.00	-$721.40	-$50.60	$0.00
1860	Meters - Energy Meters, CT/PT, Repeaters, & Collectors	-$67.38	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
1860	Meters (Smart Meters)	$17,210.17	$11,270.01	-$4,577.34	$15,498.75	$13,487.31	-$11,016.72	$29,044.00
1908	Buildings & Fixtures	-$1,200.00	$0.00	$0.00	$0.00	$1,995.00	-$495.00	$0.00
1915	Office Furniture & Equipment (10 years)	-$957.50	$2,250.00	-$2,250.00	$0.00	$0.00	$1,500.00	$0.00
1920	Computer Equipment - Hardware	$0.00	$4,350.00	-$3,104.98	-$1,245.02	$0.00	$0.00	$0.00
1920	Computer Equip.-Hardware(Post Mar. 19/07)	$0.00	$0.00	$0.00	$2,210.23	$1,610.21	-$2,320.44	$0.00
2440	Deferred Revenue	$58,641.19	-$47,806.20	-$31,412.18	$14,619.68	-$180,265.88	$201,508.00	$9,612.00
2055	WIP	$0.00	$0.00	$0.00	$0.00	$246,120.00	-$492,240.00	$246,120.00
	Sub-Total	$8,805.43	$10,739.65	$13,419.82	$70,165.00	$31,290.99	$7,177.49	$10,656.00
	Total PP&E	$8,805.43	$10,739.65	$13,419.82	$70,165.00	$31,290.99	$7,177.49	$10,656.00

2020 1835-Overhead Conductors and Devices increase of $26,595

Explanation. After analyzing ways to reduce the number of customer hours of interruptions and the areas affected, HHI, based on the recommendation of an expert third party, decided to install fused switches in critical areas of town. This initiative aims to minimize the number of customers affected by outages. Previously, if a fault occurred, the entire circuit up to the substations was impacted. Now, with sectionalization, the number of customers without power is reduced, and locating the cause of outages is easier. This project costs $32,255.

2021 1845-Undergroud Conductors and Devices increase of $32,637

Explanation. HHI had to reframe an important circuit for the Hawkesbury General Hospital. Prior to 2021, only one circuit from the 115KV station fed the hospital. Due to improvements and additions to the existing building, HGH added a second transformer to meet the increased capacity requirements. HHI, in collaboration with Sproule and HGH, discussed the reliability needs and decided to add a circuit from the 44KV substation to feed one transformer, while the existing transformer remained connected to the 115KV station. This enhancement provides redundancy for one of our most important customers, the hospital.

2022 1815- Transformer Station Equipment >50 kV increase of $56,556

Explanation. In the aftermath of the SF6 issues identified in January 2022, Siemens detected a faulty pole on their circuit switcher. Recognizing the severity of this defect, HHI undertook immediate corrective measures to replace the compromised pole. Failure to address this issue would have precipitated substantial operational disruptions during the winter of 2023.

2022 1830- Poles, Towers & Fixtures -Wood of $77,481

Explanation. In 2021, $20,777 was spent on poles. In 2022, this amount increased to $93,454. This variance reflects a difference in the scope of work performed between the two years.

2023 1850- Line Transformers - Overhead & Underground increase of $47,434

Explanation. Securing transformers has become increasingly challenging since the onset of the COVID-19 pandemic. HHI has procured several pad-mounted and pole-mounted transformers to address these challenges. The rise in prices and delays in delivery have compounded the difficulty. These purchases were driven by two primary factors:

Availability: To ensure a reliable supply of transformers, HHI needed to maintain an inventory. This proactive approach helps mitigate the impact of supply chain disruptions and ensures that transformers are on hand when needed.

PCB Testing and Replacement: Transformers were acquired to facilitate the testing for Polychlorinated Biphenyls (PCBs). Should any transformers be found to be contaminated, having replacements readily available is crucial for swift and efficient remediation.

These measures are essential for maintaining operational reliability and compliance with safety standards.

2024 1830- Poles, Towers & Fixtures -Wood of $88.428
2024 1850-Line Transformers increase of $50,451
2024 1845-Undergroud Conductors and Devices increase of $97,040

Explanation. A new service has been established for the United Counties of Prescott and Russell (UCPR) long term care home. This new service includes the construction of a new 44KV line specifically built to supply their new facility. The expected in-service date for this new line is 2024.

2024 1835-Overhead Conductors and Devices increase of $79,526

Explanation. Hydro Hawkesbury faced an operational issue when a 3-gang recloser failed at their 115 KV substation. To address this failure and improve the reliability of their electrical distribution system, they decided to replace the failed equipment with three new vacuum reclosers. The purchase and installation of these three vacuum reclosers cost $50,847.

2.2.5 Capitalization Policy

HHI's capitalization policy has not changed since its last Cost of Service in 2018 other than it now records capital assets at cost in accordance with MIFRS accounting principles as well as guidelines set out by the Ontario Energy Board, where applicable.

All expenditures by the Corporation are classified as either capital or operating expenditures. The intention of these classifications is to allocate costs across accounting periods in a manner that appropriately matches those costs with the related current and future economic benefits. The amount to be capitalized is the cost to acquire or construct a capital asset, including any ancillary costs incurred to place a capital asset into its intended state of operation. HHI does not currently capitalize interest on funds used for construction.

HHI's adherence to the capitalization policy can be described as follows.

- ✓ Assets that are intended to be used on an on-going basis and are expected to provide a future economic benefit (generally considered to be greater than one year) will be capitalized.
- ✓ General Plant items with an estimated useful life greater than one year and valued at greater than $500 will be capitalized.
- ✓ Expenditures that create a physical betterment or improvement of the asset (i.e. there is a significant increase in the physical output or service capacity, or the useful life of the capital asset is extended) will be capitalized.
- ✓ With respect to vehicles, please note that HHI does not own any vehicles.
- ✓ Maintenance services are contracted out.

Indirect overhead costs, such as general and administration costs that are not directly attributable to an asset, are not, nor have they ever been capitalized.

2.3. DERIVATION OF THE WORKING CAPITAL ALLOWANCE

HHI's working capital allowance was determined by taking the sum of Cost of Power and controllable expenses (i.e., Operations, Maintenance, Billing and Collecting, Community Relations, Administration and General) and applying an allowance of 7.5%. The table below shows HHI's calculations in determining its Allowance for Working Capital. The increase in OM&A is discussed in detail in exhibit 4. Other components of the Working Capital Allowance are discussed below. The Working Capital Allowance has decreased by $135,851 over the 2018 Board Approved. The decrease from the 2018 Board Approved to the Test Year 2025 is due to the reduction in Power Supply Expenses.

Table 28 – Trend in Working Capital Allowance

Expenses for Working Capital	Last Board Approved	2018	2019	2020	2021	2022	2023	2024	2025
Eligible Distribution Expenses:									
3500- Operation	$92,648	$70,877	$83,464	$66,726	$119,464	$116,891	$122,374	$193,477	$208,000
3550- Maintenance	$198,496	$189,516	$92,791	$213,918	$224,823	$222,596	$243,111	$224,300	$232,800
3650-Billing and collecting	$462,970	$411,917	$450,033	$389,139	$439,290	$441,550	$616,204	$560,320	$572,330
3700-Community Relations	$0	$0	$0	$0	$0	$0	$0	$0	$0
3800-Admin & Gen. Exp.	$421,000	$477,933	$466,514	$457,659	$473,808	$482,411	$574,056	$589,561	$645,099
Property Taxes	$17,768	$19,900	$22,728	$25,335	$25,697	$26,088	$26,963	$27,315	$27,805
Total Eligible Distribution Expenses	$1,192,882	$1,170,144	$1,115,530	$1,152,776	$1,283,081	$1,289,537	$1,582,709	$1,594,973	$1,686,034
3350-Power Supply Expenses	$18,554,822	$17,482,153	$16,726,313	$17,700,651	$16,340,848	$15,239,243	$16,083,977	$16,888,176	$16,892,567
Total Expenses for Working Capital	$19,747,704	$18,652,297	$17,841,843	$18,853,427	$17,623,929	$16,528,779	$17,666,686	$18,483,149	$18,578,602
Working Capital factor	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%
Total Working Capital	**$1,481,078**	**$1,398,922**	**$1,338,138**	**$1,414,007**	**$1,321,795**	**$1,239,658**	**$1,325,001**	**$1,386,236**	**$1,393,395**

Increased Distribution Expenses

HHI's 2025 Test Year operating costs are projected to be $1,658,229, representing an increase of $71,186 or 10.4% from its 2018 Board Approved costs. Details are introduced in Table 1 below. Explanations and details are presented in Exhibit 4.

Table 29 – 2025 OM&A vs 2018 Board Approved OM&A

	2018 Board Approved	2025	Var $	Var %
Operations	$92,648	$208,000	$115,352	124.51%
Maintenance	$198,496	$232,800	$34,304	17.28%
Billing and collecting	$462,970	$572,330	$109,360	23.62%
Community Relations	$0	$0	$0	0.00%
Administrative and General	$421,000	$645,099	$224,099	53.23%
Total	**$1,175,114**	**$1,658,229**	**$483,115**	**41.11%**

2.3.1 Derivation of the Cost of Power

The components of HHI's cost of power are summarized below and detailed in several tables illustrated over the following pages. HHI confirms that it used the most up to date inputs and guidelines to determine its cost of power.

Table 30 – 2025 Cost of Power

Component	$	Calculated based on loss adjusted or non-loss adjusted
4705 -Power Purchased	$9,692,079	Loss adjusted
4707- Global Adjustment	$5,842,604	Loss adjusted
4708-Charges-WMS	$602,408	Loss adjusted
4714-Charges-NW	$1,254,736	Loss adjusted
4716-Charges-CN	$578,699	Loss adjusted
4730-RRRP	$185,127	
4750-Charges-LV	$196,901	Non-loss-adjusted
4751-IESO SME	$27,939	Customer Count
Misc A/R or A/P	-$1,487,924	
TOTAL	**$16,892,567**	

Commodity and Global Adjustment non-RPP (4705- Power Purchased and 4707 Global Adjustment)

HHI attests that the Cost of Power is determined by the split between RPP and non-RPP customers based on actual data, using the most current RPP price and current UTR. HHI calculated the cost of power for the 2024 Bridge Year and the 2025 Test Year based on the results of the load forecast discussed in detail in Exhibit 3. The commodity prices used in the calculation were published in the Board's "Regulated Price Plan - Price Report Nov 01, 2023, to October 31, 2024. Should the Board issue a revised Regulated Price Plan Report before the Board's Decision in the application, HHI will update the electricity prices in the forecast.

The Commodity share of the Cost of Power is calculated in the same manner as has been previously approved by the OEB in HHI's previous Cost of Service application and other applications.

The sale of energy is a flow-through revenue, and the cost of power is a flow-through expense. Energy sales and the cost of power expense are presented in the table below. HHI records no profit or loss from the flow-through energy revenues and costs. Any temporary variances are included in the RSVA account balances.

			2025 Test Year	RPP			2025 Test Year	non-RPP		Total
Electricity Commodity	**Units**		Volume	Rate	$		Volume	Rate	$	$
Class per Load Forecast					-					
Residential	kWh		50,104,219		5,564,073		343,361		10,915	5,574,989
General Service < 50 kW	kWh		14,511,839		1,611,540		3,522,433		111,978	1,723,518
General Service > 50 to 4999 kW	kWh		-		-		73,757,579		2,344,753	2,344,753
Unmetered Scattered Load	kWh		167,534		18,605		253,859		8,070	26,675
Sentinel	kWh		49,171		5,460		-		-	5,460
Street Lighting	kWh		-		-		524,794		16,683	16,683
New Class			-		-		-		-	-
other			-		-		-		-	-
other			-		-		-		-	-
SUB-TOTAL			64,832,763		7,199,678		78,402,026		2,492,400	9,692,079
Global Adjustment non-RPP	**Units**		Volume	Rate	$		Volume	Rate	$	Total
Class per Load Forecast										
Residential	kWh								25,017	
General Service < 50 kW	kWh								256,644	
General Service > 50 to 4999 kW	kWh								4,033,763	
Unmetered Scattered Load	kWh								18,496	
Sentinel	kWh								-	
Street Lighting	kWh								38,236	
New Class									-	
CLASS A									-	
General Service > 50 to 4999 kW									1,470,447	
SUB-TOTAL			0						5,842,604	$ 5,842,604

**Regulated Price Plan Price Report November 1, 2023, to October 31, 2024 Ontario Energy Board Oct 19,2023*

Transmission Network and Connection Charges (4714-Charges-NW and 4716-Charges-CN)

Electricity distributors are charged for transmission costs at the wholesale level and subsequently pass these charges on to their distribution customers through the Retail Transmission Service Rates (RTSRs). For each distribution rate class, there are two RTSRs:

- RTSR Network charge - recovers the Uniform Transmission Rates (UTR) wholesale network service charge
- RTSR Connection charge - recovers the UTR wholesale line and transformation connection charges.

The table below summarizes the projected transmission network and connection expenses, applying the proposed rates to the 2025 load forecast kWh and kW volumes:

Table 31 - Transmission Network and Connection Expenses

Transmission - Network	Units	Volume	Rate	$	Volume	Rate	$	Total
Class per Load Forecast								
Residential	kWh	53,071,354	0.0102	539,332	363,695	0.0102	3,696	
General Service < 50 kW	kWh	15,371,220	0.0093	143,325	3,731,029	0.0093	34,789	
General Service > 50 to 4999 kW	kW	-	3.7308	-	140,172	3.7308	522,949	
Unmetered Scattered Load	kWh	177,455	0.0093	1,655	268,892	0.0093	2,507	
Sentinel	kW	855	2.8278	2,418	-	2.8278	-	
Street Lighting	kW	-	2.8135	-	1,445	2.8135	4,065	
SUB-TOTAL		15,549,530		686,730	4,141,538		568,006	1,254,736
Transmission - Connection	**Units**	Volume	Rate	$	Volume	Rate	$	Total
Class per Load Forecast								
Residential	kWh	53,071,354	0.0048	253,234	363,695	0.0048	1,735	
General Service < 50 kW	kWh	15,371,220	0.0043	66,010	3,731,029	0.0043	16,023	
General Service > 50 to 4999 kW	kW	-	1.6890	-	140,172	1.6890	236,754	
Unmetered Scattered Load	kWh	177,455	0.0043	762	268,892	0.0043	1,155	
Sentinel	kW	855	1.3329	1,140	-	1.3329	-	
Street Lighting	kW	-	1.3057	-	1,445	1.3057	1,886	
SUB-TOTAL		68,620,884		321,146	4,505,233		257,553	578,699

**Rates are based on Decision and Rate Order EB-2024-0183 2024 Uniform Transmission Rates issued June 27,2024*

The transmission network charges, included in the Cost of Power for the Test Year 2025, are projected at $1,254,736, and the connection charges are projected at $578,699. The Rates are applied to the 2025 Load Forecast to determine the amount included in the Cost of Power.

Wholesale Market Service Charges & Capacity Based Recovery Charges (4708-Charges-WMS)

The OEB released Decision and Order for the Wholesale Market Service (WMS) effective December 7, 2023. The Board's decision is summarized as follows:

- The WMS rate used by rate-regulated distributors to bill their customers shall be $0.0041 per kilowatt-hour, effective January 1, 2024.
- For Class B customers, a Capacity-based Recovery (CBR) component of $0.0004 per kilowatt-hour shall be added to the WMS rate for a total of $0.0045 per kilowatt-hour.
- For Class A customers, distributors shall bill the actual CBR costs to Class A customers in proportion to their contribution to the peak.

In compliance with this order, HHI has applied the Board-approved rate of $0.0045/kWh to its' 2025 Load Forecast to include $602,408 for WMS and $7,358 in Class B CBR in its' Cost of Power projections as illustrated in the table below:

Table 32- Wholesale Market and CBR

Wholesale Market Service	Units	Volume	Rate	$	Volume	Rate	$	Total
Class per Load Forecast								
Residential	kWh	53,071,354	0.0041	217,593	363,695	0.0041	1,491	
General Service < 50 kW	kWh	15,371,220	0.0041	63,022	3,731,029	0.0041	15,297	
General Service > 50 to 4999 kW	kWh	-	0.0041	-	58,641,768	0.0041	240,431	
Unmetered Scattered Load	kWh	177,455	0.0041	728	268,892	0.0041	1,102	
Sentinel	kWh	52,083	0.0041	214	-	0.0041	-	
Street Lighting	kWh	-	0.0041	-	555,872	0.0041	2,279	
SUB-TOTAL		68,672,112		281,556	63,561,256		260,601	542,157
Class A CBR	**Units**	Volume	Rate	$	Volume	Rate[4]	$	Total
Class per Load Forecast								
Residential	kWh			-			-	
General Service < 50 kW	kWh			-			-	
General Service > 50 to 4999 kW	kWh			-	18,394,379	0.0004	7,358	
Unmetered Scattered Load	kWh			-			-	
Sentinel	kWh			-			-	
Street Lighting	kWh			-			-	
SUB-TOTAL		-		-			7,358	7,358
Class B CBR	**Units**	Volume	Rate	$	Volume	Rate	$	Total
Class per Load Forecast								
Residential	kWh	53,071,354	0.0004	21,229	363,695	0.0004	145	
General Service < 50 kW	kWh	15,371,220	0.0004	6,148	3,731,029	0.0004	1,492	
General Service > 50 to 4999 kW	kWh	-	0.0004	-	58,641,768	0.0004	23,457	
Unmetered Scattered Load	kWh	177,455	0.0004	71	268,892	0.0004	108	
Sentinel	kWh	52,083	0.0004	21	-	0.0004	-	
Street Lighting	kWh	-	0.0004	-	555,872	0.0004	222	
SUB-TOTAL		68,672,112		27,469			25,425	52,893

Rural or Remote Electricity Protection Rate (RRRP) Charges

The OEB released Decision and Order for the Rural Remote Electricity Protection Rate (RRRP) effective December 7, 2023. The Board's decision is summarized as follows:

The RRRP rate used by rate-regulated distributors to bill their customers shall be $0.0014 per kilowatt-hour, effective January 1, 2024.

In compliance with this order, HHI has applied the Board Approved $0.0014/kWh to its' 2025 Load Forecast to include $185,127 in its' Cost of Power as illustrated in the table below:

Table 33 – Rural or Remote Electricity Rate Protection (4708-Charges-RRRP)

RRRP	Units	Volume	Rate	$	Volume	Rate	$	Total
Class per Load Forecast								
Residential	kWh	53,071,354	0.0014	74,300	363,695	0.0014	509	
General Service < 50 kW	kWh	15,371,220	0.0014	21,520	3,731,029	0.0014	5,223	
General Service > 50 to 4999 kW	kWh	-	0.0014	-	58,641,768	0.0014	82,098	
Unmetered Scattered Load	kWh	177,455	0.0014	248	268,892	0.0014	376	
Sentinel	kWh	52,083	0.0014	73	-	0.0014	-	
Street Lighting	kWh	-	0.0014	-	555,872	0.0014	778	
SUB-TOTAL		68,672,112		96,141			88,986	185,127

Smart Meter Charge

The proposed rate remains at $0.42 per the OEB guidance provided on December 7, 2023. In compliance with this order, HHI has applied the Board Approved rate of $0.42 per month for the forecasted Residential and General Service<50kW customers for Test Year 2025 and included the projected amount of $27,939 in its' Cost of Power as illustrated below:

Table 34 - Smart Meter Entity (4751-IESO SME)

Smart Meter Entity Charge	Customers	Rate	$
Class per Load Forecast			
Residential	4,934	0.42	24,867
General Service < 50 kW	609	0.42	3,071
			-
SUB-TOTAL			27,939

The table below shows the derivation of proposed retail rates for Low Voltage ("LV") service. The 2025 estimates of total LV charges were calculated based on the last three years of actual charges from Hydro One. Details are shown in the next table (Table 29)

The 2025 projected LV charges are based 2023 LV charges adapted to current 2024 rates as invoiced by Hydro One.

The projections were allocated to customer classes, according to each class share of projected Transmission-Connection revenue, per Board policy. The resulting LV charges for each class were divided by the applicable 2025volumes from the load forecast, as presented in Exhibit 3. Current LV revenues are recovered through a separate rate adder and are not embedded within the approved Distribution Volumetric rate. LV rates appear on a distinct line item on the proposed schedule of rates.

Table 35 – Proposed LV Charges (4750-Charges-LV)

Month	Description	Service Point	kW	CURRENT RATES	# of Accounts	Total Charge	Total Monthly Charge
January	Common ST Line	HAWKESBURY DS	11,557.86	$1.54		$17,847.65	
	Meter	HAWKESBURY DS	1.00	$417.59	1	$417.59	
	Monthly Service Charge	HAWKESBURY DS	1.00	$824.28	1	$824.28	$19,089.52
February	Common ST Line	HAWKESBURY DS	14,034.09	$1.54		$21,671.45	
	Meter	HAWKESBURY DS	1.00	$384.41	1	$384.41	
	Monthly Service Charge	HAWKESBURY DS	1.00	$758.79	1	$758.79	$22,814.65
March	Common ST Line	HAWKESBURY DS	10,735.65	$1.54		$16,577.99	
	Meter	HAWKESBURY DS	1.00	$417.59	1	$417.59	
	Monthly Service Charge	HAWKESBURY DS	1.00	$824.28	1	$824.28	$17,819.86
April	Common ST Line	HAWKESBURY DS	10,056.18	$1.54		$15,528.75	
	Meter	HAWKESBURY DS	1.00	$417.59	1	$417.59	
	Monthly Service Charge	HAWKESBURY DS	1.00	$824.28	1	$824.28	$16,770.62
May	Common ST Line	HAWKESBURY DS	10,810.36	$1.54		$16,693.35	
	Meter	HAWKESBURY DS	1.00	$417.59	1	$417.59	
	Monthly Service Charge	HAWKESBURY DS	1.00	$824.28	1	$824.28	$17,935.22
June	Common ST Line	HAWKESBURY DS	11,616.08	$1.54		$17,937.55	
	Meter	HAWKESBURY DS	1.00	$417.59	1	$417.59	
	Monthly Service Charge	HAWKESBURY DS	1.00	$824.28	1	$824.28	$19,179.42
July	Common ST Line	HAWKESBURY DS	11,085.96	$1.54		$17,118.93	
	Meter	HAWKESBURY DS	1.00	$417.59	1	$417.59	
	Monthly Service Charge	HAWKESBURY DS	1.00	$824.28	1	$824.28	$18,360.80
August	Common ST Line	HAWKESBURY DS	11,115.12	$1.54		$17,163.96	
	Meter	HAWKESBURY DS	1.00	$417.59	1	$417.59	
	Monthly Service Charge	HAWKESBURY DS	1.00	$824.28	1	$824.28	$18,405.83
September	Common ST Line	HAWKESBURY DS	11,142.50	$1.54		$17,206.24	
	Meter	HAWKESBURY DS	1.00	$417.59	1	$417.59	
	Monthly Service Charge	HAWKESBURY DS	1.00	$824.28	1	$824.28	$18,448.11
October	Common ST Line	HAWKESBURY DS	10,912.75	$1.54		$16,851.47	
	Meter	HAWKESBURY DS	1.00	$417.59	1	$417.59	
	Monthly Service Charge	HAWKESBURY DS	1.00	$824.28	1	$824.28	$18,093.34
November	Common ST Line	HAWKESBURY DS	10,579.62	$1.54		$16,337.04	
	Meter	HAWKESBURY DS	1.00	$417.59	1	$417.59	
	Monthly Service Charge	HAWKESBURY DS	1.00	$824.28	1	$824.28	$17,578.91
December	Common ST Line	HAWKESBURY DS	11,028.61	$1.54		$17,030.39	
	Meter	HAWKESBURY DS	1.00	$417.59	1	$417.59	
	Monthly Service Charge	HAWKESBURY DS	1.00	$824.28	1	$824.28	$18,272.26
			134,698.78				**$222,768.54**

Table 29 – Proposed LV Charges (4750-Charges-LV) (Cont'd)

Rate Class	Unit	2025	RTSR Connection Rate	Loss Adjusted Volume	RTSR Connection Revenue	Allocation	Allocated Low Voltage Charges	Delivered Volume	Low Voltage Rates
Residential	$/kWh	53,435,048	0.0048	56,599,433	270,069	39.9%	88,812	53,435,048	0.0017
General Service < 50 kW	$/kWh	19,102,249	0.0043	20,233,470	86,891	12.8%	28,574	19,102,249	0.0015
General Service > 50 to 4999 kW	$/kW	186,745	1.6890	186,745	315,415	46.6%	103,724	186,745	0.5554
Unmetered Scattered Load	$/kWh	446,348	0.0043	472,780	2,030	0.3%	668	446,348	0.0015
Sentinel	$/kW	855	1.3329	855	1,140	0.2%	375	855	0.4383
Street Lighting	$/kW	1,435	1.3057	1,435	1,874	0.3%	616	1,435	0.4294
New Class	$/kW	0	0.0000	0	0	0.0%	0	0	0.0000
TOTAL					677,419	100.0%	222,769		

Table 29 – Proposed LV Charges (4750-Charges-LV) (Cont'd)

Customer		2023		
Class Name		Volume	Rate	Amount
Residential	kWh	53,435,048	0.0017	88,812
General Service < 50 kW	kWh	19,102,249	0.0015	28,574
General Service > 50 to 4999 kW	kW	186,745	0.5554	103,724
Unmetered Scattered Load	kWh	446,348	0.0015	668
Sentinel	kW	855	0.4383	375
Street Lighting	kW	1,435	0.4294	616
TOTAL				**$222,769**

2.4. DISTRIBUTION SYSTEM PLAN FOR SMALL UTILITIES

Per section 2.2.2.1 of the filing requirements, HHI has filed its 2025 DSP as a stand-alone document, included in Appendix 2A of this exhibit.

The DSP describes how HHI's proposed capital investments for the 2025-2029 period are informed by its asset management process and continuous internal asset condition monitoring and assessment.

As a preamble to the DSP, HHI's Capital Expenditure Checklist, shown in the table below, highlights areas of change that affect the utility's capital investment and overall plan.

Table 36 – Capital Expenditure Checklist

	Area to Address	Capital Investment Required?
	Capacity Issues	No
	Reliability	YES
	Safety	No
	Service Quality	YES
	Efficiency Assessment & Unit Cost Metrics	No
	Regional Planning	No
	Renewable Energy Generation / DER	No
	Major Asset Replacement	No
	New ACM	No
	Customer Growth	No
	Asset Condition	No
	Other	No

Capacity Issues: HHI has two substations:

44KV Substation: This substation has two 10 MVA transformers. Currently, the load is managed by one transformer, while the second transformer is "on potential" (On-Pot) to act as a backup for redundancy. HHI plans to split the 35-year-old structure to distribute the load across both transformers.

115KV Substation: Recently revamped, this substation features two identical structures. One houses a new 15 MVA transformer, and the other houses the existing 60-year-old 7.5 MVA transformer. Although current capacity is sufficient, the investment plan is to replace the 7.5 MVA transformer with a new 15 MVA or larger transformer. This will enhance redundancy and prepare for future load growth.

System Reliability & Performance

Table 37 - Count of All Causes of Power Interruptions (2018-2023)

Code	Descr.	2018	2019	2020	2021	2022	2023
1	Scheduled	16	3	3	6	4	5
2	Loss of Supply	7	2	2	2	5	5
3	Tree Contact	0	0	0	2	0	3
4	Lightning	1	0	1	1	0	1
5	Defective Equipment	11	7	10	10	12	12
6	Weather	1	4	4	2	6	2
7	Adverse Environ	1	7	5	3	2	2
8	Human Element	0	0	0	0	0	0
9	Animal	5	5	10	13	9	8
10	Other	0	0	0	0	0	0
11	MED	0	0	0	0	0	0
	Total	42	28	35	39	38	38

As shown in the table above, most power interruptions during the historical period were caused by a loss of supply. Scheduled outages were primarily related to asset replacement. In January 2022, HHI experienced a major outage during a cold spell. The circuit switcher on the 55T3 transformer at the 115 KV station lost pressure due to a leak, resulting in the loss of SF6 gases. HHI called on the manufacturer, Siemens, to inspect the issue. Siemens found a faulty pole that needed replacement before winter 2023. Despite concerns about part availability due to COVID-19, HHI managed to obtain the necessary equipment and completed the replacement in November 2022.

Safety - Operational Effectiveness Indicators

HHI has consistently met all safety requirements and indicators; therefore, no issues or capital investments are required to meet safety targets.

Efficiency Assessment & Unit Cost Metrics

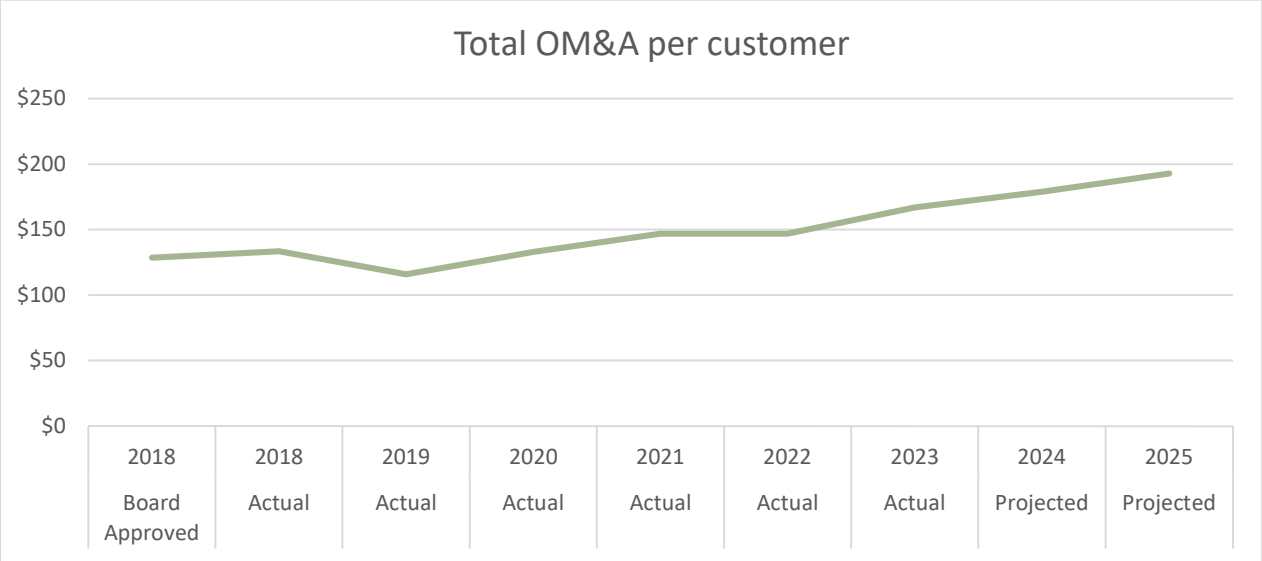
	2019	2020	2021	2022	2023	2024	2025
			(History)	(History)	(History)	(Bridge)	(Test Year)
Cost Benchmarking Summary							
Actual Total Cost	1,605,522	1,699,255	1,815,627	1,832,491	2,109,977	2,155,704	2,269,948
Predicted Total Cost	3,209,180	3,351,622	3,518,903	3,706,599	3,909,412	4,109,515	4,405,720
Difference	(1,603,658)	(1,652,367)	(1,703,276)	(1,874,108)	(1,799,435)	(1,953,811)	(2,135,772)
Percentage Difference (Cost Performance)			-67.8%	-68.18%	-66.10%	-65.54%	-64.17%

Based on the Benchmarking model, HHI anticipates that its costs will be 64.94% lower than the initial prediction. HHI's exceptional cost efficiency firmly establishes it as the most efficient utility in the province. HHI is committed to finding further ways to improve efficiency while also prioritizing the maintenance of its distribution system to ensure customers continue to receive the same high level of service they have always received.

Cost per Customer

The chart below illustrates HHI's "Cost per Customer" over the six years 2018 to 2023:

Table 38 – Total Cost per Customer per Year



	Board Approved	Actual	Actual	Actual	Actual	Actual	Actual	Projected	Projected
	2018	2018	2019	2020	2021	2022	2023	2024	2025
OM&A Costs									
O&M	$291,144	$260,394	$176,255	$280,644	$344,287	$339,488	$365,485	$417,777	$440,800
Admin Expenses	$421,000	$477,933	$466,514	$457,659	$473,808	$482,411	$574,056	$589,561	$645,099
Total Recoverable OM&A from Appendix 2-JB [5]	$712,144	$738,327	$642,769	$738,303	$818,094	$821,899	$939,541	$1,007,338	$1,085,899
Number of Customers [2,4]	5,542	5,536	5,550	5,557	5,575	5,595	5,629	5,629	5,630
O&M per customer	$53	$47	$32	$50	$62	$61	$65	$74	$78
Admin per customer	$76	$86	$84	$82	$85	$86	$102	$105	$115
Total OM&A per customer	$128	$133	$116	$133	$147	$147	$167	$179	$193

The table below summarizes the change in "Cost per Customer" over the five years. As can be seen, the utility is working towards reducing its costs per customer. The progress towards achieving lower rates was interrupted in the utility's last cost of service and was, for the most part, related to the addition of the transformer station.

Like most distributors in the province, HHI has experienced increases in its total operating costs required to deliver quality and reliable services to customers. Investments in new information systems technology, cyber-security, and labour cost adjustments for inflation for employees, as well as the renewal of the distribution system, have all contributed to increased operating and capital costs.

HHI's customer growth rate for its territory is considered to be relatively steady at approximately 1% per year. The utility will continue to seek innovative solutions to help ensure cost per customer remains competitive and within acceptable limits to its customers.

HHI will continue to replace distribution assets and has provision for replacement of assets based on its replacement process and age as described in the LDC's capital investment plan for 2025-2029.

Regional Planning

HHI participates in Hydro One's regional needs and assessment planning meetings and reports. (Appendix 2-B) There are no capacity issues or need for regional planning investment in the service area that would affect HHI.

Renewable Energy Generation / DER

The FIT-size generator connection application process for HHI customers requires the involvement of HONI. The application process includes an internal review of applications. HHI also requires approval from HONI for projects greater than 10kW for connection capacity, as HONI is the Host Distributor. HHI is unaware of any upstream capacity constraints at the HONI-owned TS in Chesterville relating to the HHI supply feeders.

Net Metering

HHI has not received any requests for the connection of "net metering" in its service territory. Based upon the above information, HHI does not expect to reach the current available capacity for renewable generation in the near future (i.e., over the 5-year forecast horizon).

Smart Grid

At this time, there is no capital investment for Renewable Generation or DER included in HHI's forecasted capital expenditure plan for 2025-2029.

Major Asset Replacement

HHI plans to spit the 35-year-old structure in order to have load on both transformers. No Major asset will be required as 10 MVA transformers are already on site.

The other station is at the 115KV level. HHI plans to invest into a 15 MVA transformer to replace the 7.5 MVA. This will allow more redundancy and be prepared for future load growth wen time comes.

Advanced Capital Module (ACM)

For the Capital Plan period 2027-2029, HHI is not requesting an ACM to fund a capital project.

Customer Growth

No customer growth outside of the usual trend will present capacity or loading issues during the 5-year DSP period of 2025-2029.

Asset Condition Assessment

HHI's asset base is small and manageable enough that a formal Asset Condition Assessment (ACA) does not need to be conducted. HHI's asset base comprises substations, transformers, substation load switches, switchgear, pole-mount transformers, pad-mount transformers, and poles. HHI, with the input of its 3rd party capital work contractor Sproule Powerline Construction Ltd and Hydro Ottawa (substations) ultimately decides on the replacement of assets that are at risk of failing or are in poor health. A minimum number of overall replacements are required throughout the 5-year plan to sustain asset performance at current levels. Inspections and testing programs are designed to identify poor health poles and transformers for proactive replacement before failure.

Approximately 709 primarily wood-type poles support the overhead distribution system. HHI completes system patrols regularly. The patrol includes a visual inspection of the poles looking for visible signs of damage or a leaning pole. Poles are tested every three to four years. Currently, the results are used to provide input into the capital plan primarily for the following year as well as going into a cost-of-service year. Poles flagged as problematic are planned for replacement.

Other

No other issues were identified for capital investment.

Capitalization of overhead

Indirect overhead costs, such as general and administrative costs that are not directly attributable to an asset, are not, nor have they ever been capitalized. (As such, Appendix 2-D is not applicable in this case)

Costs of eligible investments for distributors

HHI attests that it has not included any costs or Investments to Connect Qualifying Generation Facilities in its capital costs or its Distribution System Plan.

As such, details of any capital contributions made or forecast to be made to a transmitter concerning a Connection and Cost Recovery Agreement are not applicable in this case.

HHI is not considering incremental conservation initiatives to defer or avoid future infrastructure projects as part of distribution system planning processes, nor is it planning on applying for

funding through distribution rates to pursue activities such as energy efficiency programs, demand response programs, energy storage programs, etc. Lastly, HHI is not considering a generation facility.

New policy options for the funding of capital

HHI is not proposing any unique or different approach to funding its capital expenditure

Addition of ICM assets to rate base

HHI has not applied to recover investments through the OEB's Incremental Capital Module. And as such, HHI does not need to reconcile the balance in account 1508 with rate base amounts.

Transmission or high voltage assets

Per ANSI standard C84.1-1989, "Low" voltage is described as 600V and below. "Medium" voltage is 2.4kV through 69kV. "High" voltage is 115kV through 230kV and "Extra-High" voltage is 345kV to 765kV, while "Ultra-high" voltage is 1.1MV. The higher voltage of the transformer (primary or secondary) is the voltage on which the transformer is designated.
HHI currently operates one 44KV and one 115KV which technically could be classified as "high voltage which are still expected to be treated as distribution assets. HHI confirms that it does not have any transmission assets or distribution assets which are treated differently than its previous application.

APPENDICES

List of Appendices

Appendix A	Sproule Contract
Appendix B	Distribution System Plan

Hydro Hawkesbury

850 rue Tupper Street
Hawkesbury ON K6A 3S7
T 613 632 6689
F 613 632 8603

SERVICE AGREEMENT AND MANDATE FOR THE MAINTENANCE OF HYDRO HAWKESBURY INC. DISTRIBUTION SYSTEM

In Hawkesbury, Ontario, this 21st day of January, 2021

Information Regarding the Contractor:
Sproule Powerline Construction Ltd.
1420 County Road 10 West
Vankleek Hill, Ontario
K0B 1R0

Tel: 613.678.2266
Fax: 613.678.3081
Email: info@sproulepowerline.com

(the "**Contractor**")

Information Regarding the Client:

Hydro Hawkesbury Inc.
850 Tupper
Hawkesbury, Ontario
K6A 3S7

Tel: 613.632.6689
Fax: 613.632.8603
Email: service@hydrohawkesbury.ca

(the "**LDC**")

This Service Agreement (this "Agreement") is made and entered as of the 1st day of January, 2021 by and between M. Gordon MacDonald on behalf of Sproule Powerline Construction Ltd. (the "Contractor") and Michel Poulin, on behalf of Hydro Hawkesbury Inc. ("LDC").

Hydro Hawkesbury

850 rue Tupper Street
Hawkesbury ON K6A 3S7
T 613 632 6689
F 613 632 8603

AGREEMENT OBJECTIVE

1. The LDC hereby grants Sproule Powerline Construction Ltd. the mandate to perform all the acts, gesture, actions and procedures necessary to ensure the reliability of the distribution system. Sproule Powerline Construction will act, in the exercise of its functions for the LDC as the Contractor. In this regard, the LDC undertakes to ratify all actions taken by Sproule in the exercise of its function.

2. The agreement is valid from January 1st to December 31st inclusively for the year 2021. The said contract will be revised in November of each year for the following term.

Whereas the Contractor has certain professional skills, knowledge, experience and/or access to personnel having the same which is highly desirable to the LDC. Both parties agree with the following:

3. The Contractor agrees to provide service in accordance with Electrical Safety Authority. (ESA)
4. The Contractor agrees to respond to emergency calls within the allocated timeframe to meet OEB's requirements.
5. The Contractor agrees to carry out the LDC Tree Trimming Program within the negotiated budget in a safe and respectful manner.
6. The Contractor agrees to perform the LDC Pole Capital and Maintenance Program according to the LDC schedule while respecting the estimate provided to the LDC. The Contractor and the LDC will discuss and agree for the work to be carried out.
7. The Contractor agrees to carry out the LDC Pad Mount Transformer Maintenance Program according to the LDC schedule while respecting the negotiated allocated LDC budget. The Contractor will report any findings.
8. The Contractor agrees to carry out the LDC Pole Mount Transformer Maintenance Program according to the LDC schedule while respecting the negotiated allocated LDC budget. The Contractor and the LDC will discuss and agree for the work to be carried out. The Contractor will report any findings.
9. The Contractor agrees to participate in the LDC PCB Testing Program within the negotiated allocated budget and according to the LDC schedule.
10. The Contractor agrees to keep the LDC Stock Product Specification List updated.
11. The Contractor agrees to make visual inspection of surrounding distribution system while on site and report any findings.

Hydro Hawkesbury

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12. The Contractor and its representative or partners and LDC representatives agrees to work in collaboration with each other.

PAYMENT TERMS

13. LDC agrees to pay invoices within 30 days.
14. LCD agrees to pay an On-Call service fee as negotiated and agreed annually.
15. This Agreement is valid upon signature of this contract and will be negotiated annually unless otherwise termination notice is provided 90 days before expiry date.
16. It is understood each project estimate and hourly wages will be revised on an annual basis and/or under unforeseen circumstances.
17. This Agreement can be terminated at any time providing no less than ninety (90) days written notice to the other party.

Date: January 21, 2021 Date: JANUARY 25, 2021

Signature: **Signature:**

Gordon MacDonald
Sproule Powerline Construction Ltd.

Michel Poulin
Hydro Hawkesbury Inc

8/1/2024

Distribution System Plan

2025 Cost of Service

Prepared by Hydro Hawkesbury Inc

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1. DISTRIBUTION SYSTEM PLAN

This Distribution System Plan (DSP, “The Plan”) has been prepared by Hydro Hawkesbury Inc. (HHI).

HHI’s DSP supports cost-effective planning that ensures efficiency, dependability, sustainability, and customer value. The DSP documents current practices, policies, and processes. These processes ensure that investment decisions meet HHI's goals cost-effectively and add customer value. HHI follows its DSP to benefit customers. Capital-intensive electricity distributors need sensible capital investments and maintenance programs to maintain network reliability.

HHI conducted this DSP concentrating on consumer preferences, operational efficiency, and capital spending value. Details on the specific engagement with these 3rd parties are presented in section 5.

HHI used the template and section headers from the very small utility working group example to organize the information. The OEB categorizes investment projects and operations as System Access, System Renewals, System Service, or General Plant. The DSP covers the historical era from 2018 to 2023, the bridge year, the test year, and the projected years.

HHI confirms that this plan's information is current and based on actual expenses as of end of 2023 and capital expenditure predictions for 2024 to 2028. Project details have been provided for projects over HHI’s materiality threshold of $50,000 as described in Exhibit 1.

HHI’s integrated approach to planning, prioritizing, and managing assets includes regional planning, local stakeholder consultations, and renewable generation connections. HHI has completed this DSP with a focus on customer preferences and operational effectiveness while achieving optimal value for capital spending.

The purpose of this DSP is to present HHI’s Asset Management Strategy and to provide justifications for the capital investments required to maintain its core business: supplying reliable electrical services to its customers at a reasonable cost. This requires:

- a thorough understanding of the age, condition and performance of its assets,
- documenting its inspection practices in accordance with the DSC,
- describing its maintenance activities in accordance with good utility practice,
- ensuring that all aspects of employee and public safety are addressed in compliance with all regulatory and legal obligations,
- forecasting and planning for the future growth of load customers and renewable generation facilities. HHI has approached Stantec to request a quote for a future load increase study, which is anticipated to take place in 2025 or 2026. Stantec is familiar with HHI's distribution infrastructure, as they have previously worked together.
- recognizing and addressing constraints in the current distribution system and anticipating future capacity requirements,

- demonstrating that the asset management process recognizes the above items and prioritizes projects to accommodate customers and system requirements, and
- developing a five-year forward-looking capital expenditure plan that anticipates the future growth, capacity and performance of the distribution system while remaining flexible to accommodate the unknown requirements of its customer base.

In striving to achieve the corporate vision and asset management objectives, HHI is guided by the OEB's four key target objectives referenced in the Renewed Regulatory Framework for Electricity Distributors (RRFE).

1.1.1. Key elements of the DSP

The key elements of HHI's second DSP have not changed. It is expected that the operational and service requirements driving HHI capital expenditures, and found within its DSP, will generally remain consistent through the planning window. The projected expenditures for 2024 and 2025 reflect:

- the typical spending needs of a distribution electric utility serving a mature and stable customer base,
- the focused planned capital sustainment investments required to replace the aging assets found in HHI distribution system, and
- the focused planned capital investments to provide the necessary firm station capacity for reliable supply for its customers.
- Specific investment category spending requirements include:
- System Renewal investments required to replace end of life assets including poles and transformers,
- System Renewal investments to provide reliable firm station supply capacity,
- System Service investments are minimal, and
- General plant investments to meet the office and IT needs.

HHI's planning and investment processes follow good utility practices that are executed through the Distribution System Plan. Good utility practices have inherent cost savings through sound decision making, thoughtful compromises, right timing and optimum expenditure levels. There are a number of key elements that contribute to the planning of investments through the period of the DSP:

- Customer service,
- Outputs of HHI's asset management program – including maintenance and EOL replacement,
- Coordination with municipally (town and county) planned projects,

- Regulatory obligation, and
- At present there is no load growth expectation through developments.

To maintain current and accurate information in its database, HHI has maintains a condition assessment of the plant in its system. This information is updated from time to time and as maintenance and capital projects are completed.

A capital investment prioritization process, aligned with corporate and asset management objectives, has been developed to prioritize discretionary capital investments. This occurs during the budgeting part of the planning process. During the budget process, capital investments are identified, and investment justifications are put together for each one that identifies the cost of the project and its expected benefits. A value and risk deferral assessment of the investment is performed. Investment scores determine priority of the investment for current or future budget periods.

HHI has adopted good utility practices in the electricity distribution industry. This has included adhering to the OEB's DSC that sets out both good utility practices, minimum performance standards for electricity distribution systems in Ontario, and minimum inspection requirements for distribution equipment. Consistent with good practices, over the years HHI has maintained its equipment in safe and reliable working order and, only when economically justified, upgraded or replaced its equipment. HHI has been prudent when incurring costs since the most recent valid customer satisfaction survey results indicate that the cost of electricity is a moderate to very significant strain on the household budget. Hence the low price of electricity is an important factor to customers.

By prudently controlling all expenditures and therefore moderating any increases in its customers' bills, the distribution system has not implemented newer technologies such as SCADA or GIS. However, HHI does engage consultants when required and has system models developed to provide load and voltage studies to ensure the system has the capacity required and maintains the voltage limits per CSA requirements.

HHI's DSP ensures that the current and future distribution system can deliver power at the quality and reliability levels desired by customers and the lifetime usage is extended by balancing preventative maintenance, life-extending refurbishment, and end-of life replacements. In short, the system will meet the customers' needs for quality and reliability of power at a reasonable and affordable cost.

HHI considers performance-related asset information including, but not limited to, data on reliability, asset age and condition, loading, customer connection requirements, and system configuration, to determine investment needs of the distribution system.

HHI's DSP demonstrates prudence and rate mitigation consideration in the pacing and prioritizing of non-discretionary investments, specifically those related to replacement or renewal of end-of-life plants.

HHI is fully committed to proactively adapting and responding promptly to situations and outages caused by adverse weather conditions. HHI will continue to monitor weather forecasts and patterns to anticipate potential issues, ensuring that our response teams are always ready to act swiftly. HHI's 3rd party contractors know to work around the clock to restore power and address any issues arising from severe weather, ensuring minimal disruption to our customers' daily lives. HHI will continue to collaborate closely with local authorities and emergency services to coordinate efforts and provide the best possible response during weather-related incidents. HHI's commitment extends to

ongoing infrastructure repairs when needed and improvements to withstand extreme weather conditions better, including vegetation management efforts to prevent weather-related damage. HHI will continue to make every effort to adapt and respond promptly, prioritizing the safety and reliability of our services for the community.

1.1.2. Sources of Cost Savings

HHI's planning, prioritization and investment processes follow good utility practices that are executed through the DSP. Good utility practices have inherent cost savings through sound decision making, thoughtful compromises, right timing and optimum expenditure levels. Some specific HHI Distribution System Plan cost savings are expected to be achieved using the following:

Pole condition inspections and comprehensive data collection provide a better understanding of each asset's stage in its lifecycle which will lead to more cost-effective decisions with respect to maintenance, refurbishment and replacement decisions. Particularly with the new pole testing equipment more accurate objective assessments of pole condition are expected.
Proactive maintenance and replacement of plant reduces reactive maintenance costs and improves service to the customer resulting in fewer and shorter duration outages, which in turn has a beneficial impact on the cost of outages to customers. A structured program of maintenance and renewal with planned rate increases will avoid disruptive rate spikes when addressing the volume of plant reaching end of life.

1.1.3. Period covered by DSP

The DSP covers the historical period of 2018 to 2024 and a forecast period of 2025 to 2030.

1.1.4. CDM Activities

The DSP does not include any CDM Activities at this time.

1.2. Utility Overview and System Configuration

1.2.1. Utility Overview

Hydro Hawkesbury Inc. is a licensed distributor in the Province of Ontario. It is licensed by the Ontario Energy Board (OEB), ED-2003-0027, and is regulated by the (OEB). Its sole shareholder is the Town of Hawkesbury. HHI is responsible for maintaining distribution and infrastructure, servicing 5,670 customers across its service area spanning a distribution service territory of approximately 8 square kilometers of urban area. HHI is incorporated under the Co-operative Corporations Act and is 100% owned by the Town of Hawkesbury. The utility is managed by a Board of Directors appointed by the municipality of Hawkesbury. HHI has five employees: a General Manager, an Accountant (Assistant Manager), two Customer Service representatives and one billing clerk. HHI does not employ linemen, instead, HHI hires a contractor service for the operation and maintenance of their system as well as capital construction.

It is a utility that is partially embedded in Hydro One and receives its supply at 44kV from Longueil TS via the 26M24 feeder (44kv Station) with 2-10 MVA transformers and is on the east side of town. Longueil TS is supplied from Hydro One's system.

HHI is a registered Market Participant, dealing directly with the Independent Electricity System Operator (IESO) for the electricity which is passed through our distribution system to consumers.

As a partially embedded utility, HHI is billed monthly by Hydro One and IESO.

The table below shows HHI's principal characteristics, which drive the DSP.

Table 1 - HHI's System Summary

Particulars	2023
Maximum Winter Monthly Peak	29127
Maximum Summer Monthly Peak	24843
Maximum Winter Monthly Peak	29094
Maximum Summer Monthly Peak	24730
Service Area (Urban)	8 SQ.KM
km of line	73
2023 Total Customer (metered)	
Residential	4942
GS<50	610
GS50-4999	88
Total Number of Meters Accounts	5640
2023 Total, unmetered connections	
USL	15
Sentinel	45
Street Lighting	1256

Total Number of USL Connections	1316
Annual Metered Consumption	
Annual Generation (MicroFit)	121797
Number of Substation	2
Wholesale Meter Points	2
Poles	709
Primary Lines (km)	
Overhead	57
Underground	16
Transformers	
Overhead (Pole mount)	538
Underground (Pad mount)	102
Switches Load Break 7.2/12.4 Kv	23

1.2.2. Overview of System Configuration

HHI is a utility that is embedded in Hydro One and receives its supply at 44kV from Longueuil TS via the 26M24 feeder. Longueuil TS is supplied from Hydro One's 230kV system. It receives its other supply at 115kV. The connection point of Hawkesbury MTS #1 is via circuit 79M1, which is an extension of circuit H9A from Hawthorne TS.
HHI owns and operates one MS supplied at 44kV and one MTS supplied at 115kV. Its distribution voltage is 12.4kV. A salient feature of the distribution system is that the 12.4kV from the MS and from the MTS is not in phase and thus cannot be paralleled. This presents challenges for system operation since outages need to be taken to transfer load between the two systems.

HHI has two transformers at its MS each rated at 44kV to 12.4kV with a capacity of 10/13.3/16.7 MVA ONAN/AF/AF. At present one transformer 43T1, supplies a bus structure with two overhead egress feeders each protected with 520A oil insulated reclosers and with bypass fuses. The other transformer 43T2 is currently on potential but not connected to the system. As it is now the 43T2 is on standby in the event of 43T1 problems.

HHI has two transformers at its MTS whereby the end of 2017 55T3 will be rated 115kV to 12.4kV with a capacity of 15/20/25 MVA ONAN/AF/AF and 55T2 will be rated 115kV to 12.4kV with a capacity of 7.5/10/12.5 MVA ONAN/AF/AF. There are three overhead feeders emanating from the MTS, each transformer feeds a transformer bus and has a transformer isolating switch. There is also a switch to allow the two transformer buses to be interconnected. The T3 transformer bus supplies 55F1 and 55F2 while the T2 transformer bus supplies 55F3. There is also a spare position for a future 55F4. Each feeder is protected by 520A oil insulated reclosers and with bypass fuses.

HHI's distribution system is made up of approximately 48 km of 3 phase circuits and 25 km of single-phase circuits. HHI has (utility own) 371 single phase overhead transformer, 145 three phases overhead transformers, 96 single phase pad-mount transformers and 1 three phase pad-mount transformers. There are no significant drivers for expansion and growth in the area.

1.3. Asset Management Strategy and Objectives

1.3.1. Overview

This document outlines HHI's asset management philosophy and the key elements of the process that influence the capital investments that are proposed. This section explains the connections between RRFE results, company objectives, asset management goals, and how they relate to the choice and order of HHI's planned capital investments.

The components of the asset management process that HHI has used to prepare its capital expenditure plan are identified, including inputs, the data sets, primary process steps and outputs. The information generally used throughout the DSP is based on available information established between 2018 and 2023 and should be considered as current.

The proposed annual investments by HHI are necessary to repair or replace aging conductors, insulators, lightning arrestors, and wooden poles. In addition, HHI intends to allocate resources to the enhancement of its 44kV-supplied station and add another 15 (or more) MVA transformer at the 115KV station to replace the 7.5 MVA 60 years old transformer.

Looking forward, the next steps planned to improve HHI's asset management process have also been identified in as much detail as is available.

1.3.2. Drivers and Influencers

- Customer demand
- System reliability
- Municipal driven
- Capacity requirements
- Asset management capital expenditures (regulatory and legislative requirements)
- Infrastructure renewal
- Smart metering

1.3.3. Strategy

HHI's DSP is designed to present a fully integrated approach to capital expenditure planning. This includes comprehensive documentation of its asset management process to support its future five-year capital expenditure plan and detailing the history of its past five years' activities.

HHI's strategic priorities are defined in its corporate goals and reflect its mission and value statements:

- To form partnerships and alliances with other local distribution companies for economies of scale and cost-sharing opportunities
- To stay current with industry, sector and regulatory changes

- To pursue new business opportunities, partnerships and best management practices in our quest to meet or exceed financial expectations of our community by cost sharing, efficiency gains, cost savings, improve reliability, superior customer service and protecting the environment
- To investigate roles and opportunities that HHI can pursue in generation.

HHI recognizes its responsibilities to provide its customers with reliable service that is acknowledged as excellent value for money, by ensuring that its asset management activities maintain alignment with RRFE objectives – customer focus, operational effectiveness, public policy responsiveness and financial performance.

1.3.4. Objective

HHI's asset management objectives form the high-level philosophy framework for its capital program. These objectives help to define the content of the programs and the major projects in the capital expenditure plan necessary to sustain HHI's electrical distribution system. The objectives provide guidance to make effective capital investment decisions, which inherently make the best use of, and maximize the value of the assets. The objectives identify an initial starting point and are developed, enhanced, or adjusted so that they are aligned with HHI's business environment. The qualitative asset management objectives have been integrated into HHI's Capital Investment Process (CIP) to prioritize investments for five years including the bridge and test years.

Asset management objectives describe the specific and measurable outcomes required of the asset management system and are used to measure the success of the Asset Management Plan.

HHI's multi-level commitment to its stakeholders is reflected in these asset management objectives:

- to construct, maintain and operate all assets in a condition safe to staff, contractors and the public,
- to actively manage distribution assets to optimally balance system investments and reliability,
- to align asset investments with customer expectations of cost, reliability and service performance,
- to continually seek out, develop and deliver sustainable cost efficiencies relating to asset deployment, operations, and maintenance,
- to manage the pace and magnitude of asset investments over the long term, to level customer rate impacts while maintaining corporate financial stability and continuing to deliver economically reliable power to customers,
- to ensure that environmental considerations are taken into account in the design and management of the distribution system,
- to satisfy growth and loading needs by managing capacity and asset utilization, and
- to incorporate and leverage the benefits of new technology as appropriate.

The goals and objectives are used throughout HHI's asset management approach and are embedded within the asset management policy, strategies, and plan. Key tactical initiatives are included to achieve the objectives. The goals and objectives will have

targets established to determine the measure of success of the asset management programs and practices. Conceptually, objectives will most likely revolve around, but not be limited to safety, reliability and cost efficiency.

Table 2 - Asset Management Objectives – Renewed Regulatory Framework Outcomes

RRFE Outcomes	Corporate Objectives	Asset Management Objectives	AM Objective Measure	AM Objective Target
Operational Effectiveness	Safety first	Construct, maintain and operate all assets in a safe manner	1.Lost/non-lost time 2.ESA non-compliance	1. WSIB rate class 10-year benchmarks 2. Zero (Max 1 N)
Operational Effectiveness	Reliability in electricity delivery	Actively manage distribution assets to optimally balance system investments and reliable supply of electricity delivery	1. SAIDI 2.SAIFI	1. SAIDI within range of past 5-year performance 2. SAIFI within range of past 5-year performance
Customer Focus	Excellence in customer service	Align asset investments with customer expectations of cost, reliability and service performance	1.Customer Survey	1. Customer survey results => previous year for : a) Customer Care b) Company Image c) Mgmt. Operations
Financial Performance	Financial integrity	Manage the pace and magnitude of asset investments over the long term, to level customer rate impacts while maintaining corporate financial stability and continuing to deliver economically reliable power to customers	1.Investment spending 2.Investment scheduling	1. OM&A expenditure +/- 15% to estimate. Capital expenditure +/- 15% to estimate. 2.>80% annual projects/ programs completed on time

1.4. Asset Management Process

HHI's approach to asset planning covers the five key processes that meet the requirements of the OEB. HHI's review begins with a review of system performance and whether that performance meets management objectives. The process described below summarizes the core components of HHI's Asset Management Process for prioritization of investments:

The conditions of assets are assessed based on field inspections, life expectancy, fault frequency, maintenance costs and customer service impacts. Assets are replaced when required to maintain distribution service and system reliability (non-discretionary expenditures) or when replacement is determined to be more economic from a ratepayer perspective than asset refurbishment and/or ongoing maintenance (discretionary sustainment capital).

HHI uses several sources of data to assess the status of its distribution system assets and to assist in determining the capital and operational investments to be made in the system. The sources of data feeding into the asset management process include:

- inspection and maintenance programs,
- system loading vs. capacity, (anticipated in 2025-2026)
- reliability information,
- internal and external drivers,
- asset condition assessment, and
- outage information.

HHI notes that post 2018, it identified the need for increased annual testing and maintenance to ensure the continued reliability and safety of its hydro stations. This decision was based on emerging insights and performance data indicating that additional oversight would enhance the operational integrity of the infrastructure.

To address this need effectively, HHI collaborated with Hydro Ottawa, leveraging their expertise and resources. Together, they developed a comprehensive plan to implement these additional testing and maintenance activities. Hydro Ottawa's involvement ensured that the procedures adhered to high industry standards and incorporated best practices. This collaboration is discussed further in the document/

There are several internal and external drivers which have an impact on and contribute to the asset management process. Within most driver categories, there can be two distinct need types: non-discretionary needs requiring HHI to address them, and discretionary needs for which HHI must decide—whether the need must be addressed immediately, at some future time, or not at all. Drivers include:

- safety,
- customer considerations,
- regulatory initiatives,
- elimination of safety or environmental/health risks,
- system reliability,
- municipally driven projects,
- infrastructure renewal projects,
- information technology and corporate administration.

In general, the overall approach used to select the candidate capital projects to be considered in any year has been consistent. The criteria considered encompasses:

- employee, contractor, and public safety,
- system reliability,
- service quality,
- rate impact,
- operational efficiency,
- cost effectiveness,
- environmental effects,
- project interdependencies
- regulatory compliance, and
- stakeholder concerns.

Although safety and compliance are prerequisites for all projects, the weighting of the other criteria can vary depending on the current system requirements and the relative impact of each project. While judgment is required when operating under the current or the proposed planning approach, the decision-making process has been improved through enhanced access to the system and asset data.

Capital spending is driven by capital needs' identification. Projects are identified as potential candidates for the annual budget, and the total projected capital expenditures for the year are assessed regarding:

- previous spending levels,
- rate impacts,
- customer service value,
- shareholder investment and,
- the requirement to proceed with non-discretionary projects.

The budgeting process involves both a bottom-up and top-down approach. Once assessed against the factors, the capital plan and the finance plan are submitted to the HHI Board of Directors for discussion. The accompanying finance plan is assessed to ensure that the OEB deemed equity structure is maintained and there are no adverse impacts on the debt service coverage ratios. The approved capital budget sets the spending envelope for the current year.

HHI's overall capital budget spend envelope is set during the annual budget review but capital spending within the envelope may be adjusted throughout the year to meet changing capital requirements on an as-required basis through quarterly reviews.

These reviews identify any material dollar reallocations, both increases and decreases to individual approved capital project budgets while maintaining the overall approved capital budget spend envelope. For example, capital funds may be required for a non-discretionary expenditure due to storm damage from extreme weather conditions, or a road relocation project that had not been previously identified by municipal or county road authorities. Any capital project in which detailed engineering design identified a difference between the preliminary planning estimate and the detailed engineering design would be reviewed. Project interdependencies, resource availability, cost and risk assessments, and capital availability could cause reconsideration. Over the last four years, HHI's adapted Capital Investment Process (CIP) has been used to effectively manage its assets and capital expenditure. Similar to the process in the KPMG report, the current CIP meets HHI's regulatory, safety, operational and customer needs.

1.4.1. Non-Discretionary vs. Discretionary Capital Projects

Non-discretionary capital projects are automatically included in the capital budget based on their need and include:

- emergency replacement of failed equipment (system renewal),
- safety-related projects (system service),
- new/enhanced customer service connections (system access),
- plant relocation projects necessitate by road construction (system access),
- mandated service obligations—regulatory, legal, or road authority (system access), and
- renewable energy projects (system access).

All other projects not mandated are deemed discretionary. Evaluating the absolute or relative importance of these proposed investments in distribution assets can be an intricate task. There are often competing requirements for available resources in any year. The decision to recommend an individual project in the current year is made by senior management based upon consultation with stakeholders, established criteria and the best information available at the time.

HHI uses a combined needs and risk-based approach to considering discretionary capital projects. This evaluation generally considers a range of criteria including health and safety concerns, load and customer growth projections, regulatory and environmental requirements, system reliability, life expectancy, operational efficiency, and optimal lifecycle costs.

The criteria below, applied to discretionary candidate capital projects, are used to convert subjective (qualitative) issues into objective (quantitative) understanding to aid in project-to-project comparisons.

Public safety considers whether there is any impact on public safety or is the project very likely to reduce risk of a public injury. Where the risk of public safety is known, and the probability of occurrence and degree of harm are unacceptable, remedial action is taken and the investment is treated as non-discretionary.

Worker safety considers whether there is any impact on worker safety or is the project likely to reduce the risk of a worker injury. The same approach is used in the response to public safety concern described above.

The regulator considers to what extent the project relates to the OEB requirements including RRFE objectives, and to what extent the license or business may be affected.

Environment impairment considers the impact on risk of environmental impairment, and whether the project would reduce the risk of an environmental incident. The degree of harm, probability of occurrence and financial impact of deferred remediation are assessed.

Environment footprint considers the project impact on HHI's environmental footprint, or whether it will reduce the company's Green House Gasses (losses, emissions, wastes, etc.). As a leader in conservation and energy efficiency, HHI must be true to its values in

this area and as it sets a high standard for its customers to encourage energy efficiency and renewable generation.

Reliability considers to what extent the project impacts the power system reliability and customer service. If it eliminates a sustained feeder outage, the economic benefit can be quantified. If reliability improvement is more global as with redundancy investments, then the benefit is qualitative.

Power quality considers the project impact on the power quality. HHI must deliver a specific quality of power (voltage, regulation, etc.); and investments required to maintain this level of service can range from non-discretionary where the power standard is not maintained to discretionary when the quality is acceptable.

Customer satisfaction considers the project impact on HHI's ability to maintain or improve Electricity Service Quality Requirements (ESQRs). At a certain level, investment in this area may be considered non-discretionary when a distributor is ordered to improve its service quality and an asset investment is required. Where the distributor is performing at an acceptable ESQR level, increased investment to enhance service would normally be considered as discretionary spending.

Customer perception considers whether the project has a perceived value to the public. A project may be perceived as having a negative impact on the public, the immediate area or an individual customer. In each case, while customer perception must be considered and appropriately managed as part of any project, perception will not be the only deciding factor.

Financial considers whether a project will have a positive impact or return on investment.

End of Life The closer an asset is to its expected obsolescence and/or end of life, the higher the need to replace in order to avoid a service disruption or a safety issue. The replacement of critical assets that have exceeded their life expectancy could be considered as non-discretionary investments in certain situations if there is a safety or reliability concern.

Maintainability considers whether workers will be able to continue to maintain the system or the equipment, and whether actions will improve the ease, degree, and frequency of maintenance. Investments that facilitate maintenance, improve employee morale and/or lower maintenance costs are classified as discretionary sustainment.

Operability considers whether workers will be able to continue to operate the system or the equipment, and if it will improve the ease and flexibility of system operations. Investments that facilitate system operations, improve employee morale and/or lower operating costs are classified as discretionary sustainment.

1.5. Investment by Category

In developing its long-term DSP, HHI's objective is to make timely investments in infrastructure to ensure its distribution system continues to deliver power at the quality and reliability levels required by its customers. Details of the forecast for capital expenses can be seen in Section 7.

HHI tracks its capital spending in both the traditional system USoA and the RRFE categories (System Access, System Renewal, System Service, and General Plant).

The table below provides the Historical Investments as reported in its last DSP up to projected investments HHI has made since 2014 up to projected investments for 2024 and 2025.

Table 3 - Planned Capital Investment: 2018 DSP to 2025 DSP

Category	2018	2019	2020	2021	2022	2023	2024	2025
System Access	$49,154	$43,881	$102,707	$155,298	$107,756	$404,221	$140,300	$169,344
Planned 2018DSP	*$36,800*	*$86,895*	*$31,010*	*$31,510*	*$31,610*	*$31,610*		
System Renewal	$96,294	$100,051	$117,010	$96,540	$212,803	$115,701	$193,000	$165,000
Planned 2018DSP	*$117,780*	*$131,825*	*$488,350*	*$149,205*	*$139,500*	*$139,500*		
System Service	$22,910	$17,610	$0	$9,596	$0	$0	$0	$0
Planned 2018DSP	*$0*	*$10,000*	*$10,000*	*$10,500*	*$10,500*	*$10,500*		
General Plant	$32,621	$0	$6,600	$10,595	$2,210	$5,815	$11,500	$11,500
Planned 2018DSP	*$11,250*	*$8,800*	*$11,900*	*$11,900*	*$9,000*	*$9,000*		
Total Capex	$200,979	$161,541	$226,317	$272,028	$322,770	$279,617	$344,800	$345,844
Capital Contributions	-$59,897	-$1,255	-$49,062	-$80,474	-$65,854	-$246,120	-$44,612	-$35,000
Net Capital Expenditures	$141,082	$160,286	$177,256	$191,555	$256,915	$279,617	$300,188	$310,844
O & M	**$260,394**	**$176,255**	**$280,644**	**$344,287**	**$339,488**	**$365,485**	**$417,777**	**$440,800**

Observations

- HHI has a planning process and controls in place that are adequate and sufficient for the size of the utility.
- HHI's total capital expenditure for the forward looking 5 years of 2024-2029 is higher due to 5 major capital projects when compared to the actual capital expenditure spent for the historical period of 2018 to 2023.
    - Separate the 44 Kv structure $375,000.
    - Add a second transformer at 115 KV station for $2,100,000.
    - Relocate the line on Bon Pasteur/Smerdon from OH to UG $125,000.

- 3 Vacuum recloser $63,000
- Gate keepers $28,000

- No capital investment is required to address reliability concerns or capacity as articulated in the sections of “Performance Measurement for Continuous Improvement” and “System Capability Assessment for Renewable Energy Generation”.

Table 4 - Planned Capital Investment: 2024 DSP to 2030 DSP

	2024	2025	2026	2027	2028	2029
System Access	$140,300	$169,344	$97,555	$105,800	$102,000	$70,370
				$109,014		
Capital Contributions	-$44,612	-$35,000				
Net Total	$95,688	$134,344	$97,555	$105,800	$102,000	$70,370
System Renewal	$193,000	$165,000	$227,500	$150,000	$155,000	$165,000
Average				$172,500		
General Plant	$11,500	$11,500	$14,500	$11,500	$11,500	$11,500
Average				$12,100		
Net Capex	$300,188	$310,844	$339,555	$267,300	$268,500	$246,870

2. OVERALL PLANNING PROCESS

In general, the condition of assets is determined to ensure that:

- they are safe for the public and for competent knowledgeable staff to work on using approved procedures,
- they are working within specifications,
- within the device current and voltage capabilities,
- with no deterioration to impair the 'normal' function of the asset, and
- are as secure as it was when initially installed properly.

Assets are generally categorized as "Overhead vs Underground". While fulfilling its asset management responsibilities, HHI engages in the following type of maintenance programs on each category:

- **Predictive maintenance**
  - Inspections address risk management by actively assessing the condition of the plant visually. Inspections are required to meet regulatory requirements and are performed on a rotation—one-third of the system each year.
  - Testing addresses risk management by actively assessing condition of plant. It is more detailed and more focused than inspection and typically involves the measurement of some aspect of the asset. This is done on an interval basis determined by the rate of deterioration of the asset.
- **Preventative maintenance**
  - Maintenance activities to extend the trouble-free operation of assets, making the activity economical and reliable, are performed on a cyclical basis and usually coincide with the inspection cycle.
- **Condition-based or reactive maintenance**
  - Corrective action and follow-up activities are necessary when a plant malfunctions or is out of specification. Occasionally, replacement is the most cost-effective way to remedy the situation.

HHI completes inspections as prescribed in the DSC, and in a manner and frequency that addresses public safety and cost efficiency. Predefined geographical areas are designated for inspection based on a three-year cycle.

After the inspections are completed, deficiency reports are returned, processed and converted into a form to document follow-up and ensure completion within a reasonable time period.

The information is retained and available for review or verification if needed.

2.1. Distribution Stations - Preventative and Condition-based Maintenance

2.1.1. Inspection and Condition Assessment of Distribution Stations

Hydro Ottawa is contracted by HHI to conduct inspections and maintenance on its stations. The same evaluation is conducted by Hydro Ottawa on its own stations. In 2022, Hydro Ottawa conducted inspections on a quarterly basis. However, this was changed to inspections every six months due to the stations' excellent health and the fact that they do not require as many inspections as initially believed.

Any deficiencies reported as a result of the by-annual inspections are addressed when the report is submitted. Minor repairs such as light bulb replacements are completed as part of the inspection. Other aspects relating to the security and the appearance of the station, such as the perimeter fence, building access integrity, vegetation within the fenced enclosure and any other work, are scheduled based on urgency and crew availability.

2.1.2. Inspections performed by Hydro Ottawa

2.1.2.1. Station Inspections

Stations are inspected by-annually according to the following criteria:

Enclosed/Open Designation Stations that have no exposed conducting components are considered “enclosed” stations and may be inspected at a minimum frequency of once per twelve months, as per OEB DCS Appendix C - Minimum Inspection Requirements.

2.1.2.2. Thermographic Scanning of Station Equipment

Visual inspections and IR Scanning of substation equipment located across HHI’s service territory are to be conducted on yearly basis.

2.1.2.3. Oil Sampling

On a yearly basis all HHI’s assets and associated apparatus will have oil sampling conducted and analyzed predetermined annually.

The details to be included in the equipment list provided by HHI’s include:

- Site/Location
- Equipment Type
- Unit ID
- Equipment serial number
- Manufacturer’s Name
- Year of manufacture
- Size (in MVA)
- Operating Voltage (kV – HV/LV)
- Oil Volume (in Liters)
- Tank Type (Conservator, Sealed, Free Breather, etc.)
- Cooling Type (ONAN/ONAF)

2.1.2.4. Battery Testing

Maintenance procedures for the three types of batteries currently installed in HHI's 115 KV station, namely flooded lead acid, valve regulated lead acid, and nickel cadmium batteries.

- Battery Chargers
- Battery chargers require the following maintenance procedures:
- Section Procedure Frequency
- General Inspection -Yearly
- Connection Resistance -Yearly
- AC Ripple Voltage/Current-Yearly
- Output Voltage and Current -Yearly
- Functions and Alarms -Yearly

2.1.2.5. Transformer Maintenance & Testing

Transformer testing is performed to assess the condition of an operating transformer. Station Transformers are tested on a 5-year cycle.

- The tests are as follows:
- Oil testing
- Insulation resistance
- DC winding resistance
- Turns ratio
- Exciting current
- Insulation power factor
- Thermographic surveys

2.1.2.6. Breaker Maintenance and Testing

The tests and inspections are performed to assess the condition of the breakers, while maintenance tasks are performed to prevent breaker failures and to maintain their lifespans. Breaker maintenance will be performed on a 5-year cycle.
The breaker type refers to the type of insulation used in the breaker. There are two types of breakers installed in HHI's substations:
1. Oil
2. Vacuum

2.2. Overhead Assets - Predictive Maintenance

Assets must meet the requirements of the DSC, Ontario Regulation 22/04 and the relevant environmental standards such as the regulations addressing the use, storage and handling of PCBs.

The Minimum Inspection Requirements (Appendix 'C' of the OEB's DSC) details the inspection standards and cycles required within the Code.

HHI's supply area is served by an urban distribution system supplying the Town of Hawkesbury. Its supply area consists of a single contiguous geographical zone which HHI divides into three vegetation management/inspection zones. Systematic and routine visual patrols are conducted to comply with the OEB inspection requirements (at a minimum). HHI inspects the overhead distribution system in each inspection zone, completing approximately one-third of the distribution system each year, as per DSC's 'Minimum Inspection Requirements. The visual inspections of the major distribution facilities meet the level of detail for the patrol inspection definition in the DSC.

The overhead area uses a street map since the plant is visible when inspecting. The underground maps show the type of plant and the location of the plant to aid in the inspection. The process identifies what to inspect, how to record deficiencies, document what needs to be corrected, and when the inspection is completed.

There are separate databases containing the information of transformers and switches with pertinent device information such as nameplate data and device characteristics, and location.

The visual patrol inspects and assesses the condition of overhead assets, including wood poles and their supports and attachments, pole-mount distribution transformers, switches and surrounding vegetation. A lengthier description is provided later. Historically, the line patrol would only produce a Line Inspection Deficiency Report highlighting deficiencies. Today, HHI uses a line inspection record to document the completion/date of inspection, the name of the inspector; when a defect is identified during the inspection, the equipment, location and condition details are listed. Follow-up maintenance is prioritized and scheduled, and a line advice notice is issued to a crew to correct defects.

In addition to fulfilling the requirements of the DSC, the inspections allow for deficiencies and the general condition of system components and related peripheral equipment and hardware, including vegetation growth, to be realized and documented with sufficient lead time and for subsequent analysis in support of maintenance and capital planning activities.

During the annual visual inspections, the conductors are inspected for obvious signs of deterioration. Concerns are noted on the inspection sheets and followed up. The condition of overhead system assets is also inspected during preventative maintenance activities, mainly as a result of vegetation management.

Inspections of pole-mounted transformers, switches and vegetation growth are also completed as part of the cyclical visual patrol of the overhead distribution system. Deficiencies related to the transformers, switches and excess vegetation are noted on the Line Inspection Record and addressed through reactive maintenance programs. Overhead fused switches or cutouts are inspected as per DSC requirements and are also inspected when they are operated manually or after they operate automatically. Damaged cutouts are

replaced. Overhead transformers are inspected visually, and problems are corrected. The strategy for this asset class is to replace based on asset condition. Service connections trigger a review of transformer loading and sizing, and units are upgraded and/or replaced.

2.3. Overhead Assets - Preventative Maintenance

2.3.1. Vegetation Management

Vegetation management, or tree trimming, is a preventative maintenance program scheduled on a three-year cycle, in which one of each of the three vegetation management zones of the distribution system is completed each year by contractors.

HHI staff monitors vegetation growth which can vary because of weather conditions and by plant species. In an exceptional growing season due to frequent rain, certain areas may be vulnerable to tree contacts two to three years from now, requiring earlier action. Since some species of plants/trees grow faster than others, HHI uses a shorter trimming cycle particularly because trimming would be too severe if left for the regular cycle. Vegetation management including tree-trimming can also be scheduled as part of preparation for the OM&A projects.

Staff also respond to requests from the citizens to trim or remove trees in proximity to power lines.

2.3.2. Line Patrol (3rd party)

Line patrolling, performed by a 3rd party allows HHI to identify problem areas and turn unplanned outages into shorter planned outages or eliminate the outage completely. This is reflected in both HHI system reliability statistics and in the customer survey responses and feedback.

The service area's size and the repetitive attention to localized areas in daily activities ensure that minor issues are addressed before they escalate into larger problems. This proactive approach has yielded a multitude of information regarding system conditions that can be utilized in system planning to enable staff to proactively and predictively resolve system issues before they escalate into problems. HHI observes that third-party contractors are averse to after-hours issue calls and endeavor to prevent unforeseen circumstances whenever possible.

2.4. Overhead Assets - Condition-based Maintenance

2.4.1. Following pole inspections and line inspections

A 3rd party contractor inspects and reports on poles requiring attention. These reports are prioritized based on safety and risk for subsequent repair actions. Repair activities are tracked, documented, and signed off upon completion in accordance with ESA regulations. The tables below present a sample of the testing conducted regularly by a third-party contractor, which is then conveyed to the General Manager of HHI to facilitate the replacement planning.

Table 5 – Sample of Report on Pole Testing

POLE #	inspection date	CIVIC #	STREET	HEIGHT	CLASS	LIFE	EXPECTED CHANGE	NOTES	OWNER	TYPE OF TEST	2024 test results. If good to be tested in X years
61	29/05/2024		MAIN W				2021		HHI	HAMMER	GOOD OLD POLE 4 YEARS
696	29/5/2024	227	JAMES	40	4	50	2027	T# 420	HHI	90* X2 DRILL	GOOD OLD POLE 5YRS
697	29/5/2024	223	JAMES	40	4	50	2029	FOR STREET LIGHTS	HHI	8 RISERS HAMMER	GOOD OLD POLE 5YRS
704	29/5/2024	289	HIGGINSON	35	4	50	2028		HHI	MACHINE/HAMMER 90*/45*	GOOD POLE 4 YRS
769	29/5/2024	787	REGENT	40	4	50	2027	T# 550-551-552 RISER MALL	HHI	MACHINE/HAMMER 90*X2	GOOD POLE 4 YRS
770	29/5/2024	787	REGENT	40	4	50	2026	T# 288 BANK MTL	HHI	MACHINE/HAMMER	90*X2 RISER GOOD POLE 4 YEARS
774	29/5/2024	314	MAIN EST	40	4	50	2027	T# 710-711-712 BURGER K	HHI	MACHINE	90*X2 RISER GOOD POLE 4 YEARS
793	29/5/2024	274	HAMPDEN	40	4	50	2025	T# 112	HHI	MACHINE/HAMMER 45*X2	GOOD POLE 3 YEARS
834	29/5/2024	745	PHILIPPE	40	4	50	2030	T# 660-661-662 PARC SIR LASSALLE	HHI	MACHINE/HAMMER	90*X2 RISER GOOD 5 YEARS
836	29/5/2024	844	MAIN	40	4	50	2024	TAXI ,FRONT OF DEJA VUE	HHI	MACHINE/HAMMER	GOOD POLE 3 YEARS
838	29/5/2024	SIDE OF 855	MAIN	40	4	50	2026	T# 516	HHI	HAMMER/MACHINE	GOOD 5 YEARS
849	29/5/2024	945	MAIN	40	4	50	2026	GOLDEN ANCHOR	HHI	MACHINEHAMMER	GOOD 5 YEARS
850	29/5/2024	945	MAIN	40	4	50	2026	GOLDEN ANCHOR	HHI	HAMMER	GOOD 5 YEARS
897	29/5/2024	869	SINCLAIR	40	4	50	2023	DÉJÀ VUE, BELL	HHI	HAMMER/MACHINE	GOOD 5 YEARS
898	29/5/2024	869	SINCLAIR	40	4	50	2028	T # 38, DEJA VUE	HHI	MACHINE	GOOD 5 YEARS
1011	29/5/2024	1359	ABERDEEN	40	4	50	2027	ROCK	HHI	MACHINE	6% DETERIORATION, 2 YEARS OR NOW ON BUDGET ALLOCATION
1091	1081 ON DRILL S/B 1091	981	LANDSDOWN	40	4	50	2027		HHI	MACHINE	GOOD 3 YEARS
1083	29/5/2024	1495	LANSDOWN	40	4	50	2027		HHI	MACHINE	GOOD 3 YEARS
1086	29/5/2024	1311	LANSDOWN	40	4	50	2027	T# 748 ROCK	HHI	HAMMER/POOR	GOOD 2 YEARS
1088	29/5/2024	1185	LANSDOWN	40	4	50	2027		HHI	HAMMER/MACHINE	GOOD 3 YEARS
1090	29/5/2024	1000	LANSDOWN	40	4	50	2027		HHI	HAMMER	GOOD 10 YEARS
1404	29/5 /2024	814	EDMOND	40	4	50	2027		HHI	MACHINE	GOOD 3 YEARS
1405	29/5/2024	814	EDMOND	40	4	50	2027		HHI	HAMMER/DRILL	GOOD 3 YEARS
1406	29/5/2024	814	EDMOND	40	4	50	2027		HHI	HAMMER/DRILL	GOOD 3 YEARS
1409	29/5/2024	830	EDMOND	40	4	50	2027		HHI	HAMMER/DRILL	GOOD 5 YEARS
1424	29/5/2024	605	MONTCALM	40	4	50	2021		HHI	HAMMER	GOOD 5 YEARS
1590	29/5/2024	818	EDMOND	40	4	50	2027		HHI	HAMMER/DRILL	GOOD 5 YEARS
1441	29/5/2024	460	GARNEAU	40	4	50	2028		HHI	MACHINE	GOOD 3 YEARS
1442	29/5/2024	490	GASCON	40	4	50	2028		HHI	MACHINE/HAMMER	CEDAR POLE, ROTTEN,REPLACE 2024
1581	29/5/2024	775	HIGGINSON	40	4	50	2023		HHI	DRILL/HAMMER	SHOULD BE REPLACED, BUDGET ?
1582	29/5/2024	775	HIGGINSON	40	4	50	2023		HHI	HAMMER/DRILL	REPLACE 2024
1584	29/5/2024	731	HIGGINSON	40	4	50	2023		HHI	HAMMER	REPLACE 2024

As can be in the table above, certain poles are identified as “pass” or “fail” at which point, the general manager will look at the budget and plan for its replacement accordingly.

Table 6 – Example of Pass (pole 696)

Measuring / object data

Measurement no.	: 1	Needle speed	: 3500 r/min	Diameter	: 37,5 cm
ID number	: P696	Needle state	: ---	Level	:
Drilling depth	: 42,81 cm	Tilt	: 0°	Direction	:
Date	: 29.04.2024	Offset	: 119/266	Species	:
Time	: 09:50:36	Avg. curve	: off	Location	:
Feed speed	: 76 cm/min			Name	:

Wood Inspector

Program	: Pole (IMLUS2 1.00)
Start / stop	: 0,28 cm / 37,80 cm
Effective length	: 37,52 cm
Decay detection	: 0,00 cm / 0%
Cavity detection	: 0,00 cm / 0%
Result	: PASS

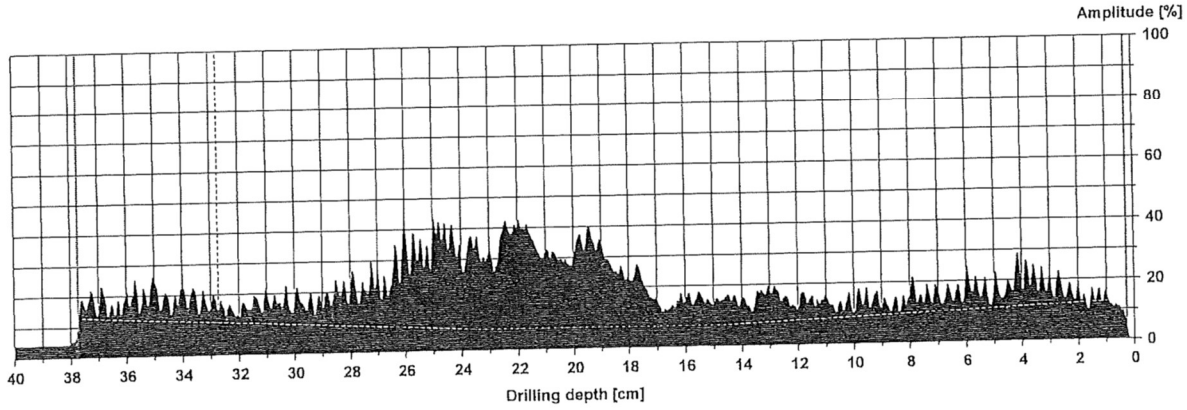


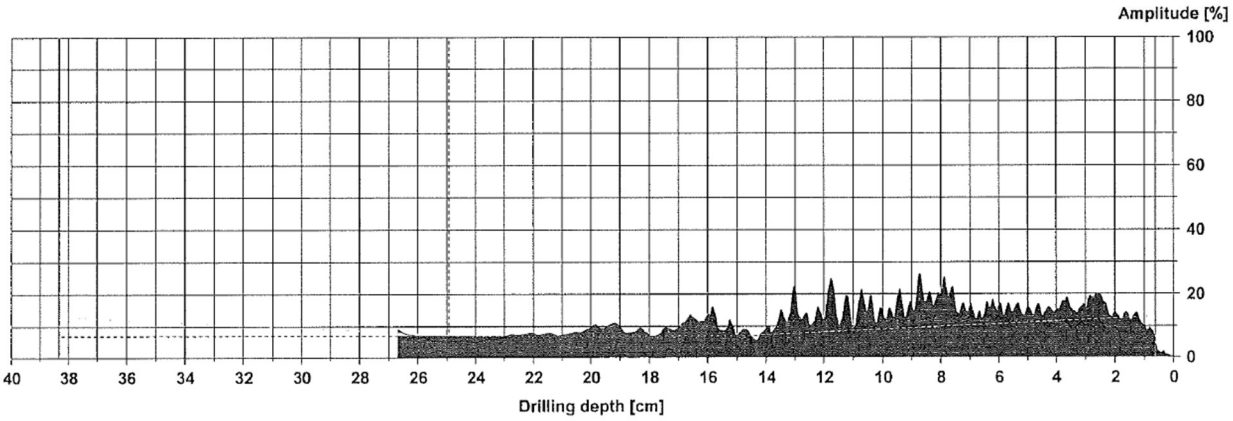
Table 7 – Example of Fail (pole1581)

Measuring / object data

Measurement no.	: 36	Needle speed	: 3500 r/min	Diameter	: 26,7 cm
ID number	: P1581	Needle state	: ---	Level	:
Drilling depth	: 26,70 cm	Tilt	: -45°	Direction	:
Date	: 16.05.2024	Offset	: 87/250	Species	:
Time	: 14:05:04	Avg. curve	: off	Location	:
Feed speed	: 76 cm/min			Name	:

Wood Inspector

Program	: Pole (IMLUS2 1.00)
Start / stop	: 0,62 cm / 38,33 cm
Effective length	: 37,71 cm
Decay detection	: 9,96 cm / 26%
Cavity detection	: 9,96 cm / 26%
Result	: FAIL



Assessment

☐	From	0,0 cm	to	0,0 cm :
☐	From	0,0 cm	to	0,0 cm :
☐	From	0,0 cm	to	0,0 cm :
☐	From	0,0 cm	to	0,0 cm :
☐	From	0,0 cm	to	0,0 cm :
☐	From	0,0 cm	to	0,0 cm :

Comment

Measurement 2024- hawkesbury038 (FAIL).rgp

2.4.2. Following vegetation management

As part of the regular maintenance plan for the pole line assets, HHI schedules regular tree-trimming activities, as described below:

Vegetation and Right of Way control is required under the Minimum Inspection Requirements of the Distribution System Code and good utility practice. HHI has a relatively heavy mature tree cover where overhead hydro lines are in proximity to trees. Tree contact with energized lines can cause the following:

- Interruption of power due to short circuit to ground or between phases.
- Damage to conductors, hardware and poles
- Danger to persons and property within the vicinity due to falling conductors, hardware, poles and trees.
- Danger of electric shock potential from electricity energizing vegetation

Care must be taken to balance the requirements of customers and stakeholders and safe and reliable operation of the distribution system.

Tree Trimming inspections have been incorporated into the other inspection programs included in this plan and additional verification will be performed by work crews in the area in which regular work is performed.

To mitigate direct contact between trees and distribution assets, HHI conducts tree trimming in accordance with the HHI Procedures. Depending on the size, shape and growth pattern of each tree species, the tree trimmers remove sufficient material from the tree to limit the possibility of contact during high wind situations. This work is carried out by HHI contractors based on cost and availability of resources.

All debris is removed, and the site is returned to as-found condition. Any pole line damage or anomaly noticed by the tree trimming crew is reported to HHI's Chief management for remedial action.

2.5. Underground Assets - Predictive Maintenance

2.5.1. Underground Inspections

Similar to the general overhead process of inspection and condition assessment, the underground distribution system is also inspected on a cyclical basis to assess the condition of underground assets including pad-mount transformers, transformers, underground switches, transformer vaults and civil structures. The buried assets cannot be totally inspected visually like the overhead assets, but care is taken to inspect all assets that can be seen to assess their condition. The Line Inspection Record documents the inspection completion, date of inspection and the inspector. The equipment, location and condition details of defects identified are documented in the Report the defect(s). Data from inspection activities are compiled and used for reporting.

2.5.2. Underground Distribution Transformers

Inspections of pad-mount transformers occur within the visual patrol of the underground distribution system and are therefore inspected on a cycle. Approximately one-third of the transformers within HHI's distribution system are inspected on an annual basis. Enclosures are opened to allow a visual check of the condition of the plant. The Line Inspection Record is used to document deficiencies such as broken bushings, oil leaks or paint chips, and condition of the concrete base—bases with cracks or deteriorated are identified for replacement.

2.5.3. Underground System Switchgear

Inspections of pad-mounted switches occur as part of the visual patrol of the underground distribution system and on a cycle. Approximately one-third of the switches within HHI's distribution system are inspected on an annual basis. Inspection includes opening the enclosures so a visual check can be made of the condition of the plant. Deficiencies such as broken bushings, oil leaks or paint chips, among others, are noted on the Line Inspection Record.

2.5.4. Underground Cable

The underground primary cable has not failed in HHI's system. Cable terminations are inspected visually in switching units and in transformers. Unless specific issues are identified, they run to failure.

Underground secondary cable terminations are visually inspected at the transformer when the transformer inspection is carried out. Unless specific issues are identified, they run to failure.

2.6. Underground Assets - Condition-based Maintenance

HHI uses the inspection form for items that are discovered in inspections. The inspection form identified defect is classified as needing attention immediately or in a less time critical manner. Reports are completed and recorded in the database. The work is dispatched to the appropriate crew(s) and the work is completed. Once the work is completed appropriate signoffs are made to ensure the distribution system is safe for the public and staff and that the system is restored to proper working order. The signed off reports are logged in the electronic database and the paper copy signed off is retained by year and report number.

2.7. Asset Lifecycle Optimization and Practices

HHI owns all the distribution assets within its service area. HHI is responsible for the management of all its distribution assets.

The asset register for field assets consists of a spreadsheet for each asset type. This allows the capture of data that is adequate for HHI to manage its assets. Asset data was gathered and input from a multitude of sources including construction as built records and legacy records. The system stores the annual inspection and maintenance program results including inspection dates, transformer maintenance records, third-party attachments for poles, etc. As the asset is visited through planned inspections or maintenance, the asset data is verified or corrected. The information in the spreadsheet, such as location, asset ratings or specifics of the asset, and installation date describes the asset.

The asset register is intended to hold asset attribute information as well as historical financial information over each asset's lifecycle. Currently, the spreadsheet holds locational data, attribute data and historical non-financial information (i.e. inspection history, tests, etc.). It is the intent of HHI, over time, to continue to populate the spreadsheets with additional non-financial and historic financial data as appropriate and useful.

HHI maintains the efficiency and reliability of its distribution system through an active inspection, maintenance and asset management program that focuses on customer service, employee safety and cost-effective maintenance, refurbishment and replacement of assets that can no longer meet acceptable utility standards.

2.8. Asset Life

HHI has adopted depreciation rates based on the Kinectrics Asset Depreciation Study. The utility is not proposing any changes to the depreciation rates for any assets.

3. ASSETS MANAGED, MAINTENANCE AND PLANNING PROCESS

Although the Asset Condition Assessment Study commissioned by Hydro Hawkesbury in 2019 is five years old, its main points and recommendations still hold true. The document continues to provide relevant guidance for asset management and maintenance, ensuring the utility can address ongoing infrastructure needs effectively. The study's findings remain a crucial reference in planning and decision-making.

3.1. MS Municipal Substations

HHI owns and operates one MS supplied at 44kV and one MTS supplied at 115kV. Its distribution voltage is 12.4kV. A salient feature of the distribution system is that the 12.4kV from the MS and from the MTS is not in phase and thus cannot be paralleled. This presents challenges for system operation since outages need to be taken to transfer load between the two systems.

HHI has two transformers at its MS each rated at 44kV to 12.4kV with a capacity of 10/13.3/16.7 MVA ONAN/AF/AF. At present one transformer 43T1, supplies a bus structure with two overhead egress feeders each protected with 520A oil insulated reclosers and with bypass fuses. The other transformer 43T2 is currently on potential but not connected to the system. As it is now the 43T2 is on standby in the event of 43T1 problems. HHI plans to make improvements to this arrangement in 2027 by splitting the actual structure and having the two 10 MVA transformers with load and still have the redundancy capacity in case of a failure.

HHI has two transformers at its MTS 55T3 is rated 115kV to 12.4kV with a capacity of 15/20/25 MVA ONAN/AF/AF and 55T2 is rated 115kV to 12.4kV with a capacity of 7.5/10/12.5 MVA ONAN/AF/AF. There are three overhead feeders emanating from the MTS, each transformer feeds a transformer bus and has a transformer isolating switch. There is also a switch to allow the two transformer buses to be interconnected. The T3 transformer bus supplies 55F1 and 55F2 while the T2 transformer bus supplies 55F3. There is also a spare position for a future 55F4. Each feeder is protected by 520A oil insulated reclosers and with bypass fuses.

Table 8 - Substation Data

Station	Year	Voltage	Tx Size	Number of Feeders	HV protection	LV Protection
44KV		44KV/12.4KV	10MVA	2	44KV Primary fuse S&C SMD-2C*, 250E	12,480 V Hydraulic Oil and Vacuum reclosers Kyle type WE 560 A trips. 12,480 recloser Bypass Fuses S&C SM-5, 300E
			10 MVA ON POT		44KV Primary fuse S&C SMD-2C*, 250E	12,480 V Hydraulic Oil and Vacuum reclosers Kyle type WE 560 A trips. 12,480 recloser Bypass Fuses S&C SM-5, 300E
115 KV		115KV/12.4KV	15 MVA	2	LBS AND CIRCUIT SWITCHER.	12,480 V Hydraulic Oil and Vacuum reclosers type L with 560 A trips. 12,480 recloser. Bypass Fuses S&C SM-5, 300E
			7.5 MVA	1	LBS AND CIRCUIT SWITCHER	12,480 V Hydraulic Oil and Vacuum reclosers type L with 560 A trips. 12,480 recloser. Bypass Fuses S&C SM-5, 300E

As summarized in the table below, each feeder 43F1, 43F2 at the 44KV station and 55F1, 55F2, 55F3 at the 115 KV station in Hawkesbury's territory are controlled by 3 phases Gang Operated oil OR vacuum reclosers and fuse backups.
The table below shows information regarding the substation transformers. The transformers ages are as at 2023 and the peak load data of the transformer was recorded during the period January 1, 2023, to December 31, 2023.

Table 9 - Substation Transformer Data

Substation	Address	Transformer manufacture/Installed	Transformer Age	Transformer Nameplate	Type
MS1	Tessier. St Hawkesbury	1985	39	10 MVA	Ferranti Packard
NOTE:	Transformer totally revamped with copper winding in 2015				
MS1	Tessier. St Hawkesbury	2012	12	10 MVA	Pioneer

Substation	Address	Transformer manufactured/ Installed	Transformer Age	Transformer Nameplate	Type
MTS1	Main St West. Hawkesbury	2014	39	15 MVA	Pennsylvania transformer
MS1	Tessier. St Hawkesbury	1965	59	10 MVA	Maloney

Hawkesbury - Substation 44KV

HHI MS1 serves predominantly residential customers with a few industries in the east portion of Hawkesbury. The transformers are a 2-10 MVA unit with two 7.2 kV feeders.

Hawkesbury – Substation 115KV

The HHI 115KV station serves both residential and small business clients in the western region of Hawkesbury. The station was partially rebuilt in 2014-2015 and is equipped with a 15,000/20,000/25,000 transformer at 115000-12470 y/7200. Two structures were installed with a load break switch and circuit switcher to replace transformer 55T2, which is 60 years old. HHI's distribution feeder is designed with redundancy to facilitate the transfer of load and minimize outages to various sections that are fed by the 44 KV or 115 KV stations. These switches are solely capable of transferring capacity from the designated transformer stations, not between the 44KV and the 115KV.

HHI also maintains numerous open three-phase LBS that enable the transfer of certain circuits from the 44KV station to the 115KV station and vice versa. These operations are executed only when the load permits and cannot be executed concurrently. Consequently, a 0–10-minute interruption is required to address safety concerns, as the 44 KV and 115 KV stations are unable to be paralleled.

Table 10 - Station Data

Distribution Feeders affected	Contingency between the 2 stations.
S-029 55F2 AND 43F2	ON CHAMBERLAIN ST
S-02855F3 AND 43F2	ON LANSDOWN ST
S-303 55F2 AND 43F1	ON CAMERON ST
S-032 55F1 AND 43F1	ON SPENCE AVE.
S-056 55F1 AND 43F1	ON EDMOND ST

3.1.1. MS Municipal Station Maintenance

HHI conducts monthly inspections of each of its substations while maintaining a substation maintenance program. This program includes annual transformer oil testing at both sites and a routine rotating maintenance shutdown when needed or every five years at each substation. Shutdown activities include load interrupter switch maintenance, general cleaning and inspections, and electrical diagnostic testing such as transformer insulation resistance and ratio. Routine reclosure protection verification maintenance. The utility employs a qualified contractor to perform this work.

The station undergoes an annual Infrared Inspection. The objective of these inspections is to identify hot points on transformers and their primary/secondary connections. Furthermore, Hydro Ottawa is contracted to conduct maintenance and testing on the substation. Based on a maintenance schedule that they implement at their utility, at least annually. HHI is of the opinion that their level of expertise is appropriate for determining the necessary inspections and

maintenance to be performed annually. The results of the biannual inspections may also serve as a motivating factor for certain maintenance tasks. HHI satisfies the DSC and ESA Regulation 22/04.

Visual inspections of each substation are conducted by HHI monthly in addition to the Hydro Ottawa inspections. The visual inspection entails the detection of oil leakage, corrosion, or damage to equipment (switchgear), as well as damage to perimeter safety fences and loading factors on each feeder and transformer.

The quarterly test results for the last 2 years are presented in Appendix A of this document.

3.2. Transformers

HHI has 96 single phase and 1 three phases *Utility owned Pad-Mounted Transformers*.

Table 11 - Pad Mounted Transformer Data

Manufactured	1 Phase Pad Mount Quantity of active transformer
2019-2024	9
2014-2018	3
2009-2013	6
2004-2008	15
1999-2003	18
1994-1998	14
1989-1993	11
1984-1988	20

Manufactured	3 Phase Pad Mount Quantity of active transformer
2019-2024	1

HHI has 371 single-phase Pole-Mounted Transformers and 145 three-phase Pole-Mounted

Table 12 - Pole Mounted Transformer Data

Manufactured	1 Phase Pole Mount Quantity of active transformer
2019-2024	22
2014-2018	4
2009-2013	3
2004-2008	5
1999-2003	6
1994-1998	5
1989-1993	11
1984-1988	14

Manufactured	3 Phase Pad Mount Quantity of active transformer
2019-2024	9
2014-2018	0
2009-2013	0
2004-2008	0
1999-2003	12
1994-1998	25
1989-1993	8
1984-1988	9
1979-1983	9
1974-1978	21

3.2.1. Transformers Maintenance:

The inspection of transformers includes:
Pole Mounted:

- Paint condition and corrosion
- Leaking oil
- Flashed or cracked insulators.
- Contamination/discoloration of bushings
- Ground lead attachments
- Damaged disconnect switches or lightning arresters.
- Ground wire on arresters unattached

Pad Mounted:

- Paint condition and corrosion
- Placement on pad or vault
- Leaking oil
- Lid Damage, missing bolts, cabinet damage
- Cable connections
- Ground connections

HHI performs maintenance on any transformers which are identified by either visual or infra-red inspection as needing work. This work may include replacement of connections if found to be hot, painting or replacement of unit if leaking.

3.3. Conductor

Line patrols are conducted annually in accordance with the HHI Procedures. The line patrols include a visual inspection of the following:

Conductors and Cables

- Broken/frayed conductors or tie wires
- Exposed broken ground conductors
- Broken strands, bird caging, and excessive or inadequate sag

Hardware and Attachments

- missing or damaged hardware
- damaged Insulators
- Conductor unattached from insulators
- Ground wire broken or removed
- Ground wire guards removed or broken

General Conditions, Vegetation and Right of Way

- Leaning or broken
- Growth into line
- Accessibility
- Vines or bush growth interference
- Grade changes that could expose cable.
- Excessive vegetation on right of way

3.4. Poles

HHI currently has approximately 709 poles across its service area. Poles regularly undergo visual inspection during periodic line patrol inspections. This condition assessment is correlated with risk parameters based on the location and use of the pole to determine which poles require replacement in a year. Also, when the pole is within five years of its financial depreciation it is tested to determine its condition. HHI has purchased a pole testing device to have more scientific factual data on which to base its replacement decision. If a pole test indicates it is in good condition it is retested in another five years.

The charts below show the result of the date installed and the replacement due date expected.

Table – pole listing

Year Installed	# Poles	Expected Due Date	Year Installed	# Poles	Expected Due Date
1957	1	2007	1990	11	2040
1958	3	2008	1992	23	2042
1960	1	2010	1993	35	2043
1961	4	2011	1995	29	2045
1962	1	2012	1996	28	2046
1964	1	2014	1998	21	2048
1967	1	2017	1999	4	2049
1968	1	2018	2000	4	2050
1969	1	2019	2001	1	2051
1970	11	2020	2003	3	2053
1971	14	2021	2005	3	2055
1972	28	2022	2006	10	2056
1973	9	2023	2007	1	2057
1974	12	2024	2008	2	2058
1975	27	2025	2009	5	2059
1976	47	2026	2010	3	2060
1977	8	2027	2011	5	2061
1978	43	2028	2012	24	2062
1979	26	2029	2013	22	2063
1980	41	2030	2014	11	2064
1982	3	2032	2015	8	2065
1983	1	2033	2016	10	2066
1984	11	2034	2017	19	2067
1985	11	2035	2018	9	2068
1986	40	2036	2019	4	2069
1987	14	2037	2020	10	2070
1988	18	2038	2021	2	2071
1989	12	2039	2022	9	2072
			2023	3	2073

3.4.1. Poles Maintenance

Scheduled visual inspections of HHI poles are conducted on a three-year cycle satisfying the inspection requirements of the DSC. The condition-based assessment allows HHI to monitor and identify defects such as the integrity of the pole, concerning the condition of the pole, supports and attachments including conductor, cross arms, guys and guy guards, cable dips, etc. Defects and concerns are identified in the Line Inspection Record and detailed further through commentary on the Report.

3.4.2. Poles Planning

Poles are tested annually (1/3 of town) and randomly based on age and previous years reporting. HHI uses a pole testing machine as well as Hammer tests.
When reports are delivered HHI submits a service order to replace the existing pole. Furthermore, any other poles in the same aging category will be replaced if needed. By doing this HHI will change from time to time several poles on a specific street instead of doing a few every year.

3.5. Meters

HHI owns and maintains approximately 5,668 active meters on its customers' premises for the purpose of measuring energy consumption of electricity for billing purposes. Meters vary in type by customer and include meters capable of measuring kWh consumption, kW demand and kVA, as well as hourly interval data. HHI invoices its customers monthly, on a calendar billing cycle.

Wholesale Metering

HHI receives its power from HONI by one 44kV sub-transmission feeders and IESO by one 115kV sub-transmission feeders. The two feeders are metered at the OHNI Longueuil TS and one at our facility at the 115 KV station.

Retail Metering

HHI uses Elster-Honeywell meters across its service territory and has contractual agreements with:

- Peterborough is HHI's Meter Services Provider (MSP).
- Utilismart (ODS) which involves the validation, estimation and editing (VEE) of metered data.
- UtiliSmart as the LDC's appointed Advanced Metering Infrastructure (AMI) Operator and.
- UtiliSmart for settlement services and web presentment of Wholesale, Retail, Embedded Generation interval data.

Smart Meters

All Smart metered interval data (Residential and General Service <50kW customers) is provided to the Meter Data Management and Repository (MDM/R) who process, store and manage the data. The MDM/R metered data is shared with the LDC who, with support from Utilismart, validates the interval usage and ensures completeness of data.
In 2019-2020, HHI sampled a population of Smart Meters for accuracy in accordance with Measurement Canada requirements due to the meters approaching a seal life of 10 years. The results from the sampling were good, meaning the Smart meters were sealed for use for a further 7 years.

MicroFIT/FIT

MicroFIT/FIT interval metered data follows the same routine process as Smart meters, with the exception that the data is not sent to or stored in the MDM/R.

Over 50kW Meters

General Service 50-999kW (GS50-999kW) interval metered data and meter readings are transmitted by telecommunications each night. Each meter is dialed, and the data is downloaded into MV90 and shared with Utilismart.

MIST Meter

HHI started installing MIST meters to customers in its' General Service 50-999kW rate class in September 2017. Any new services with a projected average peak demand of over 50kW during a calendar year had a MIST meter installed.

Meter Capital

HHI has included the following its' 2023-2028 capital investment program:

	2023	2024	2025	2026	2027	2028
SMART METER	$ 25,246	$ 22,000	$ 23,100	$ 24,255	$ 60,000	$ 61,200
COMMERCIAL SM	$ 39,041	$ 37,500	$ 37,500	$ 37,500	$ 15,000	$ 15,000
GATE KEEPERS			$ 27,944			
TOTAL	$ 64,286	$ 59,500	$ 88,544	$ 61,755	$ 75,000	$ 76,200

3.5.1. Meters Maintenance

All maintenance activities related to meters follow the requirements of Measurement Canada guidelines.

Honeywell is transitioning from A3 to A4 technology, introducing meters equipped with internal antennas. However, HHI prefers meters with external antennas due to their enhanced communication capabilities, which mitigate communication issues with HHI's Gate Keepers. As a result, HHI intends to wait until 2025 to procure the new technology featuring external antennas.

Regarding the 600V meters, which are overdue, these are essential for older three-phase services. HHI understand that Honeywell plans to produce this type of meter by 2028.

4. PERFORMANCE MEASUREMENT FOR CONTINUOUS IMPROVEMENT

This section captures the results of HHI's annual reliability performance, whose purpose is to maintain activities and assist in establishing priorities for capital investments while mindful of its ability to meet all the customer's needs in a sustainable manner.

HHI has a small service territory and, as such, does not have the workload to sustain a complement of staff to provide all the functions of the utility in-house. It acquires the services it needs on a contract basis. As a result, engineering studies are contracted out, as are the system construction, maintenance, emergency trouble-calls, and responses and billing. The overall management, purchasing, finance functions, and customer service are maintained in-house.

This approach works well for HHI from a cost management and timing perspective for the physical work and the timely financial billing or project costing. Project work is contracted on a fixed price basis. Maintenance and repair work is based on unit prices negotiated in advance and authorized before the work is started except in the case of emergency work after hours. This approach also means that HHI does not incur fixed or ongoing costs for engineering work or power system work unless work is done. The work is defined, and the costs are included. In this way, cost efficiency and work performance are kept high.

The cost of electricity is an essential matter for HHIs customers. In their 2023 Customer Survey the response to the question, "To what extent, if any, is the cost of Electrical service a strain on your household budget?" was that 86.37% of those surveyed responded with either "A great deal" or "Relatively." Hence, the cost is of importance to HHI customers. Most of the general comments were also with respect to the cost of electricity.

HHI has reviewed it's measures for monitoring its system performance for continuous improvement and found that it's objectives and practices have not changed. HHI will continue with its focus to ensure that distribution assets meet their needs and can handle peak demand. Performance monitoring aims to achieve four key outcomes: customer focus, operational effectiveness, public policy responsiveness, and financial performance.

HHI tracks a range of performance measures mostly through the OEB reporting requirements, including customer feedback, service reliability, bill impacts, billing accuracy, power quality, operational costs per customer and benchmarking results.

To manage bill impacts, HHI tries to plan capital expenditures to avoid significant cost fluctuations. Service reliability is assessed using CAIDI, SAIDI, and SAIFI indexes, which help guide capital prioritization and asset management decisions. If specific OEB metrics were not met, they are because of factors beyond its control such as weather patterns or supply issues all of which are explained in the next section.

HHI also monitors the efficiency and cost-effectiveness of its capital projects, primarily contracted out, and tracks safety incidents and compliance with Ontario Regulation 22/04 through annual audits and surveys and industry wide benchmarking studies.

In summary, HHI uses reliability indexes like CAIDI, SAIDI, and SAIFI to maintain system reliability, as well as benchmarking results to control capital and maintenance spending. The

maintenance program is largely condition-based, focusing on mandated requirements and identifying end-of-life conditions for assets like poles and transformers. This indicates that HHI's efforts in controlling its rates align with its customer's needs to keep rates low and reliability high.

Table 13 – Service Reliability and Quality Indicators

Service Quality						
Indicator	**OEB Minimum Standard**	**2019**	**2020**	**2021**	**2022**	**2023**
Low Voltage Connections	90.0%	91.30%	100.00%	100.00%	100.00%	100.00
High Voltage Connections	90.0%	100.00%	100.00%	100.00%	100.00%	100.00
Telephone Accessibility	65.0%	99.97%	99.96%	99.92%	99.95%	99.90
Appointments Met	90.0%	98.86%	98.10%	100.00%	98.88%	98.57
Written Response to Enquires	80.0%	99.80%	99.62%	100.00%	99.79%	99.77
Emergency Urban Response	80.0%	100.00%	100.00%	100.00%	100.00%	100.00
Emergency Rural Response	80.0%					
Telephone Call Abandon Rate	10.0%				0.05%	0.02
Appointment Scheduling	90.0%	97.63%	98.83%	99.64%	100.00%	98.39
Rescheduling a Missed Appointment	100.0%	100.00%	100.00%	100.00%	100.00%	100.00
Reconnection Performance Standard	85.0%	100.00%	100.00%	100.00%	100.00%	100.00

5. RELIABILITY INDICES

Guidance provided by the OEB in the recently published Report of the Board: Electricity Distribution System Reliability Measures and Expectations (EB-2014-0189), indicates that it would like to use the average or arithmetic mean of the previous five years (or historical period) of data to establish performance expectations for the forecast period. Specifically, the OEB referred to SAIDI and SAIFI as the two reliability indicators that would benefit from using targeted goals.

HHI records and reports annually the following Service Reliability Indices:

$$\text{SAIDI} = \text{System Average Interruption Duration Index} = \frac{\text{Total Customer-Hours of Interruptions}}{\text{Total Customers Served}}$$

$$\text{SAIFI} = \text{System Average Interruption Frequency Index} = = \frac{\text{Total Customer Interruptions}}{\text{Total Customers Served}}$$

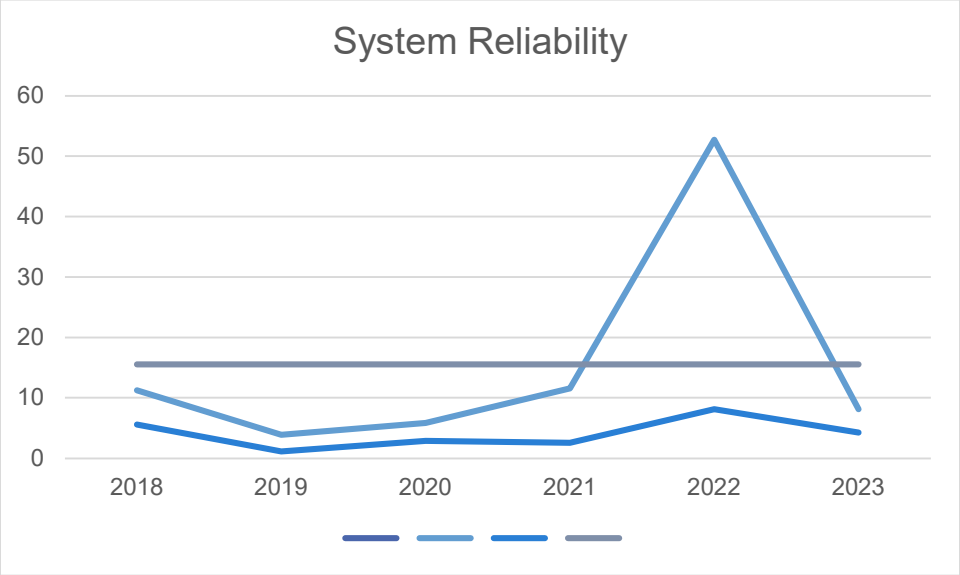
HHI uses the above reliability indexes to gauge the system reliability performance and maintain a tight control over their capital and maintenance spending. The Maintenance Program is primarily condition based. The maintenance component addresses statutory requirements such as inspection per the DSC, as well as prudent "testing" of the plant to help identify end of life conditions for poles.

HHI collects a variety of statistics and analyzes the data to assess system performance and to act as inputs to its asset management program and capital prioritization processes. The data is also used as a tool to improve restoration time and drive/support policy.
HHI records the power outage start time as the time the LDC received communication from a customer or dispatch reporting the interruption.

The OEB expects a utility to keep its hours of interruption within the range of its 5-year historical performance average.

Table 14 – Reliability Indicators

System Reliability Indicators	2018	2019	2020	2021	2022	2023	Avg
Total Outages	42	28	35	39	38	41	37
SAIDI Avg. outage duration (hours)	**11.23**	**3.91**	**5.86**	**11.57**	**52.75**	**8.09**	**15.57**
SAIFI Avg. outage frequency (interruptions / customer)	**5.58**	**1.16**	**2.88**	**2.57**	**8.15**	**4.25**	**4.1**
Loss of Supply Adjusted	35	26	33	37	33	36	33
SAIDI Avg. outage duration (hours)	**2.92**	**1.01**	**5.63**	**8.1**	**11.91**	**1.49**	**5.18**
SAIFI Avg. outage frequency (interruptions / customer)	**1.92**	**0.68**	**2.66**	**2.11**	**4.85**	**2.08**	**2.38**
Loss of Supply and Major Events Adjusted	42	28	35	39	38	41	37
SAIDI Avg. outage duration (hours)	**11.23**	**3.91**	**5.86**	**11.57**	**52.75**	**8.09**	**15.57**
SAIFI Avg. outage frequency (interruptions / customer)	**5.58**	**1.16**	**2.88**	**2.57**	**8.15**	**4.25**	**4.1**



System Average Interruption Duration Index ("SAIDI")

HHI's 5-year historical performance is currently 15.57 average hours based on the utility's average SAIDI for years 2018 to 2023.

In 2022, HHI recorded an average of 52.75 hours of power outages. The above-target performance in 2022 was attributed to a malfunctioning circuit switcher at the 115 KV substation, namely on the 55T3 transformer. Siemens, the manufacturer, discovered a defective pole that caused a significant leak of SF6 gas resulting in low pressure when temperatures dropped below -30 degrees. The prolonged period of frigid weather persisted for several days and resulted in multiple instances of downtime. Replacement of the pole was required. Covid 19 and delivery schedules presented the biggest obstacle, but HHI managed to obtain the pole and swap out the malfunctioning pole in November 2022. Had it not been for this unexpected problem, the total duration of the interruption would have been 21,909 hours instead of 28,885 hours. The SF6 Gas problem accounted for around 25% of the total hours of disruption in 2022.

System Average Interruption Frequency Index ("SAIFI")

The figure below illustrates HHI's adjusted[1] SAIFI values for the period 2018 to 2023 plotted against the 5-year historical performance (OEB's expected target for the utility)[2]. HHI's 5-year performance

Table 15 - Adjusted SAIFI Performance for HHI

System Reliability Indicators	2018	2019	2020	2021	2022	2023	Avg
Total Outages	42	28	35	39	38	41	37
SAIFI Avg. outage frequency (interruptions / customer)	**5.58**	**1.16**	**2.88**	**2.57**	**8.15**	**4.25**	**4.1**
Loss of Supply Adjusted	35	26	33	37	33	36	33
SAIFI Avg. outage frequency (interruptions / customer)	**1.92**	**0.68**	**2.66**	**2.11**	**4.85**	**2.08**	**2.38**
Loss of Supply and Major Events Adjusted	42	28	35	39	38	41	37
SAIFI Avg. outage frequency (interruptions / customer)	**5.58**	**1.16**	**2.88**	**2.57**	**8.15**	**4.25**	**4.1**

As noted previously, the 2022 above-target result was caused by faulty circuit switcher at the 115 KV sub on the 55T3 transformer. Siemens found a faulty pole which resulted in SF6 gas pressure when the temperatures were below -30 degrees.

5.1.1. Cause Codes for Power Interruptions

Outages are categorized by cause codes; the number of customers affected, and the duration of a given outage are collected and reported. As HHI continues with its capital replacement and

[1] Adjusted = Power outages due to Loss of Supply (HONI) and Major Events are not included in the SAIDI calculation.
[2] OEB Target: 2015's target was the average reported SAIDI for 2010-2014 (i.e. 0.16); 2016's target was the average reported SAIDI for 2010-2014 with the removal of Major Events during this period (i.e. 0.15) as required as per the OEB's letter March 13, 2017 "Reporting of Customer Interruptions Data Related to Major Events")

infrastructure renewal programs, the number of outages due to equipment and vegetation has been continued to be low. HHI believes that by continuing its steady improvements to the system, the reduced outages trend will continue.
The table below summarizes all causes of power interruptions non-adjusted experienced by HHI customers for the period 2018 to 2023:

Table 16 - Interruptions (2018-2023)

	2018	2018	2018	2019	2019	2019	2020	2020	2020
Month	**# Interruption / As a result of the cause interruption**	**# Of Customer Interruption**	**# Customers Hours**	**# Interruption / As a result of the cause interruption**	**# Of Customer Interruption**	**# Customers Hours**	**# Interruption / As a result of the cause interruption**	**# Of Customer Interruption**	**# Customers Hours**
January	4	3497	2620	1	1221	1832	3	23	32
February	5	347	1318	3	10	21	3	2708	998
March	0	0	0	0	0	0	3	1270	1299
April	12	13540	10156	1	1	3	2	9	8
May	3	3987	15616	2	76	301	2	7	36
June	1	12	6	1	1329	7531	7	1720	413
July	4	49	67	6	29	31	4	4659	19265
August	4	5436	31927	1	1	1	6	1521	1417
September	2	14	27	4	1334	8642	0	0	0
October	2	11	11	3	9	7	1	14	11
November	2	6	25	4	1532	1343	2	4109	9221
December	3	4131	664	2	905	2093	2	37	32

Table 17 - Interruptions (2018-2023) (Cont'd)

Month	2021 # Interruption / As a result of the cause interruption	2021 # Of Customer Interruption	2021 # Customers Hours	2022 # Interruption / As a result of the cause interruption	2022 # Of Customer Interruption	2022 # Customers Hours	2023 # Interruption / As a result of the cause interruption	2023 # Of Customer Interruption	2023 # Customers Hours
January	1	2609	1739	7	13504	11026	7	13504	11026
February	1	1	0	6	1661	845	6	161	845
March	3	3940	19576	2	2	2	2	2	2
April	0	0	0	0	0	0	0	0	0
May	1	2	2	7	15177	223989	7	15177	223989
June	5	39	45	5	4343	7583	5	4343	75832
July	5	99	567	2	15	12	2	15	12
August	6	112	85	3	6768	22078	3	6768	22078
September	4	23	14	2	28	18	2	28	18
October	2	5565	33299	2	2727	29717	2	2727	29717
November	6	45	24	0	0	0	0	0	0
December	4	1979	9599	2	1569	1202	2	1569	1202

Table 18 - Count of All Causes of Power Interruptions (2018-2023)

Code	Descr.	2018	2019	2020	2021	2022	2023
1	Scheduled	16	3	3	6	4	5
2	Loss of Supply	7	2	2	2	5	5
3	Tree Contact	0	0	0	2	0	3
4	Lightning	1	0	1	1	0	1
5	Defective Equipment	11	7	10	10	12	12
6	Weather	1	4	4	2	6	2
7	Adverse Environ	1	7	5	3	2	2
8	Human Element	0	0	0	0	0	0
9	Animal	5	5	10	13	9	8
10	Other	0	0	0	0	0	0
11	MED	0	0	0	0	0	0
	Total	42	28	35	39	38	38

The majority of outages during the historical period have been caused by defective equipment, foreign interference (such as animal contact), loss of supply, or weather.

In 2022, a defective circuit switcher pole at the 115kV station was identified following a low-pressure SF6 gas incident. Siemens found the pole defective, and it was replaced in November 2022. In response to the SF6 gas issue with a circuit switcher in 2022, HHI has emphasized the importance of having backup capability at the municipal station level to ensure a reliable electricity supply for its customers.

Since 2022, HHI has been collaborating with Hydro Ottawa for the maintenance and inspection of both substations. Throughout its history, HHI has successfully managed outages despite having no control over supply disruptions or adverse weather. HHI is committed to maintaining, inspecting, and servicing its equipment thoroughly to optimize its usable life.

As explained in 1.1.1, HHI will continue to promptly respond to weather-related outages by monitoring forecasts and ensuring its contractors work around the clock to restore power and minimize disruption. HHI will continue to collaborate with local authorities for coordinated responses and will prioritize infrastructure repairs, improvements, and vegetation management to withstand extreme weather.

5.1.2. Major Events

Based upon the historic Major Events experienced by HHI as noted above, the utility has no reliability issues or concerns. And HHI has received no complaints about reliability. Therefore, HHI is proposing no capital investment is required in its assets of distribution system to improve reliability in the context of Major Events. HHI has planned its capital investments to maintain current reliability performance.

6. COORDINATED PLANNING WITH THIRD PARTIES

This DSP has been prepared through a coordinated planning process with the following stakeholders:

a) Regionally interconnected Transmitters and Distributors – Hydro One.
b) Regional and municipal governments.
c) Telecommunication Entities.

6.1.1. Commercial Customers

As of the latest discussions, commercial customers within the service area are not planning any immediate, significant or material modifications within the service period.

6.1.2. Residential Customers

HHI values its customers and regularly seeks feedback to ensure that their needs are met and to receive suggestions on how HHI can improve their overall customer experience and include

- person to person communication,
- inserts in hydro bills,
- website interaction,
- surveys.

HHI is one of the few electric utilities that maintains a full-service customer counter, which facilitates daily interactions with consumers. To open new accounts, relocate services, pay bills, or resolve any concerns, customers may visit the office or contact HHI via telephone, email, or fax. This direct interaction with local representatives guarantees that customer concerns are addressed with respect and urgency.

In 2017, HHI implemented an improved, user-friendly website that was intended to be more informative and accessible. The website prioritizes strategies for energy cost reduction, conservation, and demand management. It responds to customer inquiries and concerns and offers a comprehensive overview of HHI. Customers have access to their accounts 24/7, which enables them to examine their account balances and payment histories, as well as monitor their energy consumption, which is updated nightly through smart meters. In 2024, HHI implemented a new portal that incorporates advanced cybersecurity protocols to improve security.

In 2023, HHI conducted an Electrical Safety Awareness Survey and a Customer Satisfaction Survey. A response rate of approximately 3% from the community was attained by HHI in its most recent survey. HHI acknowledges that consumers prioritize tangible outcomes over communication endeavors. Customer survey fatigue is the reason for the decreasing survey response rates, according to the utility. For that reason, HHI reduced the number of questions from 30+ to 10 questions. The survey addressed a wide range of topics, such as the financial impact of billing, conservation efforts, service levels, and consumer satisfaction. The survey comprised questionnaires that were distinct for consumers who were either French or English speakers. The findings suggested a satisfaction rate of 76.52%.

6.1.3. IESO & Regional Planning

HHI has seven micro-FIT and one FIT project connected. The capacity connected is 136.5 kW. There are no outstanding applications and there are no new applications currently. HHI has no requirements for REG capacity at this time therefore there was no need to reach out to the IESO for comments.

6.1.4. Hydro One

HHI is an embedded utility in Hydro One and receives its supply at 44kV from Longueuil TS via the 26M24 feeder. Longueuil TS is supplied from Hydro One's 230kV system. It receives its other supply at 115kV. The connection point of Hawkesbury MTS #1 is via circuit 79M1, which is an extension of circuit H9A from Hawthorne TS.

HHI distributes electricity to the Town of Hawkesbury at a primary distribution voltage of 12.4kV. HHI does not host any utilities.

HHI's distribution system is partially embedded in the Hydro One Networks Inc. ("Hydro One") distribution system. The utility also purchases power from the IESO
To date there have been no constraints identified by Hydro One regarding any of the feeders that service and supply HHI.

Operations coordination between HHI and Hydro One happens where necessary. Hydro One identifies planned outages and switching plans. Hydro One also supplies a weekly Ontario Grid Control Centre update to inform customers of significant events associated with its transmission and distribution systems.

Should they arise, HHI would assist applicants from Renewable Energy Generators (REG) in its service territory as part of the Condition Impact Assessment process for FIT applicants through Hydro One.

A Needs Assessment Report for the Greater Ottawa Region identified and updated regional needs, recommending which should be addressed immediately or require further assessment. The report was prepared by the Greater Ottawa Region Technical Working Group (TWG), led by Hydro One Networks Inc., with participation from several local utilities and the Independent Electricity System Operator (IESO). The Greater Ottawa Region Scoping Assessment Outcome Report and the Needs Assessment Report can be found at Appendix C and D.

6.1.5. Municipal Government

HHI maintains a close relationship with the Town of Hawkesbury and its Department of Development and Works Planning. Discussions include planned activities that can affect budgets, and scheduling and coordination on a per project basis and during construction season.
The town is mature and stable with respect to growth and development. New residential subdivisions are added to the town every few years. Commercial and Industrial growth is minimal.

6.1.6. Telecommunication Entities.

HHI has two telecommunications entities that operate in its service territory, Bell Communications and Cogeco. Furthermore, Bell has installed fiber across HHI's service territory, and to the best of HHI's knowledge, there are no broadband connectivity projects scheduled in these areas for the period of 2024-2028.
Based on the above information, HHI has not included any capital investment expenditure for "Broadband Expansion" telecommunications entities and has no specific requests from the two telecommunications entities.

6.1.7. Integrated Regional Resource Planning

HHI's distribution system is fully integrated into Hydro One Networks Inc. ("Hydro One") through the Hawkesbury MTS and Longueil TS. The IESO acknowledges that both stations are included in the regional planning process for the Greater Ottawa Region, and HHI participated in the working group for the Outer Ottawa Sub-Region.
Regional planning for the Outer Ottawa Sub-Region began with the Needs Assessment completed by Hydro One on July 28, 2014. HHI notes that there have been no updates published regarding this Needs Assessment from Hydro One since then.
The following summary was presented in HHI's 2018 DSP and is replicated below for ease of reference:

The Needs Assessment identifies the 115 kV circuit, 79M1 supplying Hawkesbury MTS, as approaching its voltage limit, and a load restoration need involving the 230 kV circuit D5A supplying Longueil TS. For the voltage issue it is recommended that Hydro One and area LDCs, including HHI, continuously monitor and assess the voltage situation and install reactive compensation if required. On September 22, 2015, Hydro One also completed the Local Planning Report on load restoration for the Outer Ottawa sub-region. Hydro Hawkesbury Inc. was part of the study team for the Local Planning Report. The report concludes that the IESO Ontario Resource and Transmission Assessment Criteria for load restoration on the D5A circuit will be met with existing procedures, and therefore, no capital investment is required to address this need. The report indicates that no further regional coordination is necessary as the need identified for Outer Ottawa sub-region can be addressed directly by the transmitter and area LDCs.

HHI notes that the Town of Hawkesbury published a Strategic Plan which serves as a guide for the Town's development over the next 15 years. *The plan offers a vision for urban planning and development that is based on multiple factors such as a social, economic and territorial diagnostic, and the consideration of emerging structural trends regarding demographics, sustainable development, lifestyle, training and employment*.
HHI notes that there isn't anything concrete that would suggest that it needs to include specific capital costs in its DSP at this time.

https://www.hawkesbury.ca/en/town-hall/publications/vision-2030-strategic-plan#:~:text=The%20plan%20offers%20a%20vision,%2C%20lifestyle%2C%20training%20and%20employment.

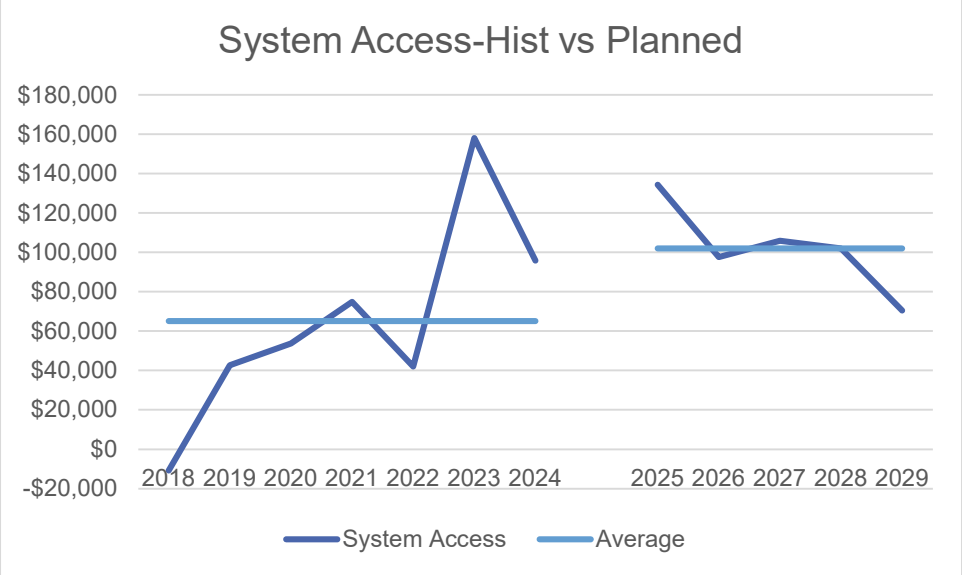
7. CAPITAL EXPENDITURE PLAN

7.1. Comparison of Planned Expenditures versus Historical

The charts below illustrate how much HHI spent (Actuals) on System Access over the historic period of 2018-2024 compared to the LDC's forecasted Capex plan for this investment category:

System Access

Table 19 - System Access – Historic Actuals versus Planned – Gross Capex



The 5-year plan for System Access expenditures indicates a noticeable increase compared to 2018 levels. This upward trend is primarily attributed to the changes in economic conditions and operational requirements that emerged in the aftermath of the COVID-19 pandemic.
The above chart includes capital contributions

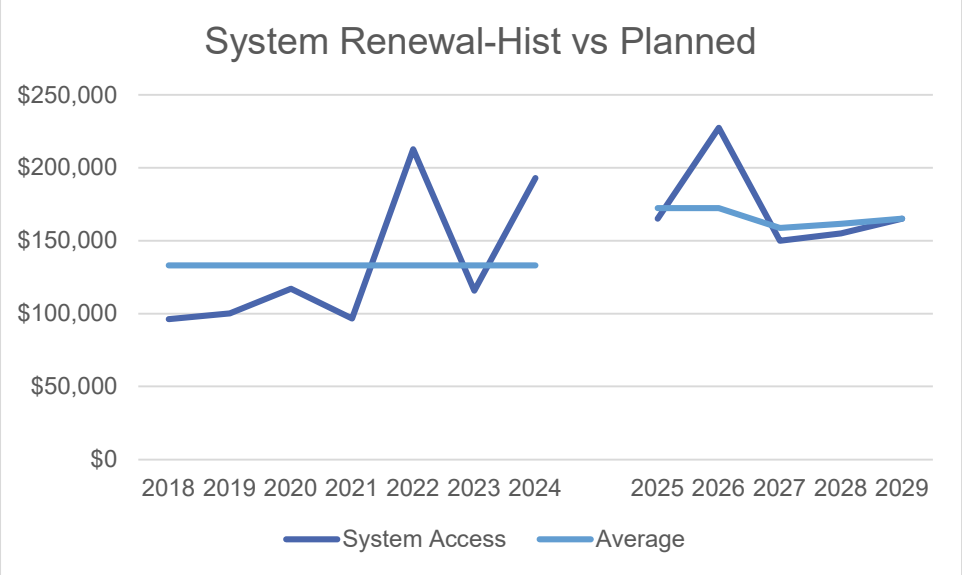
Table 20 - System Access – Historic Actuals versus Planned – Net Capex

	2018	2019	2020	2021	2022	2023	2024		2025	2026	2027	2028	2029
System Access	-$10,742	$42,625	$53,646	$74,824	$41,902	$158,101	$95,688		$134,344	$97,555	$105,800	$102,000	$70,370
Average	$65,149								$102,014				

System Renewal

The chart below illustrates how much HHI spent (Actuals) on System Renewal over the historic period of 2018-2024 compared to the LDC's forecasted Capex plan for this investment category:

Table 21 - System Renewal – Historic Actuals versus Planned Capex



In the above chart, HHI has removed the Capex cost of $2,475,000 for 2027-2028 split 44kv structure to have 2 transformers loaded and add transformer to 115 Kv to replace the 55t2 (over 60 years old) as this is a "special" project, which if included, would have distorted the 5-year average history trend
The table below illustrates HHI's Net Capital Expenditures, both historically and for the proposed planning period. As per previous years,

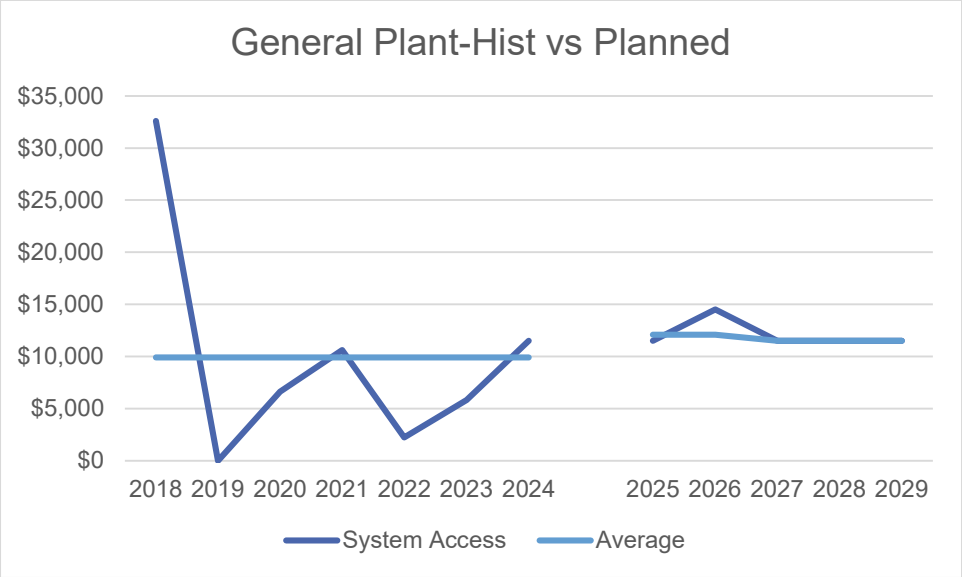
Table 22 - System Renewal – Historic Actuals versus Planned – Net Capex

	2018	2019	2020	2021	2022	2023	2024		2025	2026	2027	2028	2029
System Access	$96,294	$100,051	$117,010	$96,540	$212,803	$115,701	$193,000		$165,000	$227,500	$150,000	$155,000	$165,000
Average	$133,057								$172,500				

General Plant

The chart below illustrates how much HHI spent (Actuals) on General Plant over the historic period of 2018-2024 compared to the LDC's forecasted Capex plan for this investment category:

Table 23 – General Plant – Historic Actuals versus Planned – Gross Capex



Except for 2018 where HHI invested 35K in the CIS system, The remaining trend for General Plan expenditures indicates a marginal increase compared to the previous average. This upward trend is primarily attributed to the changes in economic conditions and operational requirements that emerged in the aftermath of the COVID-19 pandemic.
The above chart includes capital contributions

Table 24 – General Plant – Historic Actuals versus Planned – Net Capex

	2018	2019	2020	2021	2022	2023	2024		2025	2026	2027	2028	2029
System Access	$32,621	$0	$6,600	$10,595	$2,210	$5,815	$11,500		$11,500	$14,500	$11,500	$11,500	$11,500
Average	$9,906	$9,906	$9,906	$9,906	$9,906	$9,906	$9,906		$12,100	$12,100	$11,500	$11,500	$11,500

7.2. Capital Expenditure Summary

The table below illustrates the programs included in HHI's planned 5-year capital investment forecast as programs:

HHI's capital expenditures by OEB investment category are:

Table 25 - OEB Categorization: Capex Plan 2018 to 2025 (App 2-AB)

Category	2018	2019	2020	2021	2022	2023	2024	2025
System Access	$49,154	$43,881	$102,707	$155,298	$107,756	$404,221	$140,300	$169,344
Planned 2018DSP	*$36,800*	*$86,895*	*$31,010*	*$31,510*	*$31,610*	*$31,610*		
System Renewal	$96,294	$100,051	$117,010	$96,540	$212,803	$115,701	$193,000	$165,000
Planned 2018DSP	*$117,780*	*$131,825*	*$488,350*	*$149,205*	*$139,500*	*$139,500*		
System Service	$22,910	$17,610	$0	$9,596	$0	$0	$0	$0
Planned 2018DSP	*$0*	*$10,000*	*$10,000*	*$10,500*	*$10,500*	*$10,500*		
General Plant	$32,621	$0	$6,600	$10,595	$2,210	$5,815	$11,500	$11,500
Planned 2018DSP	*$11,250*	*$8,800*	*$11,900*	*$11,900*	*$9,000*	*$9,000*		
Total Capex	$200,979	$161,541	$226,317	$272,028	$322,770	$279,617	$344,800	$345,844
Capital Contributions	-$59,897	-$1,255	-$49,062	-$80,474	-$65,854	-$246,120	-$44,612	-$35,000
Net Capital Expenditures	$141,082	$160,286	$177,256	$191,555	$256,915	$279,617	$300,188	$310,844
O & M	**$260,394**	**$176,255**	**$280,644**	**$344,287**	**$339,488**	**$365,485**	**$417,777**	**$440,800**

Table 26 - OEB Categorization: Capex Plan 2018 to 2025 (App 2-AB Cont'd)

HISTORICAL	2018 Last DSP	2018 Actual	Variance	Variance %	2019 Last DSP	2019 Actual	Variance	Variance %
System Access	$36,800	$49,154	$12,354	34%	$86,895	$43,881	-$43,014	50%
System Renewal	$117,780	$96,294	-$21,486	18%	$131,825	$100,051	-$31,774	24%
System Service	$0	$7,935	$7,935		$10,000	$17,296	$7,296	73%
General Plant	$11,250	$32,621	$21,371	190%	$8,800	$0	-$8,800	100%
Contributed Capital	$0	-$59,897	-$59,897		$0	-$1,255	-$1,255	
Total Net Expenditures	$165,830	$186,004	$20,174	12%	$237,520	$161,227	-$76,293	32%
Total Gross Expenditures	**$165,830**	**$126,108**	**-$39,722**	24%	**$237,520**	**$159,972**	**-$77,548**	33%

HISTORICAL	2020	2020	Variance	Variance %	2021	2021	Variance	Variance %
	Last DSP	Actual			Last DSP	Actual		
System Access	$31,010	$102,707	$71,697	231%	$31,510	$155,298	$123,788	393%
System Renewal	$488,350	$117,010	-$371,340	76%	$149,205	$96,540	-$52,665	35%
System Service	$10,000	-$12,265	-$22,265	223%	$10,500	-$10,523	-$21,023	200%
General Plant	$11,900	$6,600	-$5,300	45%	$11,900	$10,595	-$1,305	11%
Contributed Capital	$0	-$49,062	-$49,062		$0	-$80,474	-$80,474	
Total Net Expenditures	$541,260	$214,052	-$327,208	60%	$203,115	$251,910	$48,795	24%
Total Gross Expenditures	**$541,260**	**$164,990**	**-$376,270**	70%	**$203,115**	**$171,436**	**-$31,679**	16%

HISTORICAL	2022	2022	Variance	Variance %	2022	2023	Variance	Variance %
	Last DSP	Budgeted			Last DSP	Budgeted		
System Access	$31,610	$107,756	$76,146	241%	$31,610	$404,221	$372,611	1179%
System Renewal	$139,500	$212,803	$73,303	53%	$139,500	$115,701	-$23,799	17%
System Service	$10,500	-$20,118	-$30,618	292%	$10,500	-$20,118	-$30,618	292%
General Plant	$9,000	$2,210	-$6,790	75%	$9,000	$5,815	-$3,185	35%
Contributed Capital	$0	-$65,854	-$65,854		$0	-$246,120	-$246,120	
Total Net Expenditures	$190,610	$302,651	$112,041	59%	$190,610	$505,619	$315,009	165%
Total Gross Expenditures	**$190,610**	**$236,797**	**$46,187**	24%	**$190,610**	**$259,499**	**$68,889**	36%

BUDGETED	2022	2024	Variance	Variance %	2022	2025	Variance	Variance %
	Last DSP	Budgeted			Last DSP	Budgeted		
System Access	$31,610	$140,300	$108,690	344%	$31,610	$169,344	$137,734	436%
System Renewal	$139,500	$193,000	$53,500	38%	$139,500	$165,000	$25,500	18%
System Service	$10,500	-$20,118	-$30,618	292%	$10,500	-$16,464	-$26,964	257%
General Plant	$9,000	$11,500	$2,500	28%	$9,000	$11,500	$2,500	28%
Contributed Capital	$0	-$44,612	-$44,612		$0	-$35,000	-$35,000	
Total Net Expenditures	$190,610	$324,682	$134,072	70%	$190,610	$329,381	$138,771	73%
Total Gross Expenditures	**$190,610**	**$280,070**	**$89,460**	47%	**$190,610**	**$294,381**	**$103,771**	54%

HHI confirms that Capital Expenditures do not affect Operations and Maintenance expenses.

Table 27 - Capex Plan 2018 to 2018 Actuals

Category	Description	Planned	2018 Actuals	Diff
	All amounts are in $			
System Access				
	New Subdivision	$10,000	$25,370	$15,370
	New Customer connections	$3,500	$1,494	-$2,006
	Smart Meters new	$3,300	$10,100	$6,800
	Smart Meters for retesting	$11,000	$0	-$11,000
	Transformers inventory	$9,000	$12,190	$3,190
	Category Total	**$36,800**	**$49,154**	**$12,354**
System Renewal				
	Pole replacement	$81,500	$75,232	-$6,268
	3/0 Conductor Upgrade	$10,000	$0	-$10,000
	in line switches	$0	$12,609	$12,609
	Porcelain Arrestor Replacement	$8,350	$4,506	-$3,844
	Porcelain Insulator replacement	$17,930	$3,947	-$13,983
	Category Total	**$117,780**	**$96,294**	**-$21,486**
System Service				
	close loops on u/g radial feeds	$10,000	$0	-$10,000
	Substation 115 telemetry request from H1	$0	$22,910	$22,910
	Category Total	**$10,000**	**$22,910**	**$12,910**
General Plant				
	Computer hardware	$4,500	$0	-$4,500
	Computer Software	$1,000	$36,855	$35,855
	Building	$2,000	$1,200	-$800
	Office Equipment	$3,750	$958	-$2,793
	Category Total	**$11,250**	**$39,013**	**$27,763**
	Disposal		-6392	
	Total Capital	**$175,830**	**$200,979**	**$25,149**

System Access	Planned	Actual	Difference
Hydro One Telemetry Request	**$0**	**$22,910**	**$22,910**

Explanation: When the 115 kV substation was constructed and installed, Hydro One did not require a telemetry study. However, they requested one retrospectively in 2018.
A Hydro One telemetry study typically involves the assessment and analysis of telemetry systems used in electrical substations and power distribution networks. Telemetry systems are essential for remotely monitoring and controlling various parameters and operations within the power grid, such as voltage, current, frequency, and equipment status. Such a study helps utilities like Hydro One maintain optimal performance, reliability, and safety of the power distribution network.
A typical Hydro One telemetry study would focus on: Data Collection, Data Transmission, System Performance, Maintenance and Upgrades, Compliance and Standards and Integration.

Table 28 - Capex Plan 2019 to 2019 Actuals

Category	Description	Planned	2019 Actuals	
	All amounts are in $			
System Access				
	New Subdivision	$10,000	$0	-$10,000
	Transformers-inventory new subdivision	$9,000	$14,770	$5,770
	new services	$3,600	$924	-$2,677
	metering for 115kV MTS	$6,000	$0	-$6,000
	Commercial meters	$2,295	$2,988	$693
	Smart meter replacement	$56,000	$25,199	-$30,801
	Category Total	**$86,895**	**$43,881**	**-$43,014**
System Renewal				
	Pole replacement	$87,700	$93,308	$5,608
	3/0 Conductor upgrade	$15,000	$0	-$15,000
	Replace Porcelain insulators	$13,125	$1,103	-$12,023
	Replace Porcelain lightning arrestors	$16,000	$5,640	-$10,360
	Category Total	**$131,825**	**$100,051**	**-$31,774**
System Service				
	44 Kv bushings	$0	$17,610	$17,610
	close loops on u/g radial feeds	$10,000		-$10,000
	Category Total	**$10,000**	**$17,610**	**$7,610**
General Plant				
	Building capital	$3,000	$0	-$3,000
	Office Equipment	$3,800	$0	-$3,800
	Computer hardware	$1,000	$0	-$1,000
	Software	$1,000	$0	-$1,000
	Category Total	$8,800	$0	-$8,800
	Total Capital	**$237,520**	**$161,541**	**-$75,979**

System Access	**Planned**	**Actual**	**Difference**
Smart Meter Replacement	**$56,0000**	**$25,199**	**-$30,801**

Explanation: Due to the shortage of smart meters, HHI was able to extend the lifespan of many smart meters that were originally scheduled for replacement by testing and resealing them for an additional seven years.

Table 29 - Capex Plan 2020 to 2020 Actuals

Category	Description	Planned	2020 Actuals	Diff
	All amounts are in $			
System Access				
	New Subdivision	$10,000	$29,084	$19,084
	New customer services	$3,700	$0	-$3,700
	Smart meters Replacement	$6,000	$40,798	$34,798
	Commercial Smart meters	$2,310	$0	-$2,310
	115 Kv IESO metering error code 452	$0	$5,310	$5,310
	Transformers -inventory - subdivision	$9,000	$27,516	$18,516
	Category Total	**$31,010**	**$102,707**	**$71,697**
System Renewal				
	Pole replacement	$88,100	$62,684	-$25,416
	3/0 Conductor upgrade	$15,000	$0	-$15,000
	Fused switches	$0	$32,226	$32,226
	Replace Porcelain Insulators	$27,750	$0	-$27,750
	44 Kv design-pole	$0	$10,900	$10,900
	Replace porcelain lightning arrestors	$17,500	$0	-$17,500
	115 Kv batteries leaking	$0	$11,200	$11,200
	44kV MS Alterations	$340,000	$0	-$340,000
	Category Total	**$488,350**	**$117,010**	**-$371,340**
System Service				
	Close loops on u/g radial feeds	$10,000	$0	**$0**
	Category Total	**$10,000**	**$0**	**$0**
General Plant				
	Misc. Building	$3,000	$0	-$3,000
	Office Equipment	$3,900	$2,250	-$1,650
	Computer hardware	$4,000	$4,350	$350
	Software	$1,000	$0	-$1,000
	Category Total	**$11,900**	**$6,600**	**-$5,300**
	Total Capital	**$541,260**	**$226,317**	**-$304,943**

System Access	Planned	Actual	Difference
Smart Meter Replacement	**$6,0000**	**$40,798**	**$34,798**

Explanation: With delivery delays of 12 months due to Covid, HHI secure more inventory to ensure that they would have enough on hand to meet the utility's needs.

System Renewal	Planned	Actual	Difference
Fused switches	**$0**	**$32,226**	**$32,226**

Explanation: HHI system was built many years ago and at the time no attention was considered to reduce the areas of outages when they occurred. Most time when a fault occurs on a specific circuit, it will trip the 3 phases reclosers at the substation. To often the area affected is minimal, but all customers are affected. Following advice from the contractor, HHI looked for ways to efficiently sectionalize the circuit and reduce the length of outages. This approach helped to more effectively identify and fix the underlying problems in addition to trying to restrict the impacted region during outages. HHI's goal was to improve reliability and strengthen the response to electrical failures.

System Renewal	Planned	Actual	Difference
44kV MS Alterations	**$340,000**	**$0**	**-$340,000**

Explanation: Due to COVID, HHI postponed this project, which required an engineering plan, HHI's workforce, and contractors. The project involved planned outages to split the 44 kV structure. HHI deemed it too risky because of difficulties in obtaining parts, potential worker shortages, and possible delivery delays. Additionally, HHI prioritized maintaining social distancing during the shutdowns, protecting the workforce from COVID

Table 30 - Capex Plan 2021 to 2021 Actuals

Category	Description	Forecast	2021 Actuals	2021 Actuals
	All amounts are in $			
System Access				
	New Subdivision	$10,500	$32,962	$22,462
	Transformers -Inventory- Subdivision	$9,000	$77,805	$68,805
	New Services Customer	$3,700	$3,000	-$700
	Smart Meters	$6,000	$34,959	$28,959
	Smart Meters Commercial	$2,310	$6,572	$4,262
	Category Total	**$31,510**	**$155,298**	**$123,788**
System Renewal				
	Pole Replacement	$88,100	$20,777	-$67,323
	Replace Porcelain Insulators	$27,750	$14,962	-$12,788
	Replace Porcelain Lightning Arrestors	$17,500	$9,970	-$7,530
	Fused Switches	$0	$1,250	$1,250
	Reframe Phases HGH	$0	$46,154	$46,154
	Pole Design Old Age Home Spence	$0	$1,100	$1,100
	3/0 Conductor Upgrade	$15,855	$2,327	-$13,529
	Category Total	**$149,205**	**$96,540**	**-$52,665**
System Service				
	Close Loops On U/G Radial Feeds	$10,500	$9,596	-$904
	Category Total	**$10,500**	**$9,596**	**-$904**
General Plant				
	Building Miscellaneous	$3,000	$0	-$3,000
	Office Equipment	$3,900	$0	-$3,900
	Computer Hardware	$4,000	$1,245	-$2,755
	Software	$1,000	$9,350	$8,350
	Category Total	**$11,900**	**$10,595**	**-$1,305**
	Total Capital	**$203,115**	**$272,028**	**$68,913**

System Access	Planned	Actual	Difference
Smart Meter Replacement	**$6,0000**	**$34,959**	**$28,959**

Explanation: With delivery delays of 12 months due to Covid, HHI secure more inventory to ensure that they would have enough on hand to meet the utility's needs. HHI secured approximately 200 meters in 2021.

Transformers	**$9,0000**	**$77,805**	**$68,805**

Explanation: Similarly to Smart Meters, there were delays of 12-18 months due to Covid, HHI secure more inventory to ensure that they would have enough on hand to meet the utility's needs. d approximately 200 meters in 2021.

System Access	Planned	Actual	Difference
Pole Replacement	**$88,100**	**$20,777**	**-$67,323**

Explanation: Pole replacement was disrupted because of the manpower and availability issues caused by the COVID-19. Furthermore, the pandemic prompted increased spending on critical components such as transformers and meters to ensure infrastructure and service reliability. As a result, to successfully manage our overall budget and guarantee financial stability, HHI made the strategic decision to limit its spending in pole replacement.

System Access	Planned	Actual	Difference
Circuit to Hospital	**$0**	**$46,154**	**$46,154**

Explanation: HGH began construction on a new wing to increase the hospital's capacity and services. To ensure the stability and electricity supply of the hospital, they opted to install a second feeder. Offering redundancy in the power supply was a decision made to reduce the risk of interruptions and guarantee continuous operations—which are very vital for a healthcare institution. The hospital is fed from the 2 circuits. One form the 115 KV station and one from the 44KV. Prior to this important addition from the Hospital, the 115 KV was the main feed. Now the Hospital has 2 transformers with the capacity of transferring load if needed on top of a generator. Should the main feeder fail, the secondary feeder serves as a backup power source, therefore increasing the hospital's ability to maintain constant and reliable electricity.

Table 31 - Capex Plan 2022 to 2022 Actuals

Category	Description	Forecast	2022 Actuals	
	All amounts are in $			
System Access				
	New Subdivision	$10,500	$0	-$10,500
	Transformers - Inventory -Capital- New Subdivision	$9,000	$49,155	$40,155
	New Customer Services	$3,800	$1,572	-$2,228
	Smart Meters Residential	$6,000	$13,029	$7,029
	Smart Meters Commercial	$2,310	$44,000	$41,690
	Category Total	**$31,610**	**$107,756**	**$76,146**
System Renewal				
	Pole Replacement	$90,000	$93,455	$3,455
	Replace Porcelain Insulators	$14,000	$18,577	$4,577
	Replace Porcelain Lightning Arrestors	$17,500	$0	-$17,500
	Fused Switches	$0	$27,194	$27,194
	Primary Bushing 15 Mva	$0	$17,021	$17,021
	SF6 Circuit Switcher- New Pole	$0	$56,556	$56,556
	3/0 Conductor Upgrade	$18,000	$0	-$18,000
	Category Total	**$139,500**	**$212,803**	**$73,303**
System Service				
	Close Loops On U/G Radial Feeds	$10,500	$0	-$10,500
	Category Total	**$10,500**	**$0**	**-$10,500**
General Plant				
	Miscellaneous Building	$3,000	$0	-$3,000
	Office Equipment	$3,900	$0	-$3,900
	Computer Hardware	$1,100	$2,210	$1,110
	Software	$1,000	$0	-$1,000
	Category Total	**$9,000**	**$2,210**	**-$6,790**
	Total Capital	**$190,610**	**$322,770**	**$142,660**

System Access	Planned	Actual	Difference
Transformers -	**$9,000**	**$49,155**	**$40,155**

Explanation: Inventory -Capital- New Subdivision With delivery delays of 12 months due to Covid, Increased cost of supplies HHI secure more inventory to ensure that they would have enough on hand to meet the utility's needs.

Smart Meters Commercial	**$2,310**	**$44,000**	**$41,690**

Explanation: Commercial meters were due for testing, but the number available was insufficient to establish an EDR group. As a result, HHI had to purchase additional meters to meet the testing requirements. However, delivery issues persisted, complicating the timely acquisition and deployment of these new meters.

System Renewal	Planned	Actual	Difference
Fused switches	**$0**	**$27,194**	**$27,194**

Explanation: HHI system was built many years ago and at the time no attention was considered to reduce the areas of outages when they occurred. Most time when a fault occurs on a specific circuit, it will trip the 3 phases reclosers at the substation. To often the area affected is minimal, but all customers are affected. Following advice from the contractor, HHI looked for ways to efficiently sectionalize the circuit and reduce the length of outages. This approach helped to more effectively identify and fix the underlying problems in addition to trying to restrict the impacted region during outages. HHI's goal was to improve reliability and strengthen the response to electrical failures.

Primary Busing 115MVA	**$0**	**$17,021**	**$17,021**

Explanation: Spare Primary bushing for the 15 MVA transformer. HHI had none in stock and Hydro Ottawa recommended getting the required stock in case needed.

SF6 Circuit Switcher- New Pole	**$0**	**$56,556**	**$56,556**

Explanation: A major problem surfaced in 2022 from an SF6 gas leak. Siemens found that the issue started on the Siemens circuit switcher from a defective pole. This flaw was deemed dangerous, particularly considering that such leaks usually aggravate under very cold conditions—common in the winter months.
Replacing the damaged pole was essential to minimize the possibility of power failures and guarantee the dependability of the electrical distribution system. This approach was adopted to prevent interruptions and maintain ongoing service during the very cold winter days.

Table 32 - Capex Plan 2023 Planned to 2023 Actuals

Category	Description	Forecast	2023 Actuals	2023 Actuals
	All amounts are in $			
System Access				
	New Subdivision	$10,500	$0	-$10,500
	Transformers - Inventory -Capital- New Subdivision	$9,000	$92,964	$83,964
	New Customer Services	$3,800	$851	-$2,949
	Smart Meters Residential	$6,000	$25,246	$19,246
	Smart Meters Commercial	$2,310	$39,041	$36,731
	Category Total	**$31,610**	**$158,101**	**$126,491**
System Renewal				
	Pole Replacement	$90,000	$100,074	$10,074
	Replace Porcelain Insulators	$14,000	$0	-$14,000
	Fused Switches	$0	$3,474	$3,474
	Secondary Bushing 55t3-Unplaned	$0	$12,153	$12,153
	3/0 Conductor Upgrade	$18,000	$0	-$18,000
	Category Total	**$122,000**	**$115,701**	**-$6,299**
System Service				
	Close Loops On U/G Radial Feeds	$10,500	$0	-$10,500
	Category Total	**$10,500**	**$0**	**$0**
General Plant				
	Miscellaneous Building	$3,000	$1,995	-$1,005
	Office Equipment	$3,900	$0	-$3,900
	Computer Hardware	$1,100	$3,820	$2,720
	Software	$1,000	$0	-$1,000
	Category Total	**$9,000**	**$5,815**	**-$3,185**
	Total Capital	**$173,110**	**$279,617**	**$117,007**

System Access	Planned	Actual	Difference
Transformers -	**$9,000**	**$92,964**	**$83,964**

Explanation: Inventory -Capital- New Subdivision With delivery delays of 12 months due to Covid, HHI secure more inventory to ensure that they would have enough on hand to meet the utility's needs.

Smart Meter Replacement	**$6,000 $19**	**$25,246**	**$19,246**

Explanation: With delivery delays of 12 months due to Covid, HHI secure more inventory to ensure that they would have enough on hand to meet the utility's needs. HHI secured approximately 200 meters in 2021.

Smart Meters Commercial	**$2,310**	**$39,041**	**$36,731**

Explanation: Commercial meters were due for testing, but the number available was insufficient to establish an EDR group. As a result, HHI had to purchase additional meters to meet the testing requirements. However, delivery issues persisted, complicating the timely acquisition and deployment of these new meters.

Table 33 - Capex 2024 Projections

		Planned 2024
System Access		
	New Subdivision	$15,000.00
	New Customers	$800.00
	Smart Meters	$22,000.00
	Commercial Smart Meters	$37,500.00
	Transformer (Sub and Inventory)	*$65,000.00*
	Category Total	**$140,300.00**
System Renewal		
	Pole Replacement	$110,000.00
	Insulators/Lightning/Cutouts/ Fiberglass X-Arms	$20,000.00
	Reclosers	$63,000.00
	Category Total	**$193,000.00**
General Plant		
	Misc Building	$1,500.00
	Office Equipment	$1,500.00
	Computer Hardware	$1,500.00
	Software	$7,000.00
	Category Total	**$11,500.00**
		$344,800.00

System Access **Planned**

New Subdivision $15,000.00
This project provides services for a new subdivision being built.

New Customers $800.00
Cost of connecting new customers to the power grid.

Smart Meter $22,000.00
Meters for new residential accounts and replacements. (Price increase and delays in delivery)

Commercial Smart Meter $37,500.00
Meters for new commercial accounts and replacements as needed. (3 phase due for replacement. Price increase and delivery issues)

Transformer (Sub and Inventory) $65,000.00
This project provides for the capitalization of transformers that will be designated for the new subdivision and inventory

System Renewal **Planned**

Pole replacement $110,000.00
As part of its asset management program, poles are tested when they are within 5 years of their forecast depreciation end of life. The testing program identified the poles that needed to be replaced. This project captures the cost of doing the replacement work.

Insulators/Lightning/Cutouts/ Fiberglass X-Arms $20,000.00
Porcelain line insulators are known to develop cracks over time due to repeated stress. HHI has found small cracks in some of its post insulators but has not experienced any failures yet. This project begins to replace the porcelain units at a modest pace in order to ensure the continued reliability of its system. In this way future outages that will be inevitable if no action is taken will be prevented.
Eliminate an OH section causing outages due to hold and mature trees.

Reclosers $63,000.00
Replace old oil reclosure (and inventory) by vacuum reclosers

General Plant	Planned
Building This is a provision for minor capital repairs.	$1,500.00
Office Equipment This is a provision for office equipment replacement.	$1,500.00
Computer Hardware This is a provision for computer hardware replacement.	$1,500.00
Software This is a provision for software licensing and minor upgrades.	$7,000.00

Table 34 - 2025 Projections

		Planned 2025
System Access		
	New Subdivision	$15,000.00
	New Customers	$800.00
	Smart Meter	$23,100.00
	Gate Keepers	$27,944.40
	Commercial Smart Meter	$37,500.00
	Transformer (Sub and Inventory)	$65,000.00
	Category Total	**$169,344.40**
System Renewal		
	Pole Replacement	$115,000.00
	Insulators/Lightning/Cutouts/Fiberglass X-Arms	$40,000.00
	Fused Switches	$10,000.00
	Category Total	**$165,000.00**
General Plant		
	Misc Building	$1,500.00
	Office Equipment	$1,500.00
	Computer Hardware	$1,500.00
	Software	$7,000.00
	Category Total	**$11,500.00**
		$345,844.40

System Access **Planned**

New Subdivision $15,000.00
This project provides services for a new subdivision being built.

New Customers $800.00
Cost of connecting new customers to the power grid.

Smart Meter $23,100.00
Meters for new residential accounts and replacements. (price increase and delivery issues)

Gate Keepers $27,944.40
5 new GK throughout town

Commercial Smart Meters $37,500.00
Meters for new commercial accounts and replacements as needed. (3 phase due for replacement. Price increase and delivery issues)

Transformer (Sub and Inventory) $65,000.00
This project provides for the capitalization of transformers that will be designated for the new subdivision and inventory

System Renewal **Planned**

Pole replacement $115,000.00
As part of its asset management program, poles are tested when they are within 5 years of their forecast depreciation end of life. The testing program identified the poles that needed to be replaced. This project captures the cost of doing the replacement work.

Insulators/Lightning/Cutouts/Fiberglass X-Arms $40,000.00
Porcelain line insulators are known to develop cracks over time due to repeated stress. HHI has found small cracks in some of its post insulators but has not experienced any failures yet. This project begins to replace the porcelain units at a modest pace in order to ensure the continued reliability of its system. In this way future outages that will be inevitable if no action is taken will be prevented.

Fused Switches $10,000.00
Install switches at different locations to minimize outage time to customers and help identify outage location in different sections of the distribution system

General Plant	Planned
Building This is a provision for minor capital repairs.	$1,500.00
Office Equipment This is a provision for office equipment replacement.	$1,500.00
Computer Hardware This is a provision for computer hardware replacement.	$1,500.00
Software This is a provision for software licensing and minor upgrades.	$7,000.00

APPENDICES

Appendix A	Municipal Station Test Results (filed separately)
Appendix B	Distribution System Asset Assessment Study January 2019
Appendix C	Greater Ottawa Region Scoping Assessment Outcome Report
Appendix D	Needs Assessment Report Region: Greater Ottawa Date: December 20, 2022

APPENDICES A

Filed separately

APPENDICES B

APPENDICES C

APPENDICES D