



By RESS

August 18, 2021

Ms. Christine E. Long
Registrar and Board Secretary
Ontario Energy Board
PO Box 2319
2300 Yonge Street, 27th Floor
Toronto, ON, M4P 1E4

Dear Ms. Long:

**Subject: Electricity Distribution Licence No. ED-2002-0556
2022 Electricity Distribution Rate Application (EB-2021-0035)**

Hydro Ottawa Limited ("Hydro Ottawa") hereby submits an application ("Application") seeking the Ontario Energy Board's ("OEB") approval for proposed electricity distribution rates and other charges, effective January 1, 2022.

This Application represents Hydro Ottawa's first annual rate adjustment under its five-year Custom Incentive Rate-setting ("Custom IR") plan. Hydro Ottawa's Custom IR plan was approved in November 2020, pursuant to an Approved Settlement Agreement reached with intervenor parties, a written hearing on one outstanding item not settled in the Approved Settlement Agreement, and the OEB's Decision and Rate Order in EB-2019-0261. The adjustments to Hydro Ottawa's rates and other charges set forth in this Application are wholly consistent with the Approved Settlement Agreement and the OEB's Decisions.

Hydro Ottawa has filed the Application and supporting materials via the OEB's Regulatory Electronic Submission System ("RESS").

Please do not hesitate to contact me if you require anything further.

Sincerely,

DocuSigned by:

April Barrie

1E403775748B4CB...

April Barrie

Director, Regulatory Affairs

Directeur, Affaires réglementaires

aprilbarri@hydroottawa.com

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Glossary

“APH” - Accounting Procedures Handbook

“2016-2020 Approved Settlement Agreement” - Hydro Ottawa Limited 2016-2020 Custom Incentive Rate-Setting Approved Settlement Proposal, EB-2015-0004 (December 7, 2015)

“2021-2025 Approved Settlement Agreement” - Hydro Ottawa Limited 2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal, EB-2019-0261 (November 19, 2020)

“BOMA” - Building Owners and Managers Association

“C&I Rate Design” - Commercial and Industrial Rate Design

“CA Study” - Cost Allocation Study

“CAPEX” - Capital Expenditures

“CBR” - Capacity Based Recovery

“CC&B” - Customer Care & Billing

“CCA” - Capital Cost Allowance

“CCC” - Consumers Council of Canada

“CCRA” - Connection and Cost Recovery Agreement

“CDM” - Conservation and Demand Management

“CDM Code” - Conservation and Demand Management Code for Electricity Distributors

“CFF” - Conservation First Framework

“CIR” - Custom Incentive Rate-Setting

“CIS” - Customer Information System

“Common ST Lines” - Common Sub-transmission Lines

“COS” - Conditions of Service

“COS” - Cost of Service

“CPEF” - Custom Price Escalation Factor

“CSA” - Canadian Standards Association

“Custom IR” - Custom Incentive Rate-Setting

“DER” - Distributed Energy Resource

“DRC” - Distributed Resource Coalition

“DSC” - Distribution System Code

“DSP” - Distribution System Plan

“DVA” - Deferral and Variance Account

“ED” - Environmental Defence

“EDR” - Electricity Distribution Rate

“EDDVAR” - Electricity Distributors’ Deferral and Variance Account Review

“Energy Probe” - Energy Probe Research Foundation

“ESM” - Earnings Sharing Mechanism

“FIT” - Feed in Tariff

“G” - Growth factor

“GA” - Global Adjustment

“GAAP” - Generally Accepted Accounting Principles

“Handbook” - Handbook for Utility Rate Applications

“HCI” - Hydroelectric Contract Initiative

“HESOP” - Hydroelectric Standard Offer Program

“Holding Company” - Hydro Ottawa Holding Inc.

“Hydro One” - Hydro One Networks, Inc.

“Hydro Ottawa” - Hydro Ottawa Limited

“I” - Inflation factor

“IESO” - Independent Electricity System Operator

“IFRS” - International Financial Reporting Standards

“IRM” - Incentive Regulation Mechanism

“kW” - Kilowatt

“kWh” - Kilowatt-hours

“LDC” - Local Distribution Company

“LRAM” - Lost Revenue Adjustment Mechanism

“LRAMVA” - Lost Revenue Adjustment Mechanism Variance Account

“LV” - Low Voltage

“MicroFIT” - Micro Feed in Tariff

“MIFRS” - Modified International Financial Reporting Standards

“MTS” - Municipal Transformer Station

“MWh” - Megawatt-hour

“NSF” - Non-sufficient Funds

“OEB” - Ontario Energy Board

“OM&A” - Operations, Maintenance and Administration

“OPA” - Ontario Power Authority

“OPEB” - Other Post-Employment Benefits

“PCI” - Price Cap Index

“PILS” - Payments in Lieu of Taxes

“POAM” - Performance Outcomes Accountability Mechanism

“PP” - Pollution Probe

“RESOP” - Renewable Energy Standard Offer Program

“ROE” - Return on Equity

“RPP” - Regulated Price Plan

“RRF” - Renewed Regulatory Framework

“RRFE Report” - Ontario Energy Board, *Renewed Regulatory Framework for Electricity: A Performance-Based Approach*, (October 18, 2012).

“RRR” - Reporting and Record Keeping Requirements

“RRRP” - Rural or Remote Electricity Rate Protection

“RRWF” - Revenue Requirement Work Form

“RSCs” - Retail Service Charges

“RSVA” - Retail Settlement Variance Account

“RTSR” - Retail Transmission Service Rate

“SAIDI” - System Average Interruption Duration Index

“SAIFI” - System Average Interruption Frequency Index

“SEC” - School Energy Coalition

“Scorecard” - Electricity Distributor Scorecard

“SIA” - System Impact Assessment

“SLA” - Service Level Agreement

“SMC” - Smart Metering Charge

“SME” - Smart Metering Entity

“SMECVA” - Smart Metering Entity Charge Variance Account (“SMECVA”)

“SSC” - Specific Service Charge

“SSS Charge” - Standard Supply Service Administrative Charge

“Tiered” - Tiered prices

“TOC” - Transformer Ownership Credit

“TOU” - Time of Use

“TS” - Transmission Station

“TS-I&R” - Temporary Service - Install and Remove

“USL” - Unmetered Scattered Load

“USofA” - Uniform System of Accounts

“UTRs” - Uniform Transmission Rates

“VECC” - Vulnerable Energy Consumers Coalition

“VVC” - Volt/VAr Control

“WCA” - Working Capital Allowance

“WAHSP” - Weighted Average Hourly Spot Price

“WMS” - Wholesale Market Service

“X” - Productivity factor

ADMINISTRATION

1

2

1. INTRODUCTION

4 In accordance with the Ontario Energy Board's ("OEB") *Chapters 2 and 3 Filing Requirements for*
5 *Electricity Distribution Rate Applications*, as updated on June 24, 2021("Filing Requirements"), this
6 Schedule provides information relating to the administration of this Application.

7

2. PRIMARY CONTACT INFORMATION

9 April Barrie

10 Director, Regulatory Affairs

11 Hydro Ottawa Limited

12 2711 Hunt Club Road, PO Box 8700

13 Ottawa, Ontario K1G 3S4

14 Telephone: (613) 738-5499 ext. 2106

15 Email: RegulatoryAffairs@hydroottawa.com

16

3. INTERNET ADDRESS & MEDIA ACCOUNTS

18 Hydro Ottawa Limited's ("Hydro Ottawa" or "the utility") main webpage is the following:
19 www.hydroottawa.com.

20

21 Regulatory documents will be available in the Active Applications tab of the Regulatory Affairs section
22 of the website: <https://hydroottawa.com/about-us/regulatory-affairs/active-applications>.

23

24 The social media accounts maintained by Hydro Ottawa are as follows:

25

- 26 ● Twitter – twitter.com/hydroottawa
- 27 ● Facebook – facebook.com/hydroottawa
- 28 ● Instagram – Instagram.com/hydroottawa
- 29 ● YouTube – youtube.com/hydroottawa
- 30 ● LinkedIn – linkedin.com/company/hydro-ottawa

1 **4. MATERIAL IMPACTS ON CUSTOMERS**

2 While the proposals set forth in this Application will change the rates for all customer classes, there are
3 no proposed changes that will result in bill impacts which exceed the 10% bill impact threshold and
4 which would thus have a material impact on customers.

5

6 **5. MATERIALITY THRESHOLD**

7 As per the Filing Requirements, default materiality threshold is defined as \$1.0M for distributors with a
8 revenue requirement greater than \$200.0M. As Hydro Ottawa is not proposing changes to its rate
9 base, capital expenditures, and OM&A outside of the 2021-2025 Approved Settlement Agreement,¹ no
10 variance analysis has been completed per these materiality requirements.

11

12 Hydro Ottawa notes that the \$1.0M materiality threshold will apply to the utility for any future Z factor
13 application.

14

15 **6. PUBLICATION AND NOTICE**

16 Hydro Ottawa recommends that the Notice of Hearing for this Application be published in the *Ottawa*
17 *Citizen* and *Le Droit* newspapers, both of which are paid daily publications. The *Ottawa Citizen* is the
18 English language newspaper serving Ottawa and the surrounding region, including the Village of
19 Casselman. It has a daily print circulation of approximately 50,000, with an online reach of
20 approximately 457,500. *Le Droit* is the French language newspaper serving Ottawa and the
21 surrounding region, including the Village of Casselman. Its total daily circulation is approximately
22 26,000, with an online reach of approximately 157,000.

23

24 **7. BILL IMPACTS**

25 Tables 1 and 2 provide a summary of distribution bill impacts and total bill percentage impact for a
26 typical residential customer using 750 kWh per month and for a General Service < 50 kW customer
27 using 2,000 kWh per month for.

28

29 ¹ Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261 (September
30 18, 2020).

1

Table 1 – Residential Bill Impact

Residential (750 kWh)	2022
Change in Distribution Charge (\$)	\$1.28
Change in Distribution Charge (%)	4.40%
Total Bill % change	1.45%

2

3

Table 2 – General Service < 50 kW Bill Impact

General Service < 50 kW (2000 kWh)	2022
Change in Distribution Charge (\$)	\$3.36
Change in Distribution Charge (%)	4.75%
Total Bill % change	1.41%

4

5 **8. FORM OF HEARING REQUESTED**

6 Hydro Ottawa requests that this Application be disposed of by way of a written hearing.

7

8 **9. REQUESTED EFFECTIVE DATE**

9 Hydro Ottawa is requesting approval of the proposed distribution rates and other charges set forth in
10 this Application effective January 1, 2022.

11

12 **10. OEB DIRECTIONS FROM PREVIOUS DECISIONS AND/OR ORDERS**

13 Below is a summary of previous OEB directives and a description of how such directives are addressed
14 by Hydro Ottawa in this Application.

15

16 **10.1. DIRECTIVE #1**

17 In EB-2012-0383, the OEB indicated that unmetered load (kW) and consumption (kWh) data should
18 ultimately be used to update load profile data for the purpose of the distributor's next cost allocation
19 filing with the OEB, which occurs during the distributor's next cost of service application to the OEB.
20 Subsequently, in a letter dated June 12, 2015, the OEB stated that "[t]here may be merit in updating
21 load profiles to be more reflective of an individual distributor's circumstances. The OEB expects
22 individual distributors to be mindful of material changes to load profiles and to propose updates in their

1 respective cost of service or Custom Incentive Rate-setting (“Custom IR”) applications when
2 warranted.”²

3

4 As an outcome of Hydro Ottawa’s 2021-2025 Approved Settlement Agreement,³ the utility has agreed
5 to develop in-house demand profiles by customer class as input to the next rebasing application.
6 Hydro Ottawa confirms that it has a plan in place to develop updated hourly load profiles based on
7 in-house demand profiles in the detail required to comply with the current Filing Requirements.

8

9 **10.2. DIRECTIVE #2**

10 On August 21, 2014, amendments to the *Distribution System Code* (“DSC”) came into force which
11 require a distributor to install a MIST meter on any installation that is forecast by the distributor to have
12 a monthly average peak demand during a calendar year of over 50 kW.⁴ The deadline for distributors to
13 comply with this DSC provision was August 21, 2020. Hydro Ottawa confirms this deadline was
14 achieved.

15

16 **10.3. DIRECTIVE #3**

17 In the Decision rendered in EB-2018-0044, the OEB instructed Hydro Ottawa to provide an update on
18 the resolution to an Industrial Conservation Initiative (“ICI”) enrollment matter and report on any
19 necessary adjustments.⁵ Hydro Ottawa has engaged the OEB on this matter and, at this time, is not
20 requesting any adjustments. As part of its Decision and Order on Hydro Ottawa’s 2020 rate adjustment
21 application, the OEB stated, in reference to this directive, that “the OEB will proceed to finalize the
22 balances for 2017 and 2018, and in light of the OEB’s October 31, 2019 letter regarding Adjustments to
23 Correct for Errors in Electricity Distributor ‘Pass-Through’ Variance Accounts After Disposition, the OEB
24 expects that any revisions to previous balances relating to this matter will be accommodated through
25 the disposition of future variance account balances.”⁶ There is no update to this matter.

26 ² Ontario Energy Board, Letter re: *Issuance of New Cost Allocation Policy for Street Lighting Rate Class* (June 12, 2015), page
27 4.

28 ³ Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261 (September
29 18, 2020).

30 ⁴ Ontario Energy Board, *Notice of Amendment to a Code: Amendments to the Distribution System Code*, EB-2013-0311 (May
31 21, 2014).

32 ⁵ Ontario Energy Board, *Decision and Rate Order*, EB-2018-0044 (December 13, 2018), page 15.

33 ⁶ Ontario Energy Board, *Decision and Rate Order*, EB-2019-0046 (December 17, 2019), page 13.

1 **10.4. DIRECTIVE #4**

2 On February 14, 2019, the OEB issued a Decision and Order directing electricity distributors – including
3 distributors with utility-specific charges – to implement new Retail Service Charges.⁷ Hydro Ottawa
4 implemented the new charges as directed and has used the updated rates as a placeholder as part of
5 this Application. For additional details, please see Exhibit 8-4-1: Retail Service Charges.

6

7 In addition, any electricity distributor which had discontinued the use of Account 1518 and Account
8 1548 was to establish a new 1508 Sub-Account to record the difference in the incremental revenue as
9 a result of the Decision and Order.⁸ As Hydro Ottawa had discontinued the use of Account 1518 and
10 Account 1548, a new Sub-Account to 1508 has been established. In accordance with OEB direction,
11 Hydro Ottawa started tracking the incremental revenue in this new Sub-Account effective May 1, 2019.
12 For additional details, please see Exhibit 9-1-3: Group 2 Accounts.

13

14 **10.5. DIRECTIVE #5**

15 In its Decision rendered in EB-2019-0077 on October 17, 2019, the OEB approved an application
16 submitted by Hydro One Networks Inc. (“Hydro One”) and Hydro Ottawa, pursuant to section 92 of the
17 *Ontario Energy Board Act, 1998*, seeking leave to construct the Power South Nepean Project.⁹ The
18 project consists of two key components: (1) a new municipal transformer station to be constructed by
19 Hydro Ottawa; and (2) upgrades to existing transmission facilities, as well as construction of a segment
20 of new transmission line by Hydro One. The leave granted was subject to the OEB’s standard
21 conditions of approval, one of which was that “[t]he applicants shall advise the OEB of any proposed
22 material change in the project, including but not limited to changes in: the proposed route, construction
23 schedule, the necessary environmental assessment approvals, and all other approvals, permits,
24 licences, certificates and rights required to construct the proposed facilities.”¹⁰

25

26 By way of the 2021-2025 Custom IR Application, Hydro Ottawa informed the OEB of minor
27 modifications to the project’s construction schedule. Whereas the original schedule had contemplated

⁷ Ontario Energy Board, *Decision and Order in the matter of energy retailer service charges effective May 1, 2019*, EB-2015-0304 (February 14, 2019).

⁸ *Ibid.*, Schedule B, page 1.

⁹ Ontario Energy Board, *Decision and Order*, EB-2019-0077 (October 17, 2019).

¹⁰ *Ibid.*, Schedule B.

1 an in-service date of November 2021, this date has subsequently been revised to Q2 2022. In addition,
2 the name of the station has been changed from South Nepean Municipal Transformer Station (“MTS”)
3 to Cambrian MTS. No further update is required at this time.

4

5 **10.6. DIRECTIVE #6**

6 As an outcome of the 2021-2025 Approved Settlement Agreement Hydro Ottawa has agreed to
7 complete an analysis of its distribution assets to produce an updated split of certain asset classes to
8 primary and secondary components. The asset classes to be investigated are Poles, Towers and
9 Fixtures (Uniform System of Accounts (USofA) 1830), Overhead Conductors and Devices (USofA
10 1835), Underground Conductors (USofA 1840) and Underground Conductors and Devices (USofA
11 1845). The results of this cost study, combined with a reassessment of customer class composition
12 (primary, secondary, transformer owned) will serve as input to the demand profile study, described
13 above as Directive #1, and mandated for Hydro Ottawa’s next rebasing application.

14

15 **10.7. DIRECTIVE #7**

16 As part of the 2021-2025 Approved Settlement Agreement, Hydro Ottawa agreed to meaningfully
17 consider the goals of the city of Ottawa’s Energy Evolution plan with a view to pursuing cost
18 efficiencies, reduced emissions, and enhanced energy outcomes for consumers in the City of Ottawa.
19 The utility will consider these elements in its next Distribution System Plan and Business Plan. Hydro
20 Ottawa will report on realized areas of cost-efficiency and coordination related to Energy Evolution in its
21 next rebasing application.

22

23 **10.8. DIRECTIVE #8**

24 As outlined in the 2021-2025 Approved Settlement Agreement, between 2021 and 2025 Hydro Ottawa
25 shall endeavour to maintain its five-year average total system losses¹¹ below the target of 3.02% set out
26 by the OEB in EB-2005-0381 through cost-effective measures.

27

28 ¹¹ “Total System Losses” refers to the losses as a percentage of purchases, as shown in Table 1 of UPDATED Exhibit 8-9-1:
29 Loss Adjustment Factors. To provide additional clarity, the “Electricity Purchases” shown in Table 1 refer to the “Wholesale”
30 kWh delivered to the distributor (higher value) as shown in UPDATED Attachment 8-9-1(A): OEB Appendix 2-R - Loss Factors,
31 and therefore include supply losses. For further clarity, this includes losses in the distributor’s system and transmission losses
32 upstream of the distributor.

1 In addition, over the course of 2020-2021, Hydro Ottawa shall prepare a plan to reduce distribution
2 losses as much as possible through cost-effective measures. The utility shall file the plan with the OEB
3 when complete. In 2022-2025, Hydro Ottawa shall implement as many of the cost-effective measures
4 as set out in its plan as possible (e.g. any changes to planning and procurement processes to better
5 mitigate losses, investments that can be made within current budgets, operational measures, etc.). All
6 other cost-effective measures will be incorporated into the utility's next rebasing application and
7 Distribution System Plan.

8

9 Finally, as described in Hydro Ottawa's response to undertaking JT 3.10, a pilot of Grid Edge Volt/VAR
10 Control ("VVC") solution will be complete by the end of 2020. If this pilot is successful, Hydro Ottawa
11 shall increase the deployment of these (or equivalent) units by conducting an analysis in 2021 to
12 identify potential suitable locations and by deploying these units in a subset of locations which are
13 deemed to be suitable and cost-effective, with an estimated investment of up to \$1.0M over the
14 five-year test period. The cost of these investments will be accommodated within the overall approved
15 capital budget.

16

17 **10.9. DIRECTIVE #9**

18 In its Decision rendered in EB-2019-0261 on January 7, 2021, the OEB stated that any Hydro Ottawa
19 future Custom IR application needs to be justified. In addition, the OEB needs to be satisfied that other
20 rate-setting options have been considered. Hydro Ottawa will address this directive in its next rebasing
21 application.

22

23 **10.10. DIRECTIVE #10**

24 In its Decision rendered in EB-2019-0261 on January 7, 2021, the OEB "stated that Hydro Ottawa's
25 efforts and achievements with respect to productivity improvements in its capital programs and projects,
26 undertaken during the 2021-2025 term, should be reported as part of Hydro Ottawa's next rebasing
27 Application."¹² Hydro Ottawa will address this directive in its next rebasing application.

28 ¹² Ontario Energy Board, *Decision and Order*, EB-2019-0261 (January 7, 2021).

1 **11. CONDITIONS OF SERVICE**

2 The current version of Hydro Ottawa's Conditions of Service is available for viewing on the following
3 page of the utility's website: <https://hydroottawa.com/about-us/policies/conditions-service>.

4

5 **12. ACCOUNTING GUIDANCE FOR ACCOUNTS 1588 & 1589**

6 In 2019, the OEB issued updated accounting guidance with respect to Account 1588 RSVA – Power
7 and Account 1589 RSVA – Global Adjustment.¹³ Hydro Ottawa confirms that its journal entries are
8 recorded, as per the instructions set forth in this guidance. For additional details, please see Exhibit
9 9-1-2: Group 1 Accounts.

10

11 **13. SPECIFIC RELIEF REQUESTED**

12 This Application is submitted pursuant to section 78 of the *Ontario Energy Board Act, 1998*. Herein,
13 Hydro Ottawa is seeking the following approvals, which are also separately identified in Appendix 2-A
14 and clearly documented throughout applicable sections of this Application:

15

- 16 a) Approval of 2022 revenue requirement, as updated for annual adjustments, as proposed in
17 Exhibit 6-1-1: Calculation of Revenue Deficiency or Sufficiency;
- 18 b) Approval of 2022 distribution rates and charges, effective January 1, 2022, as proposed in
19 Exhibit 8-10-1: Current and Proposed Tariff of Rates and Charges;
- 20 c) Approvals related to deferral and variance accounts, as proposed throughout various Schedules
21 in Exhibit 9:
- 22 i) approval of the use of 1595 sub accounts 2022, as proposed in Exhibit 9-2-1: New
23 Deferral and Variance Accounts; and
- 24 ii) disposition of balances in Group 1 deferral and variance accounts, as set out in Exhibit
25 9-3-1: Disposition of Deferral and Variance Accounts.
- 26 d) Approval of other items or amounts that may be requested by Hydro Ottawa in the course of the
27 proceeding, and such other relief or entitlements that the OEB may grant.

28 ¹³ Ontario Energy Board, *Accounting Procedures Handbook Update - Accounting Guidance Related to Commodity*
29 *Pass-Through Accounts 1588 & 1589* (February 21, 2019).

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Appendix 2-A List of Requested Approvals

The distributor must fill out the following sheet with the complete list of specific approvals requested and relevant section(s) of the legislation must be provided. All approvals, including accounting orders (deferral and variance accounts) new rate classes, revised specific service charges or retail service charges which the applicant is seeking, must be separately identified, as well being clearly documented in the appropriate sections of the application.

Additional requests may be added by copying and pasting blank input rows, as needed.

If additional requests arise, or requested approvals are removed, during the processing of the application, the distributor should update this list.

Hydro Ottawa is seeking the following approvals in this application:

1		Approval of 2022 revenue requirement, as updated for annual adjustments, as proposed in Exhibit 6-1-1: Calculation of Revenue Deficiency or Sufficiency;
2		Approval of 2022 electricity distribution rates and charges effective January 1, 2022, as proposed in Exhibit 8-10-1: Current and Proposed Tariff of Rates and Charges;
3		Approvals related to deferral and variance accounts, as proposed in Exhibit 9-2-1: New Deferral and Variance Accounts and Exhibit 9-3-1: Disposition of Deferral and Variance Accounts; and
4		Approval of other items or amounts that may be requested by Hydro Ottawa in the course of the proceeding and such other relief or entitlements as the OEB may grant.



1 **CERTIFICATION OF EVIDENCE**

2

3 I, Geoff Simpson, Chief Financial Officer of Hydro Ottawa Limited ("Hydro Ottawa"), hereby
4 certify that, to the best of my knowledge, the evidence filed in support of Hydro Ottawa's
5 2021-2025 Custom Incentive Rate-setting Application is accurate, consistent, and complete.
6 Any evidence filed in support of this Application does not include any personal information
7 unless it is filed in accordance with Rule 9A of the OEB's Rules and the Practice Direction, as
8 applicable.

9

10 I further hereby certify that the utility maintains robust processes and internal controls for the
11 preparation, review, verification and oversight of account balances being proposed for
12 disposition in this Application.

13

14 This certification is provided pursuant to the Ontario Energy Board's *Chapter 1, Chapter 2, and*
15 *Chapter 3 Filing Requirements for Electricity Distribution Rate Applications*, as issued on June
16 24, 2021.

17

18

19 DATED this **18th** day of **August, 2021..**

20

21

22

23 DocuSigned by:

24 *Geoff Simpson*

43DC885CF33E43F...

25 Geoff Simpson

26 Chief Financial Officer

27 Hydro Ottawa Limited

1

DISTRIBUTION SYSTEM OVERVIEW

2

3 1. OVERVIEW

4 Hydro Ottawa operates in the City of Ottawa and the Village of Casselman. Hydro Ottawa is a
5 corporation incorporated pursuant to the *Business Corporations Act* RSO 1990 c. B.16 in Ontario and is
6 licensed under OEB Electricity Distributor License No. ED-2002-0556. With approximately 346,000
7 customers within its service territory as of the end of 2020, the utility is one of the largest Local
8 Distribution Companies (“LDCs”) in the province in terms of customer count.

9

10 Hydro Ottawa was created in November 2000, following the amalgamation of several municipalities in
11 the region and the formation of the City of Ottawa. Hydro Ottawa acquired the assets of Casselman
12 Hydro Inc. in April 2002. The Ottawa and Casselman segments of the service territory are
13 non-contiguous and separated by the territory of Hydro One Networks Inc. (“Hydro One”). Please refer
14 to Attachment 1-1-6(A): Distribution System Map for a map of Hydro Ottawa’s service territory.

15

16 Like other LDCs in Ontario, Hydro Ottawa carries out its business activities under the same direction
17 and oversight from the OEB, but operates within its own unique environment. Hydro Ottawa’s foremost
18 distinctiveness is the profile and physical size of its service territory. With a service area comprised of
19 662 km² of rural area and 454 km² of urban area, its total footprint of 1,116 km² makes it the fifth
20 physically largest in the province.

21

22 The breakdown of Hydro Ottawa’s total 2020 customer base of 346,347 customers is as follows:
23 317,918 residential; 25,162 small commercial; 3,256 commercial; and 11 Large Users. Hydro Ottawa is
24 one of the largest LDCs in the province in terms of customer count, ranking behind only Hydro One,
25 Alectra Utilities Corporation, and Toronto Hydro Electric-System Limited in this category. As an LDC
26 serving the National Capital Region, Hydro Ottawa has a customer demographic with a number of
27 institutional customers, including many Federal Government facilities and campuses, four hospitals,
28 and three post-secondary educational institutions.

29

1 Hydro Ottawa's service territory is a geographically diverse area, with significant population dispersion.
2 The utility's service territory sits at the convergence of three major rivers: the Ottawa River, the
3 Gatineau River, and the Rideau River. The Ottawa River functions as the northern border of the service
4 territory, with the province of Québec located beyond it. Hydro Ottawa's service area includes the
5 majority of the City of Ottawa and is otherwise completely surrounded by the service territory of Hydro
6 One. The Rideau Canal, which bypasses unnavigable sections of the Rideau River, winds itself through
7 the service area. Constructed barriers such as Highways (417, 416, and 174) and rail lines further
8 subdivide the territory.

9
10 Around the main urban area of the City of Ottawa is an extensive greenbelt comprised of mostly forest,
11 farmland, and marshland. Outside of the greenbelt, there are a number of rapidly expanding suburban
12 communities. These distinct geographical features present Hydro Ottawa with unique circumstances in
13 terms of response time and, ultimately operating costs.

14

15 **2. HOST VS. EMBEDDED DISTRIBUTOR**

16 As noted above, Hydro Ottawa's service area is surrounded by the service territory of Hydro One.
17 There are no licensed distributors embedded within Hydro Ottawa's service area. Hydro Ottawa's load
18 is primarily delivered through transmission connection points; however, there are a number of delivery
19 points embedded in the Hydro One distribution system.

20

21 **3. HIGH VOLTAGE DISTRIBUTION ASSETS**

22 The following list of substations includes all of Hydro Ottawa's assets that operate at or above 50kV
23 and form part of the distribution system:¹

24

- 25 ● Bridlewood MS (8kV)
- 26 ● Bridlewood MS (27.6kV)
- 27 ● CentrepoinTE DS
- 28 ● Cyrville MS

29 ¹ "DS" means "distribution station," "MS" means "municipal station," and "MTS" means "municipal transformer station." This
30 terminology is historical, often based on past ownership arrangements.

- 1 • Ellwood MS
- 2 • Epworth DS
- 3 • Fallowfield DS
- 4 • Kanata MTS
- 5 • Limebank MS
- 6 • Manordale DS
- 7 • Marchwood MS
- 8 • Merivale DS
- 9 • Moulton MS
- 10 • Richmond South DS
- 11 • Terry Fox DS
- 12 • Uplands MS (27.6kV)

13

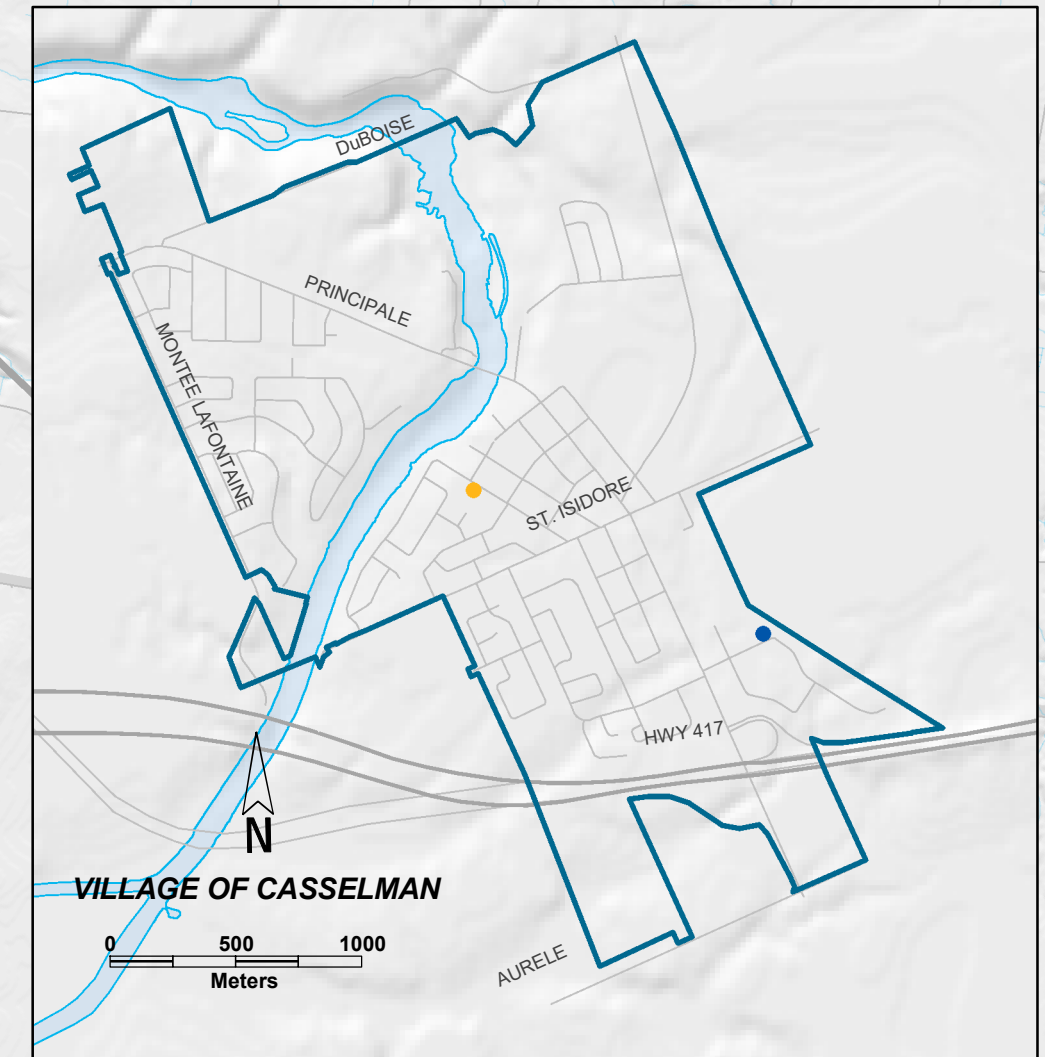
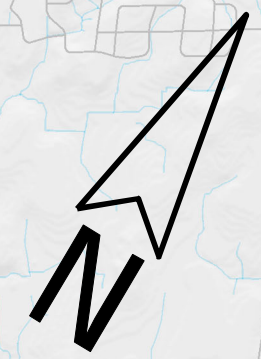
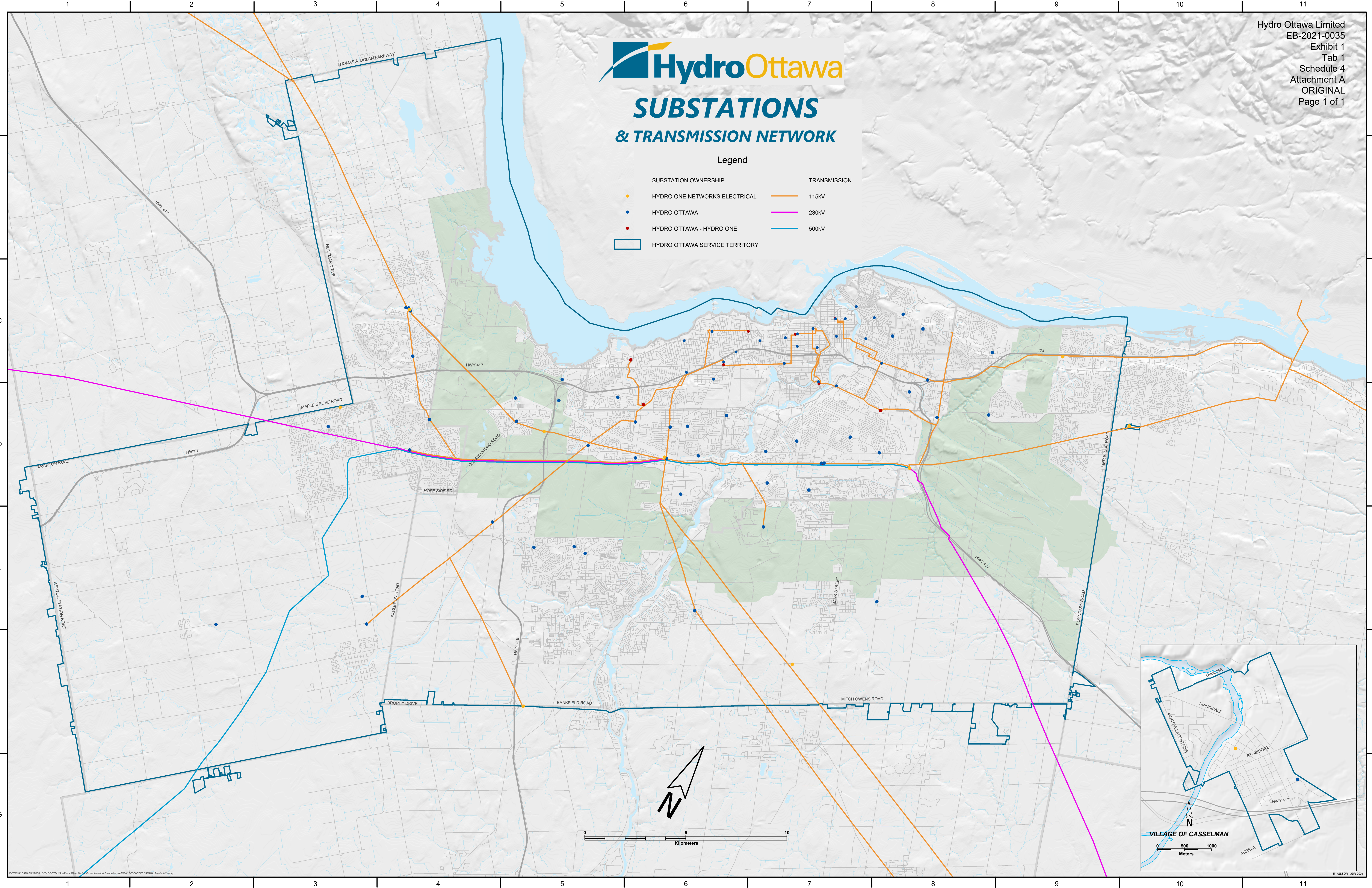
14 As part of Hydro Ottawa's 2021-2025 capital plan, one additional transformer station above 50kV is to
15 be added to its distribution system. Cambrian MTS, which will serve customers in South Nepean, has a
16 planned in-service date of 2022.



SUBSTATIONS & TRANSMISSION NETWORK

Legend

- | SUBSTATION OWNERSHIP | | TRANSMISSION | |
|---|--------------------------------|--|-------|
| ● | HYDRO ONE NETWORKS ELECTRICAL | — | 115kV |
| ● | HYDRO OTTAWA | — | 230kV |
| ● | HYDRO OTTAWA - HYDRO ONE | — | 500kV |
| | HYDRO OTTAWA SERVICE TERRITORY | | |



1 The electricity industry in Ontario is regulated by the OEB. One of the OEB's roles is to review the
2 business and distribution plans of all electricity distributors and approve the rates that they charge
3 customers.

4

5 Between 2016 and 2020, Hydro Ottawa invested in distribution system capacity as well as the
6 replacement of aging infrastructure to maintain operational effectiveness and efficiency. Upgrades to
7 our fibre optic network and Customer Care and Billing System were also a focus, in addition to
8 consolidating employees in two new buildings from end-of-life facilities.

9

10 **Over the course of 2021 to 2025, Hydro Ottawa will continue to invest in our infrastructure,**
11 **equipment, and workforce.**

12

13 These needs are being driven by a diverse set of factors, such as aging infrastructure, sustained
14 population and economic growth in the Ottawa area, an increasing number of severe weather events,
15 technological evolution, cyber security threats, and workforce retirements. The 2021-2025 plan includes
16 major asset replacement and upgrades, vehicle replacements, systems and software for resource
17 planning programs, data analytics, and productivity improvements.

18

19 As a result, key initiatives that we have planned include:

20

- 21 ● Building new distribution stations in growing areas of the city
- 22 ● Connecting thousands of new customers every year
- 23 ● Supporting local infrastructure projects like Light Rail Transit
- 24 ● Upgrading and modifying infrastructure to enhance reliability and capacity on the grid
- 25 ● Replacing equipment that has reached end-of-life
- 26 ● Strengthening the grid's ability to withstand the effects of severe weather
- 27 ● Investing in digital solutions to enhance customer service
- 28 ● Renewing our vehicle fleet
- 29 ● Recruiting and retaining a new generation of highly-skilled employees

1 **4. HOW CUSTOMERS HELPED INFORM OUR PLAN**

2 *Our goal is to put the customer at the centre of everything we do.* Hydro Ottawa is committed to
3 engaging with our customers, understanding their needs and preferences, and operating in an efficient
4 and cost effective manner. In preparing our business plan, we reached out directly to customers to
5 better understand their priorities and expectations for the electricity services they receive. Price,
6 reliability, and investing in new technology ranked as the top three priorities.

7

8 Together with the customer feedback that we receive on an ongoing basis, we took this input and
9 developed a plan emphasizing four principles:

10

- 11 1. Minimize rate increases;
- 12 2. Maintain reliability and service quality;
- 13 3. Address key pressures to the distribution system; and
- 14 4. Make prudent investments in emerging technologies to enhance service offerings and/or reduce
15 operating costs.

16

17 Nearly 21,000 customers shared their thoughts on our preliminary plan through the completion of an
18 online survey. The majority of residential customers (83%), small business customers (76%), and
19 mid-market and key account customers (69%) shared that they supported Hydro Ottawa's planned
20 increase or even spending a bit more to improve service based on the priorities above.

21

22 Electricity distributors like Hydro Ottawa are funded through the distribution rates paid by customers.
23 We do not receive taxpayer money to fund our operations or investments in the distribution system.
24 While Hydro Ottawa is responsible for collecting payment for the entire electricity bill, we retain only a
25 portion of the delivery charge representing just over 21% of the average residential bill.

26

27 **5. DOLLARS AND CENTS - EXPECTED COSTS OF THE PLAN**

28

29 **Like most businesses, Hydro Ottawa manages both a capital and an operating budget.**

1 Capital expenditures are assets that have lasting benefits over many years (e.g. poles and wires), while
 2 operating expenditures are recurring expenses in day-to-day management of the company (e.g. tree
 3 trimming and billing).

4
 5 For the 2021-2025 period, the approved level of capital in order to maintain system reliability and
 6 safety, and invest in infrastructure and equipment priorities is \$497.6 million. For operations, an
 7 approved budget of \$90.6 million for 2021 with annual inflationary increases.

8
 9 The expected impacts on the distribution portion of customer bills over the five-year rate period are
 10 shown in Table 1 below.

11
 12 **Table 1- Impacts on Customers' Distribution Rates**

	Change in Distribution Charge	2021 Approved	2022 Proposed	2023 Illustrative	2024 Illustrative	2025 Illustrative	Average
Residential	\$/month	\$0.42	\$1.28	\$1.29	\$0.48	\$0.10	\$0.71
	%	1.47%	4.40%	4.25%	1.52%	0.31%	2.39%
General Service (<50 kW)	\$/month	\$(0.56)	\$3.36	\$3.22	\$1.42	\$0.82	\$1.65
	%	(0.79)%	4.75%	4.34%	1.84%	1.04%	2.24%

13
 14 **6. DELIVERING VALUE FOR MONEY - EXPECTED BENEFITS FOR CUSTOMERS**

15
 16 **Moving forward with our five-year plan enables us to maintain a high level of reliability for**
 17 **customers, while ensuring that we keep costs relatively low and continuously improve the way**
 18 **we do business.**

19
 20 Some of the ways in which customers and communities are expected to benefit from the proposals in
 21 our plan include the following:

- 22
 23 • Improved system reliability (fewer and shorter outages, quicker restoration times, enhanced
 24 resilience to severe weather);

- 1 • Greater electricity supply capacity for growing areas of the city;
- 2 • Greater personalization, choice, convenience, and self-serve capability in the services provided
- 3 to customers;
- 4 • More options and solutions to help customers manage and monitor energy use with ongoing
- 5 development of the Hydro Ottawa app and MyAccount;
- 6 • Stronger protections for grid assets and customer data against cyber threats;
- 7 • Increased ability to connect more renewable energy resources to the grid; and
- 8 • Lower costs, relative to alternative investment scenarios.

EXECUTIVE SUMMARY

1

2

3 1. INTRODUCTION

4 The Applicant, Hydro Ottawa Limited (“Hydro Ottawa” or “the utility”), is a corporation incorporated
5 pursuant to the *Business Corporation Act*, R.S.O. 1990, c. B. 16, and is licensed under Ontario Energy
6 Board (“OEB”) Electricity Distributor License No. ED-2002-0556. As of the end of 2020, Hydro Ottawa
7 distributed electricity to approximately 346,000 customers within the City of Ottawa and the Village of
8 Casselman.

9

10 By way of this application, Hydro Ottawa is seeking OEB approval of its proposed distribution rates and
11 other charges, effective January 1, 2022. This 2022 Rate Application (“Application”) represents Hydro
12 Ottawa’s year two rate update under its five-year Custom Incentive Rate-setting (“Custom IR”) plan.
13 The adjustments to Hydro Ottawa’s rates and other charges set forth herein are consistent with Hydro
14 Ottawa’s 2021-2025 Approved Settlement Agreement¹ and the OEB’s Decision and Rate Order in
15 EB-2019-0046 issued on January 7, 2021.²

16

17 The OEB articulated its policies and practices regarding the Custom IR rate-setting method in its 2012
18 report entitled *Renewed Regulatory Framework for Electricity: A Performance-Based Approach* (“RRFE
19 Report”). The RRF Report states that, under a Custom IR approach, “rates are set based on a five year
20 forecast of a distributor’s revenue requirement and sales volumes.”³ In addition, the RRFE Report
21 stipulates that “the specifics of how the costs approved by the Board will be recovered through rates
22 over the term will be determined in individual rate applications...” and that “[t]his rate-setting method is
23 intended to be customized to fit the specific applicant’s circumstances.”⁴

24

25 Under Hydro Ottawa’s approved Custom IR plan for the 2021-2025 period, its capital spending and
26 operating expenses have been set for a five-year period, pursuant to specific requirements and

27 ¹ Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261 (September
28 18, 2020).

29 ² Ontario Energy Board, *Decision and Order*, EB-2019-0261 (January 7, 2021).

30 ³ Ontario Energy Board, *Renewed Regulatory Framework for Electricity: A Performance-Based Approach*, (October 18, 2012),
31 p. 18.

32 ⁴ *Ibid.*, pp. 18-19.

1 formulas set forth in the 2021-2025 Approved Settlement Agreement. Consistent with the 2021-2025
2 Approved Settlement Agreement, this Application seeks approval of targeted adjustments to rates and
3 other charges, effective January 1, 2022.

4
5 Both the OEB's Custom IR method and the 2021-2025 Approved Settlement Agreement require Hydro
6 Ottawa to submit annual updates on the progress of capital spending in key categories.⁵ This reporting
7 requirement is a separate obligation to this Application that requires, among other things, the disclosure
8 of spending results from a full year of the Custom IR period. When the first full year of Hydro Ottawa's
9 Custom IR period (2021) has concluded, the utility will submit its first annual report in 2022.

10

11 **2. BACKGROUND - HYDRO OTTAWA'S 2021-2025 CUSTOM IR APPLICATION & OEB** 12 **DECISION**

13 Hydro Ottawa filed a Custom IR Application (EB-2019-0261) with the OEB on February 10, 2020,
14 where the utility sought approval for changes to the rates that it charges for electricity distribution to be
15 effective January 1, 2021 through December 31, 2025. Hydro Ottawa submitted an update to the
16 Application that included 2019 year-end Actuals on May 5, 2020.

17

18 The following eight parties participated as intervenors in that proceeding:⁶

- 19 ● Building Owners and Managers Association ("BOMA")
- 20 ● Consumers Council of Canada ("CCC")
- 21 ● Distributed Resource Coalition ("DRC")
- 22 ● Environmental Defence ("ED")
- 23 ● Energy Probe Research Foundation ("Energy Probe")
- 24 ● Pollution Probe ("PP")
- 25 ● School Energy Coalition ("SEC")
- 26 ● Vulnerable Energy Consumers Coalition ("VECC")

27

28 ⁵ Ibid., p. 20; 2021-2025 Approved Settlement Agreement, p. 17; Attachment 1.

29 ⁶ As set out in EB-2019-0046 *Procedural Order No. 1*, issued March 31, 2020, there were originally 10 parties who requested
30 and were granted intervenor status. However, two parties (Richard Parry and Nash Smith) ultimately did not participate in the
31 proceeding.

1 Hydro Ottawa, OEB staff and the eight intervenors of record (the “Parties”) attended a Settlement
2 Conference on August 10 - 14 and 17, 2020. Mr. Chris Haussmann of Haussmann Consulting Inc.
3 acted as facilitator. Over the course of the Settlement Conference, the Parties came to an agreement
4 on all issues with the exception of one relating to cost allocation and rate design (Issue 7.3).⁷ A
5 Settlement Proposal was filed with the OEB on September 18, 2020. The Parties proposed to proceed
6 with a written hearing on the one outstanding issue. Pursuant to Procedural Order No. 7, OEB staff filed
7 a submission on the settlement proposal on September 29, 2020. OEB staff submitted that the
8 settlement proposal reflected a reasonable evaluation of Hydro Ottawa’s planned outcomes, including
9 appropriate considerations of the relevant issues, and allowed for appropriate resources for Hydro
10 Ottawa to achieve its outcomes in its five-year plan. OEB staff also noted that the outcomes arising
11 from the OEB’s approval of the settlement proposal would reflect the public interest and would result in
12 just and reasonable rates for customers.⁸

13

14 On October 2, 2020, the OEB issued Procedural Order No. 8, which accepted the settlement proposal
15 as filed, and made provision to address the unsettled issue by way of a written hearing over the period
16 of October 13 to November 3, 2020. On November 19, 2020, the OEB issued its Decision and Order on
17 the settlement proposal and the unsettled issue. On the unsettled issue, the OEB found that for the GS
18 > 50 to 1,499 kW, GS 1,500 to 4,999 kW, and Large Use classes, the fixed charges should be set by
19 comparing the fixed charge resulting from Hydro Ottawa’s standard rate design approach with the
20 previous year’s level for the five year rate term. In years where maintaining the current fixed/variable
21 revenue split results in a higher fixed charge than the previous year, Hydro Ottawa shall maintain the
22 fixed charge at the previous year’s level. In years where maintaining the current fixed/variable revenue
23 split results in a lower fixed charge than the previous year, Hydro Ottawa shall maintain the fixed
24 charge at the lower value.

25

26 **3. CUSTOM IR APPLICATION UPDATE**

27 Hydro Ottawa hereby submits this Application, year two update, to the OEB for approval of its proposed
28 distribution rates and other charges, effective January 1, 2022. This Application is submitted pursuant

⁷ As identified in EB-2019-0046, *Decision on Issues List and Procedural Order No. 3*, issued June 22, 2020.

⁸ Ontario Energy Board Staff, *OEB Staff Submission on Settlement Proposal*, (September 29, 2020), p. 3.

1 to section 78 of the *Ontario Energy Board Act, 1998* (the “OEB Act”), the OEB’s Decision issued
2 November 19, 2020 regarding Hydro Ottawa’s 2021-2025 Custom IR Application, and relevant OEB
3 guidelines and requirements. In particular, the preparation of this Application has been guided by the
4 provisions set forth in the *Chapter 2* and *Chapter 3 Filing Requirements for Electricity Rate Applications*
5 issued by the OEB on June 24, 2021 (“Filing Requirements”), as well as the *Handbook for Utility Rate*
6 *Applications* issued in 2016.

7

8 Consistent with the previous annual rate adjustment applications filed under Hydro Ottawa’s previous
9 Custom IR plan for the 2016-2020 period, Hydro Ottawa has opted to structure this Application using a
10 Cost of Service format. The intended objective of this approach is to facilitate comparisons which Board
11 members and staff, intervenors and consumers may wish to make between this Application and Hydro
12 Ottawa’s original 2021-2025 Custom IR Application. The utility believes that this is in the interest of all
13 parties to ensure such ease of reference for the principal pieces of evidence on the record for this
14 proceeding.

15

16 In addition, in the interest of supporting similar efficiencies, Hydro Ottawa has prepared three tables
17 below. Table 1 below summarizes relevant forward looking actions and commitments which were
18 agreed upon by the Parties and set out in the 2021-2025 Approved Settlement Agreement. Table 2
19 provides a summary of the findings of the written hearing on the one unsettled cost allocation item, and
20 required action pursuant to the OEB’s final Decision on Hydro Ottawa’s part. Table 3 provides an
21 updated summary of Hydro Ottawa’s 2021-2025 revenue requirement, as approved pursuant to the
22 2021-2025 Approved Settlement Agreement. Please see Table 4 below for further details regarding
23 expected updates and timing thereof for certain annual and mid-term adjustment placeholders.

1 **Table 1 - Summary of Remaining Actions from 2021-2025 Approved Settlement Agreement**

#	Item	Description of Agreed Action	Settlement Agreement Page Number	2022 Rate Application Exhibit
1	Effective Date	Initial effective date of rates arising from the Approved Settlement Proposal to be January 1, 2021. Hydro Ottawa will file annual applications to implement the OEB's approval of the Custom IR framework for the years 2022-2025.	Page 14	Exhibit 1 - Administration
2	Custom Price Escalation Factor ("CPEF")	CPEF of "I minus X plus G" will apply to OM&A expenditures only, where: "I" is updated annually and corresponds to the OEB's annual inflation rate for incentive rate-setting under Price Cap IR and Annual Index plans "X" is 0.45% - calculated as 0% Total Productivity Factor plus 0.45% Stretch Factor, and is fixed for the duration of the Custom IR term "G" is 0.34% - calculated using forward-looking customer growth rate based on Hydro Ottawa's 2021-2025 load forecast multiplied by a 0.35 scaling factor, and fixed for the duration of the Custom IR term	Pages 14-15	Exhibit 4 - Operating Expenses
3	Capital Stretch Factor	For 2022, the value of the Capital Stretch Factor will be calculated by adding an additional stretch factor of 0.15% to the stretch factor determined for use in Hydro Ottawa's CPEF (0.45%) for a total value of 0.6%. The Capital Stretch Factor of 0.6% will be applied on the capital-related revenue requirement. Thereafter, for the remaining years of the Custom IR term, the Capital Stretch Factor will be adjusted such that it increases by a value of 0.6% on an annual basis.	Pages 15-16	Exhibit 6 - Calculation of Revenue Deficiency or Surplus
4	Performance Monitoring and Reporting	Hydro Ottawa will report annually on two primary elements: <ul style="list-style-type: none"> • A Custom Performance Scorecard; and • Updates on the progress of capital 	Pages 16-17	N/A

		<p>spending in key categories, including additional information regarding the Performance Outcomes Accountability Mechanism (“POAM”) Deferral Account .</p> <p>Reporting will occur after the full year has concluded.</p>		
5	2016-2020 Capital Additions	\$472.2M of capital additions to the 2016 opening balance.		
6	Working Capital Allowance (“WCA”)	Hydro Ottawa will calculate the 2022 WCA by adjusting the 2021 amount by an inflationary increase. The OEB’s annual published inflation factor will be used. These inflationary increases will apply to all components of the Working Capital Base.	Pages 18-19	Exhibit 2 - Rate Base
7	Rate Base	<p>2021 Rate Base:</p> <ul style="list-style-type: none"> ● 2021: \$1.2M ● 2022: \$1.3M ● 2023: \$1.4M ● 2024: \$1.4M ● 2025: \$1.4M 	Page 20	Exhibit 2 - Rate Base
8	2021-2025 Capital Expenditures	<p>Capital Expenditures per year:</p> <ul style="list-style-type: none"> ● 2021: \$120.2M ● 2022: \$ 99.3M ● 2023: \$ 88.0M ● 2024: \$ 95.1M ● 2025: \$ 95.0M 	Pages 20-21	Exhibit 2 - Rate Base
9	2021-2025 Capital Additions	<p>Capital Additions per year:</p> <ul style="list-style-type: none"> ● 2021: \$152.8M ● 2022: \$ 122.5M ● 2023: \$ 77.8M ● 2024: \$ 82.8M ● 2025: \$ 119.2M <p>With flexibility related to the \$10.0M reduction over the five-year term.</p>	Pages 20-21	Exhibit 2 - Rate Base
10	Commitments	<ul style="list-style-type: none"> ● City of Ottawa’s Energy Evolution ● Capitalization of Cloud Computing Costs ● Distribution Losses ● MiGen Program 	Pages 22-23	Exhibit 2 - Rate Base

11	Load Forecast	<ul style="list-style-type: none"> • Set for the five year Custom IR • Load Forecast will not include adjustments related to conservation and demand management (“CDM”) other than those related to the wind-down of the Conservation First Framework (“CFF”). The Parties acknowledge that Hydro Ottawa will include future CDM savings driven by the Independent Electricity System Operator (“IESO”) or other provincial or federal initiatives in the Lost Revenue Adjustment Mechanism Variance Account (“LRAMVA”) • CDM adjustments related to the CFF wind-down will be incorporated in the Load Forecast using a half-year approach while the CDM thresholds will be set on an annualized basis for the (“LRAMVA”) for the 2021-2025 period. 	Pages 23-24; Attachment 10	Exhibit 3 - Other Revenue & Exhibit 4 - Operating Expenses
12	OM&A	Opening balance for 2021: \$90.6 Million. For the years starting 2022, OM&A will be escalated on an annual basis using the CPEF described in Item #2 above.	Page 25	Exhibit 4 - Operating Expenses
13	Cost of Capital	Short-Term and Long-term debt rates will remain fixed over the 2021-2025 period.	Pages 25-26	Exhibit 5 - Cost of Capital and Capital Structure
14	Return on Equity (“ROE”)	<p>For the 2021-2023 period, ROE will remain fixed based on the established OEB ROE for January 1, 2021 rates. The established OEB ROE for January 1, 2024 will be adopted for the 2024-2025 period.</p> <p>Parties agree that if the OEB revises its underlying methodology for calculating ROE in advance of Hydro Ottawa’s adjustment for 2024 and 2025, the updated ROE will be the lower of the following (i) the ROE rate established by the OEB for 2024 based on the revised methodology; or (ii) the ROE calculated for 2024 in September 2023 using the</p>	Page 26	Exhibit 5 - Cost of Capital and Capital Structure

		OEB's current formulaic methodology.		
15	Cost Allocation	<p>2021 Cost Allocation model as a basis for 2021-2025.</p> <p>Hydro Ottawa will complete and file with its next rebasing application a new cost allocation study on the following:</p> <ul style="list-style-type: none"> (i) the appropriate split between primary and secondary services of certain assets for cost allocation purposes; (ii) the appropriate customer count and non-coincident peak ("NCP") split between primary and secondary for the Residential and GS < 50 kW customer classes. 	Page 27	Exhibit 7-1-1 - Cost Allocation Study Requirements
16	Low Voltage ("LV") Rates	The Parties agreed to the rate design methodology and annually forecasted amounts to set LV rates.	Pages 27-28; Attachment 23	Exhibit 8 - Rate Design
17	Retail Transmission Service Rates ("RTSRs")	Hydro Ottawa will update its RTSRs to reflect the OEB's Decision and Order in EB-2020-0180 on 2020 Uniform Transmission Rates dated July 31, 2020. To be updated annually throughout the Custom IR rate term.	Pages 28; Attachment 22	Exhibit 8 - Rate Design
18	Specific Service Charges	<ul style="list-style-type: none"> • Agreed to Specific Service Charges will be escalated over the 2021-2025 period using the "1 minus X" component of the CPEF (Item #2 above). The exception being the Access Power Poles - Wireline charge, which Hydro Ottawa will continue to use the OEB generic charge) • Adjust Hydro Ottawa's Other Revenue forecast to incorporate the revenue impact of the agreed upon modifications. • Removal of the Reconnect at Meter of New Account Holder charge • Hydro Ottawa will utilize the OEB's prescribed Standard Supply Service Administration Charge ("SSS Charge") of \$0.25 per customer per month. • Elimination of the Transformer 	Pages 28-30	Exhibit 3 - Other Revenue & Exhibit 8 - Rate Design

		Ownership Credit (“TOC”), effective November 1, 2025		
19	Disposition of Deferral and Variance Accounts (“DVAs”) related to the 2016-2020 rate term	Continuation of certain rate riders through the end of 2022.	Pages 30-33	Exhibit 9 - Deferral and Variance Accounts
20	Four new or updated DVAs	<ul style="list-style-type: none"> • Cumulative ESM for the 2021-2025 rate term • A POAM Deferral Account • Modified Capital Variance Account • Modified CCRA Regulatory Account • OEB established COVID-19 pandemic deferral Account 	Pages 34-41; Attachment 5	Exhibit 9 - Deferral and Variance Accounts
21	Disposition of DVAs for the 2021-2025 Custom IR term	DVAs will be cleared during the Custom IR term in accordance with OEB policies that are in effect during each year of the Custom IR term.	Page 41	Exhibit 9 - Deferral and Variance Accounts
22	Z-factor	Hydro Ottawa may apply for Z-factor relief in the event that the utility incurs costs arising from unforeseen events, decisions, or activities the results of which cannot reasonably be anticipated or qualified at this time and where the costs exceed the utility’s \$1.0M materiality threshold.	Pages 41-42	Exhibit 4 - Operating Expenses & Exhibit 9 - Deferral and Variance Accounts
23	Going-in, Annual and Mid-term Adjustments	A limited number of annual and mid-term rate adjustments will be required over the course of Hydro Ottawa’s 2021-2025 rate term.	Page 42; Attachment 4	

1
2

1 **Table 2 - Summary of Actions from Written Hearing on Cost Allocation and OEB Decision**

#	Item	Description of Action	OEB Decision and Order Page Number	2022 Rate Application Exhibit
1	Fixed charges for GS > 50-1,499 kW, 1,500-4,999 kW, and Large Use classes	<p>Fixed charges will be set by comparing the fixed charge resulting from Hydro Ottawa’s standard rate design approach with the previous year’s level for the five year rate term.</p> <p>In years where maintaining the current fixed/variable revenue split results in a higher fixed charge than the previous year, Hydro Ottawa shall maintain the fixed charge at the previous year’s level. In years where maintaining the current fixed/variable revenue split results in a lower fixed charge than the previous year, Hydro Ottawa shall maintain the fixed charge at the lower value.</p>	Pages 2, 21-24	Exhibit 8 - Rate Design
2	Future Applications	<ul style="list-style-type: none"> Any future Custom IR application needs to be justified and the OEB needs to be satisfied that other rate-setting options have been considered; and Hydro Ottawa’s efforts and achievements with respect to productivity improvements in its capital programs and projects, undertaken during the 2021-2025 term, should be reported as part of Hydro Ottawa’s next rebasing application. 	Page 12	Exhibit 1 - Administration

2

3 Table 3 below is intended to synthesize the approvals emerging from the 2021-2025 Approved
 4 Settlement Agreement and the OEB’s Decision on Hydro Ottawa’s Custom IR Application, and to offer
 5 a clear overview of the resultant updates to Hydro Ottawa’s revenue requirement. With regards to
 6 revenue requirements for 2022, Hydro Ottawa is seeking approval for various annual updates as part of
 7 this Application which will be updated later in the proceeding. For further details, please see Exhibit
 8 6-1-1: Calculation of Revenue Deficiency or Sufficiency.

9

1 **Table 3 - Updated Summary of Hydro Ottawa's 2021-2025 Revenue Requirement**

	2021 Approved	2022 Proposed	2023 Illustrative	2024 Illustrative	2025 Illustrative
Return on Rate Base	\$ 64,029	\$ 68,454	\$ 70,766	\$ 71,950	\$ 74,111
Distribution Expenses (not including depreciation, amortization)	\$ 90,600	\$ 92,494	\$ 94,427	\$ 96,400	\$ 98,415
Depreciation, amortization	\$ 51,956	\$ 55,472	\$ 57,686	\$ 59,039	\$ 62,125
Payment in Lieu of Taxes	\$ 891	\$ 2,119	\$ 6,303	\$ 8,758	\$ 5,431
Service Revenue Requirement	\$ 207,477	\$ 218,539	\$ 229,182	\$ 236,147	\$ 240,082
Less Capital Stretch Factor	\$ -	\$ 775	\$ 1,656	\$ 2,575	\$ 3,482
Service Revenue Requirement Net of Capital Stretch Factor	\$ 207,477	\$ 217,764	\$ 227,526	\$ 233,572	\$ 236,601
Less Revenue Offsets	\$ 9,680	\$ 9,536	\$ 10,070	\$ 10,512	\$ 10,653
Base Revenue Requirement	\$ 197,797	\$ 208,228	\$ 217,455	\$ 223,059	\$ 225,948
Transformer Ownership Credit	\$ 1,065	\$ 1,069	\$ 1,073	\$ 1,079	\$ 906
Revenue Requirement from Rates	\$ 198,861	\$ 209,297	\$ 218,528	\$ 224,138	\$ 226,854
Forecasted Load at 2020 Rates	\$ 188,518	\$ 189,731	\$ 191,002	\$ 192,415	\$ 193,588
Cumulative Revenue Deficiency (over 2020)	\$ (10,344)	\$ (19,566)	\$ (27,526)	\$ (31,723)	\$ (33,266)
Yearly Revenue Deficiency over 2020⁹	\$ (10,344)	\$ (9,222)	\$ (7,960)	\$ (4,197)	\$ (1,543)

2

3

4 **4. SPECIFIC RELIEF REQUESTED**

5 Consistent with relevant provisions of the 2021-2025 Approved Settlement Agreement, as summarized
 6 in Table 1 above, Hydro Ottawa applies for the following Order or Orders:

7

8 a) Approval of 2022 revenue requirement, as updated for annual adjustments, as proposed in
 9 Exhibit 6-1-1: Calculation of Revenue Deficiency or Sufficiency;

10 b) Approval of 2022 electricity distribution rates and charges, as proposed in Exhibit 8-10-1:
 11 Current and Proposed Tariff of Rates and Charges;

12 ⁹ Totals may not sum due to rounding.

- 1 c) Approvals related to deferral and variance accounts, as proposed in Exhibit 9-2-1: New Deferral
2 and Variance Accounts and Exhibit 9-3-1: Disposition of Deferral and Variance Accounts; and
3 d) Approval of other items or amounts that may be requested by Hydro Ottawa in the course of the
4 proceeding and such other relief or entitlements as the OEB may grant.

5
6 Hydro Ottawa requests that its current (i.e. 2021) rates provided in Attachment 8-10-1(A): OEB
7 Workform - 2021 Current and 2022 Proposed Tariff of Rates and Charges be declared interim effective
8 January 1, 2022, as necessary, if 2022 approvals cannot be issued by the OEB in time to implement
9 final rates effective January 1, 2022. In such an event, Hydro Ottawa also requests the Board to
10 approve establishment of an account that would provide for the recovery of differences between the
11 interim rate and the approved rates, as determined by the OEB in its final Decision and Order.

12
13 For additional details on the specific approvals and relief that Hydro Ottawa is seeking in this
14 Application, please see Exhibit 1-1-3: Administration.

15

16 **5. ANNUAL ADJUSTMENTS**

17 Hydro Ottawa has calculated adjustments to its 2022 revenue requirement, consistent with the
18 2021-2025 Approved Settlement Agreement. Where appropriate, Hydro Ottawa has used the Cost of
19 Service Models and directions provided by the OEB for 2022 Cost of Service Applications.

20

21 Table 4 below provides a summary of annual and mid-term adjustments for the 2022-2025 years by
22 Exhibit.

23

1 **Table 4 - Summary of Annual and Mid-Term Adjustments**

#	Item	Timing	Adjustment Description
1	Working Capital Allowance	Annual	Use of OEB's annual inflation factor (with no productivity or growth factor)
2	Cost of Capital - ROE ¹⁰	Mid-term adjustment (for 2024 and 2025)	Use of OEB's Fall 2023 deemed ROE results for 2024 and 2025
3	Cost of Capital - Long-Term Debt Rate	Set	Set for all years
4	Cost of Capital - Short-Term Debt Rate	Set	Set for all years
5	Inflation Factor for OM&A	Annual	Use of OEB's annual inflation factor
6	Specific Service Charges ¹¹	Annual	"I minus X" component of modified Custom Price Escalation Factor (i.e. OEB inflation factor minus 0.45% stretch factor)
7	Low Voltage Charges	Annual	Based on updated Transmission Connection rates
8	Retail Transmission Service Rates	Annual	Based on OEB-approved adjustments to the Hydro One Networks' Uniform Transmission Rates ("UTRs") using the RTSR model
9	Deferral Accounts	In accordance with OEB policy	Disposition of Group 1 and Group 2 accounts will be in accordance with applicable OEB policy
10	Third Party Non-Distribution Charges	Ad hoc	Further to OEB direction

2
 3 Hydro Ottawa is including the following annual rate adjustments in this Application, as per the
 4 2021-2025 Approved Settlement Agreement:

- 5
- 6 • *Inflationary Factor* - Per the 2021-2025 Approved Settlement Agreement, Hydro Ottawa will
 7 annually update the escalation factor utilized for the following calculations: Working Capital
 8 Allowance, Operations Maintenance & Administration ("OM&A"), and Specific Service Charges.
 9 The OEB's inflationary factor will be used in calculating the escalation factor for each of these
 10 components. Given that the OEB inflation factor for 2022 incentive rate-setting under Price Cap

¹⁰ As stated in the 2021-2025 Approved Settlement Agreement, if the OEB revises its underlying methodology for calculating ROE in advance of Hydro Ottawa's scheduled adjustment for 2024 and 2025, then the updated ROE for 2024 and 2025 will be the lower of the following: (i) the ROE rate established by the OEB for 2024, based upon the revised methodology, or (ii) the ROE rate calculated for 2024 in September 2023 using the OEB's current formulaic methodology for determining deemed ROE as documented in the *Report of the Board on the Cost of Capital for Ontario's Regulated Utilities*, issued December 11, 2009.

¹¹ This does not include the Access Power Poles - Wireline charge, for which Hydro Ottawa will continue to use the OEB's generic charge.

1 IR and Annual Index plans have not yet been released, in this Application Hydro Ottawa is using
2 the OEB's 2021 inflation factor of 2.2%. Hydro Ottawa will update its proposed Working Capital
3 Allowance, OM&A, Specific Service Charges and resulting impact of its proposed 2022 revenue
4 requirement and rates when the OEB publishes its inflation factor for incentive rate-setting
5 under Price Cap IR and Annual Index plans for the year 2022. For additional information, please
6 refer to Exhibit 2-3-1: Working Capital Requirement, Exhibit 3-2-2: Specific Service Charges,
7 and Exhibit 4-1-2: Operations, Maintenance and Administration Summary.

- 8
- 9 ● *Retail Transmission Service Rates ("RTSRs")* - Per the 2021-2025 Approved Settlement
10 Agreement, Hydro Ottawa is using the RTSRs for its 2022 rates, as calculated by the OEB's
11 RTSR Workform. RTSR updates will also be based upon OEB-approved adjustments to the
12 Hydro One Networks Inc. ("Hydro One") Uniform Transmission Rates ("UTRs"). Given that
13 Hydro One UTRs are not typically approved in time for adjusting Hydro Ottawa's rates on
14 January 1, UTRs for 2022 will be set up using those from the previous year (i.e. 2021).
15 Differences in the new yearly rates will be captured in Uniform System of Accounts 1584 - RSVA
16 Network and 1586 - RSVA Connection for future disposition. For additional information, please
17 refer to Exhibit 8-3-1: Retail Transmission Service Rates and Attachment 8-3-1(A): OEB
18 Workform - 20225 RTSR Workform.
 - 19
 - 20 ● *Retail Service Charges* - These charges apply to services provided by a distributor to retailers
21 or to customers, with respect to the supply of competitive electricity through retailer contracts.
22 For additional information, please refer to Exhibit 8-4-1: Retail Service Charges.
 - 23
 - 24 ● *Wholesale Market Service Rate ("WMSR")* - Hydro Ottawa has used the current OEB generic
25 WMSRs in its Proposed Tariff of Rates and Charges, as outlined in Exhibit 8-10-1: Current and
26 Proposed Tariff of Rates and Charges. For additional information, please refer to Exhibit 8-5-1:
27 Wholesale Market Service Rate.
 - 28

- 1 • *Smart Metering Charge* (“SMC”) - On March 1, 2018, the OEB issued a Decision and Order
2 which reduced the approved SMC for Residential and General Service < 50 kW customers.¹²
3 For the January 1, 2018 to December 31, 2022 period, the SMC will be \$0.57 per smart meter
4 per month. Hydro Ottawa has reflected this updated charge in its Proposed Tariff of Rates and
5 Charges, as outlined in Exhibit 8-10-1. For additional information, please refer to Exhibit 8-6-1:
6 Smart Meter Entity Charge.
- 7
- 8 • *Revised and New Specific Service Charges* - Service charges apply to services that are over
9 and above Hydro Ottawa’s standard level of service offerings and may result from a customer’s
10 action or inaction. The revenue from these charges offset the total revenue requirement.
11 Multiple currently-approved service charges will be updated as part of this Application,
12 consistent with the 2021-2025 Approved Settlement Agreement. All other service charges will
13 remain at the 2021 approved rate. This does not include the Access Power Poles - Wireline
14 charge, for which Hydro Ottawa will continue to use the OEB’s generic charge, as outlined in the
15 OEB’s Order on the Wireline Pole Attachment Charge.¹³ For additional information, please refer
16 to Exhibit 3-2-2: Specific Service Charges.
- 17
- 18 • *Low Voltage (“LV”) Service Rate* - Hydro Ottawa receives LV charges from Hydro One for a
19 number of Shared Distribution Stations, Specific Lines and Shared Lines. The OEB has
20 previously determined that it was appropriate for an embedded electricity distributor or a
21 distributor with embedded distribution points (such as Hydro Ottawa) to establish and maintain a
22 variance account for LV charges from its host distributor.¹⁴ In this Application, the LV charge has
23 been allocated to the customer classes based on the class percentage of Retail Transmission
24 Connection dollars (using 2021 current rates). For additional information, please refer to Exhibit
25 8-8-1: Low Voltage Service Rate.
- 26
- 27 • *Disposition of Deferral and Variance Accounts* - Hydro Ottawa is requesting the disposition of
28 Group 1 Deferral and Variance Accounts related to year end 2020 balances in compliance with

¹² Ontario Energy Board, *Decision*, EB-2017-0290 (March 1, 2008).

¹³ Ontario Energy Board, *Order - Wireline Pole Attachment Charge*, EB-2020-0288 (December 10, 2020).

¹⁴ Ontario Energy Board, *Decision with Reasons*, EB-2005-0529 March 21, 2006), p. 17.

1 the OEB's report on the *Electricity Distributors' Deferral and Variance Account Review Initiative*
2 ("EDDVAR Report")¹⁵ and the OEB's *Chapter 2 Filing Requirements for Electricity Distribution*
3 *Rate Applications*, as updated on June 24, 2021. Hydro Ottawa has complied with the EDDVAR
4 Report guidelines and is requesting a disposition period of one years for Group 1 Accounts with
5 ending balances to December 31, 2020. In addition, as part of the 2021-2025 Approved
6 Settlement Agreement, a portion of the balances approved for disposal were disposed over a
7 two year period. As such, those rate riders will also be part of the 2022 Proposed Tariff of Rates
8 and Charges presented. For additional information, please refer to Exhibit 9-3-1: Disposition of
9 Deferral and Variance Accounts.

11 6. MODELS AND WORKFORMS

12 Hydro Ottawa has included the following models and Workforms with this Application:

- 14 ● *Attachment 4-3-1(A): OEB Workform - 2022 Income Tax/PILS Workform:* The Payments in Lieu
15 of Taxes ("PILS") Workform provides detailed calculations of Hydro Ottawa's forecasted PILS
16 payable.
- 18 ● *Attachment 6-1-1(A): OEB Workform - 2022 Revenue Requirement Workform:* The Revenue
19 Requirement Workform provides a summary of the drivers of Hydro Ottawa's 2022 proposed
20 Revenue Requirement. The Workform also provides summaries related to load forecast, cost
21 allocation, and rate design.
- 23 ● *Attachment 8-3-1(A): OEB Workform - 2022 RTSR Workform:* The RTSR Workform uses recent
24 Hydro One rates and Hydro Ottawa-specific load and billing information to determine
25 distributor-specific Transmission Network and Connection rates by customer rate class.
- 27 ● *Attachment 8-7-1(A): Dry Core Calculations:* The Dry Core Calculations spreadsheet provides
28 detailed calculations that support the proposed dry core charges.

29 ¹⁵ Ontario Energy Board, *Report of the Board on Electricity Distributors' Deferral and Variance Account Review Initiative*
30 (EDDVAR), EB-2008-0046 (July 31, 2009).

1

2 ● *Attachment 8-10-1(A): OEB Workform - 2021 Current and 2022 Proposed Tariff of Rates and*
3 *Charges:* The Tariff Schedule and Bill Impacts Model identifies existing and proposed tariff and
4 rate schedules, as well as detailed bill impacts for typical customers in all classes.

5

6 ● *Attachment 9-1-1(A): OEB Workform - Deferral and Variance Accounts (Continuity Schedule):*
7 The 2022 DVA Workform provides an Account-level history of Deferral and Variance Accounts,
8 including recent disposition history, and worksheets that facilitate designing rate riders for
9 requested Account dispositions.

10

11 ● *Attachment 9-3-1(A): OEB Workform - Global Adjustment Analysis:* The Global Adjustment
12 ("GA") Analysis Workform serves as a reasonability tool for assessing the accuracy of
13 commodity-related pass through account balances of electricity distributors. The workform
14 provides a calculation of an approximate expected balance in Account 1589 RSVA - GA and
15 compares the expected amount to the amount in the general ledger. For Account 1588 - RSVA
16 Power, the workform assesses the balance in this Account in relation to the annual purchases in
17 Account 4705 - Power Purchased.

18

19 ● *Attachment 9-3-1(B): OEB Workform - Account 1595:* The Account 1595 Analysis Workform
20 assesses the reasonability of the residual balances within the Account 1595 sub-accounts.

21

22 **7. DISTRIBUTION AND TOTAL BILL IMPACTS**

23 Table 5 below provides a summary of the total bill impacts for typical customers in all classes. Please
24 see Attachment 8-10-1(A): OEB Workform - 2021 Current and 2022 Proposed Tariff of Rates and
25 Charges for further details regarding Hydro Ottawa's proposed bill impacts.

1

Table 5 - Bill Impacts

Rate Class		Approved	Proposed
		2021	2022
Residential (750 kWh)	Distribution Charge	\$29.06	\$30.34
	Change in Distribution Charge		\$1.28
	% Distribution Increase		4.40%
	% Increase of Total Bill		1.45%
General Service <50 kW (2000 kWh)	Distribution Charge	\$70.76	\$74.12
	Change in Distribution Charge		\$3.36
	% Distribution Increase		4.75%
	% Increase of Total Bill		1.41%
General Service 50 kW - 1,499 kW (250 kW)	Distribution Charge	\$1,469.73	\$1,548.93
	Change in Distribution Charge		\$79.20
	% Distribution Increase		5.39%
	% Increase of Total Bill		(0.62)%
General Service 1,500 kW - 4,999 kW (2,500 kW)	Distribution Charge	\$15,800.68	\$16,604.18
	Change in Distribution Charge		\$803.50
	% Distribution Increase		5.09%
	% Increase of Total Bill		(0.61)%
Large Use (7,500 kW)	Distribution Charge	\$49,069.82	\$51,537.32
	Change in Distribution Charge		\$2,467.50
	% Distribution Increase		5.03%
	% Increase of Total Bill		(0.85)%
Sentinel Lighting (0.4 kW)	Distribution Charge	\$10.96	\$13.02
	Change in Distribution Charge		\$2.06
	% Distribution Increase		18.81%
	% Increase of Total Bill		9.08%
Street Lighting (1 kW)	Distribution Charge	\$7.29	\$7.65
	Change in Distribution Charge		\$0.36
	% Distribution Increase		4.91%
	% Increase of Total Bill		1.55%
Unmetered Scattered Load (470 kWh)	Distribution Charge	\$16.93	\$18.18
	Change in Distribution Charge		\$1.25
	% Distribution Increase		7.36%
	% Increase of Total Bill		2.01%

2

3

All of which is respectfully submitted this 18th day of August, 2021.

ALIGNMENT WITH RENEWED REGULATORY FRAMEWORK

The OEB articulated its policies and practices regarding the Custom Incentive Rate-setting (“Custom IR”) method in its 2012 report entitled *Renewed Regulatory Framework for Electricity Distributors: A Performance-Based Approach* (“RRFE Report”). The RRFE Report states that, under the Custom IR method, “rates are set based on a five year forecast of a distributor’s revenue requirement and sales volumes.”¹ In addition, the RRFE Report stipulates that “the specifics of how the costs approved by the Board will be recovered through rates over the term will be determined in individual rate applications...” and that “[t]his rate-setting method is intended to be customized to fit the specific applicant’s circumstances.”²

Hydro Ottawa used the Custom IR option offered under the Renewed Regulatory Framework (“RRF”) for its 2021-2025 rate application on account of its significant and unique multi-year capital needs. In designing its Custom IR Application and the evidence filed in support of its capital and operational funding requirements, Hydro Ottawa endeavoured to be responsive to the OEB’s expectations for Custom IR applications, as set out in the RRFE Report. The following are examples of steps undertaken by Hydro Ottawa to apply key principles of the Renewed Regulatory Framework (“RRF”) in its Custom IR Application:

- a) Applying for 2021 rebasing, then applying for a rate-setting approach to recover forecasted capital needs while recovering Operating, Maintenance and Administration (“OM&A”) needs pursuant to a customized I-X+G formula;
- b) Identifying historical and future productivity initiatives to achieve continuous improvement;
- c) Providing a customer engagement strategy to ensure responsiveness and flexibility to evolving customer preferences;
- d) Providing a comprehensive asset management and infrastructure investment plan that is linked to the capital budget, prioritizes for total bill impact, is informed by customer consultation, and has been subject to an independent assessment;

¹ Ontario Energy Board, *Renewed Regulatory Framework for Electricity Distributors: A Performance-Based Approach* (October 18, 2012), p. 18.

² *Ibid*, pp. 18-19.

- 1 e) Providing an annual reporting mechanism through which Hydro Ottawa can inform the OEB and
2 stakeholders of its progress on implementing its capital plan as well as its continuous
3 improvement initiatives; and
- 4 f) The inclusion of important ratepayer protection and accountability mechanisms: (1) an
5 asymmetrical Earnings Sharing Mechanism (“ESM”) with no dead band; (2) a set of
6 asymmetrical and symmetrical Capital Variance Accounts for certain capital investments; and
7 (3) a Performance Outcomes Accountability Mechanism that supports the objectives of the RRF
8 by establishing outcomes-based measures and targets related to achievement of the objectives
9 in Hydro Ottawa’s 2021-2025 Distribution System Plan (“DSP”).

10

11 The Settlement Proposal filed on September 18, 2020 was the result of the Settlement Conference held
12 August 10-14 and August 17, 2020. The Parties³ made numerous compromises with respect to various
13 matters to arrive at the Settlement Proposal, which were intended to support and not detract from the
14 objectives set out in the RRF. In its October 2, 2020 Decision on Settlement Proposal and Procedural
15 Order No. 8, the OEB accepted the settlement proposal as filed. Subsequently, in its Decision and
16 Order issued on November 19, 2020, the OEB concluded that “the implementation of the settlement
17 proposal should result in reasonable outcomes for both Hydro Ottawa and its customers.”⁴ The OEB
18 formed this decision in the context of a Custom IR plan covering a five-year term.

19

20 Hydro Ottawa remains committed to integrating the core principles and objectives of the RRF
21 throughout its operations and business, and will continue to undertake steps in support of this effort
22 over the course of its 2021-2025 Custom IR term. Delivering value across the customer experience is a
23 core element of Hydro Ottawa’s corporate vision and business strategy – *Strategic Direction*
24 *2016-2020*, which continues to serve as the utility’s guiding principles. Through such measures as
25 enhanced benchmarking and productivity initiatives, a capital stretch factor applied to capital-related
26 revenue requirement, and a Performance Outcomes Accountability Mechanism, Hydro Ottawa will seek
27 to achieve continuous improvements and maximize operational performance going forward. The

28 ³ Hydro Ottawa and the following intervenor groups: Building Owners and Managers Association, Consumers Council of
29 Canada, Distributed Resource Coalition, Environmental Defence, Energy Probe Research Foundation, Pollution Probe, School
30 Energy Coalition, Vulnerable Energy Consumers Coalition.

31 ⁴ Ontario Energy Board, *Decision and Order*, EB-2019-0261 (November 19, 2020), p. 12.

- 1 expectations and goals set forth in the RRFE Report will continue to guide Hydro Ottawa in the
- 2 execution of its business plans and capital investment programs, and in the ongoing alignment of its
- 3 interests with those of its customers.

CUSTOMER ENGAGEMENT

1

2

3 Hydro Ottawa views customer engagement as an essential part of doing business and places the
4 customer at the centre of everything it does by considering customer impacts. As reflected in Hydro
5 Ottawa's *2016-2020 Strategic Direction*, which informed its 2021-2025 Custom Incentive Rate-setting
6 ("Custom IR") Application, stakeholder engagement is a guiding principle of Hydro Ottawa's business
7 strategy. The utility thus "takes into account the interests of all our stakeholders including employees,
8 customers, suppliers, our shareholder and the communities and environment in which we operate."¹

9

10 The key Divisions within Hydro Ottawa that are primarily responsible for customer outreach are
11 Customer Service (including Conservation and Demand Management), Distribution Operations, Asset
12 Management, and Communications and Public Affairs. Customer needs and expectations are diverse
13 and dynamic. To ensure Hydro Ottawa aligns its services to effectively meet evolving customer
14 expectations, Hydro Ottawa undertakes many customer engagement activities related to all areas of its
15 distribution services. Customers also have the option to proactively engage with Hydro Ottawa through
16 a variety of traditional and digital channels.

17

18 As of the end of 2020, Hydro Ottawa distributed electricity to approximately 346,000 customers over a
19 1,116 square kilometer service territory within the City of Ottawa and the Village of Casselman. Of
20 those customers, 317,918 were Residential, 25,162 were General Service < 50 kW, 3,256 were
21 General Service > 50 kW, and 11 were in the Large Use rate class. Given that Hydro Ottawa is the
22 electricity distributor for the nation's capital, services are provided to all customers in both official
23 languages.

24

25 The value in engaging customers is that it ensures Hydro Ottawa's business initiatives continue to align
26 with the needs and expectations of its rapidly growing and diverse urban and rural customer base.

27 ¹ Hydro Ottawa's strategic plan is rooted in four strategic objectives which closely mirror the core outcomes supported under
28 the RRFE framework: Customer Value; Financial Strength; Organizational Effectiveness; and Corporate Citizenship. This plan
29 has been formally adopted by Hydro Ottawa Holding Inc., the parent company of Hydro Ottawa Limited.

FINANCIAL INFORMATION

1

2

3 1. INTRODUCTION

4 This Schedule provides a summary of Financial related information as per the Chapter 2 Filing
5 Requirements for Electricity Rate Applications issued by the OEB on June 24, 2021.

6

7 2. ACCOUNTING ORDERS

8 Hydro Ottawa confirms that it maintains compliance with the Uniform System of Accounts (“USofA”), as
9 set out in the OEB’s Accounting Procedures Handbook (“APH”).

10

11 As part of the OEB’s Decision and Order on Hydro Ottawa’s 2012 distribution rate application, Hydro
12 Ottawa received the following utility-specific accounting order:¹

13

- 14 ● Sub-Account 1508 - Other Regulatory Assets - Other Post-Employment Benefits (“OPEB”) Deferral Account, to record cumulative actuarial gains or losses in Hydro Ottawa’s post-retirement benefits.

17

18 As part of the OEB’s Decision and Order on Hydro Ottawa’s 2016 distribution rate application, Hydro
19 Ottawa received the following utility-specific accounting orders:²

20

- 21 ● Sub-Account 1508 - Other Regulatory Assets - Y-Factor Variance Account, to record the revenue requirement associated with the construction of new administrative and operations facilities and related land up to the amount of \$66.0M. This account is now closed.
- 22 ● Sub-Account 1508 - Other Regulatory Assets - New Facilities Deferral Account, to record the revenue requirement impacts arising from costs of the new facilities and related land that is above the \$66.0M captured in the Y-Factor Variance Account. This account is now closed.

27 ¹ Ontario Energy Board, *Decision and Rate Order*, EB-2011-0054 (January 26, 2012).

28 ² Ontario Energy Board, *Decision and Order*, EB-2015-0004 (December 22, 2015).

- 1 • Sub-Account 1508 - Other Regulatory Assets - Gains/Losses from Sale of Existing Facilities
2 Deferral Account, to record the after-tax gains/losses from sale of existing facilities and related
3 land. This account is now closed.
- 4 • Sub-Account 1508 - Other Regulatory Assets - Gains and Losses on Disposal of Fixed Assets
5 Variance Account, to record the difference between the forecast and actual loss on the disposal
6 of fixed assets, related to retirement of assets or damage to plant.
- 7 • Sub-Account 1508 - Other Regulatory Assets - Earnings Sharing Mechanism (“ESM”) Variance
8 Account, to record amounts related to any earnings above Hydro Ottawa’s approved Return on
9 Equity (“ROE”) to be shared on a 50/50 basis between Hydro Ottawa and its ratepayers with no
10 dead band.
- 11 • Sub-Account 1508 - Other Regulatory Assets - Connection Cost Recovery Agreement (“CCRA”) Payments
12 Deferral Account, to record the revenue requirement impact of CCRA payments
13 made to Hydro One.
- 14 • Sub-Account 1508 - Other Regulatory Assets - Revenue Requirement Differential Variance
15 Account related to Capital Additions, to record the revenue requirement impact of
16 underspending on Hydro Ottawa’s capital plan by specific categories.
- 17 • Sub-Account 1508 - Other Regulatory Assets - Efficiency Adjustment Mechanism (“EAM”) Deferral
18 Account, to record the proxy stretch factor related to any declines in Hydro Ottawa’s
19 efficiency ranking during the Custom IR term for 2016-2020, compared to the year 2014 starting
20 efficiency ranking point. This sub-account is final in 2020 and replaced starting in 2021 with the
21 Performance Outcomes Accountability Mechanism (“POAM”) Deferral Account. Please see
22 details below.

23

24 As part of the OEB’s Decision and Order on Hydro Ottawa’s 2021-2025 Custom IR Application,³ Hydro
25 Ottawa received the following utility-specific accounting orders:

- 26 • Sub-Account 1508 - Connection Cost Recovery Agreement (“CCRA”) Payments Differential
27 Variance Account, to recover the difference between the forecasted new (known and unknown)
28 and true-up CCRA payments made to Hydro One. The Account is symmetrical and effective

29 ³ Ontario Energy Board, *Decision and Order*, EB-2019-0261 (January 7, 2021).

1 January 1, 2021 replaces the existing Sub-Account 1508 - Other Regulatory Assets -
2 Connection Cost Recovery Agreement (“CCRA”) Payments Deferral Account.

- 3 ● Sub-Account 1508 - Other Regulatory Assets - Performance Outcomes Accountability
4 Mechanism (“POAM”) Deferral Account, to link the execution of certain aspects of Hydro
5 Ottawa’s 2021-2025 Distribution System Plan (“DSP”) to the recovery of amounts included in
6 the agreed-upon revenue requirement. There are five performance metrics linked to specific
7 outcomes identified in the DSP, each of which will have an annual target.
- 8 ● Sub-Account 1508 - Capital Additions Revenue Requirement (excluding sub-set of System
9 Access) Differential Variance Account, effective January 1, 2021 this account replaces the
10 existing Sub-Account 1508 - Other Regulatory Assets - Revenue Requirement Differential
11 Variance Account related to Capital Additions. The modified account is to record the revenue
12 requirement impact of underspending on Hydro Ottawa’s capital plan by specific categories
13 excluding sub-set of System Access.
- 14 ● Sub-Account 1508 - Other Regulatory Assets - Subset of System Access Capital Additions (net
15 of contributions) Revenue Requirement Differential Variance Account, to record the revenue
16 requirement impact of overspending or underspending in the utility’s capital plan during
17 2021-2025 for a subset of the System Access category. This subset will consist of third
18 party-driven plant relocation and residential expansion capital additions. Effective January 1,
19 2021, this account has been separated from the existing Revenue Requirement Differential
20 Variance Account related to Capital Additions described above.
- 21 ● Sub-Account 1508 - Earnings Sharing Mechanism (“ESM”) Variance Account, as part of the
22 2016-2020 Approved Settlement Agreement⁴ the ESM was calculated on an individual yearly
23 basis. As per Hydro Ottawa’s 2021-2025 Approved Settlement Agreement,⁵ the account has
24 been modified such that starting in 2021 the ESM will function as a cumulative account, with
25 the balance (if any) being cleared and credited on a final basis to customers at the end of the
26 five-year rate term. Other components of the previous ESM will remain the same.

27 ⁴ Hydro Ottawa Limited, 2016-2020 Custom Incentive Rate-Setting Distribution Rate Application, EB-2015-0004
28 (April 29, 2015, Updated June 29, 2015)

29 ⁵Hydro Ottawa Limited, 2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal, EB-2019-0261
30 (September 18, 2020), pages 34-35.

1 Hydro Ottawa hereby confirms compliance with the foregoing utility-specific accounting orders. In
2 addition, Hydro Ottawa confirms compliance with the following generic regulated accounting orders:

3

- 4 ● Energy Retailer Service Charges, to establish the following new variance accounts:⁶
 - 5 ○ Sub-Account 1508 - Other Regulatory Assets - Retailer Service Charges Incremental
 - 6 Revenue; and
 - 7 ○ Sub-Account 1508 - Other Regulatory Assets - Retailer Service Charges Incremental
 - 8 Revenue Carrying Charges.
- 9 ● Sub-Account 1509 - Impacts Arising from the COVID-19 Emergency, to record the costs
- 10 associated with the Emergency under five sub-accounts, please refer to Exhibit 9-1-3: Group 2
- 11 Accounts for further details on sub-account 1509:
- 12 ● Accounting Guidance related to Pension and OPEB Forecast Accrual vs. Actual Cash Payment
- 13 Differential Variance Account.⁷
- 14 ● Sub-Account 1508 - Other Regulatory Assets - OPEB Differential - Variance Tracking Account
- 15 related to Pension and OPEB.⁸

16

17 Please refer to Exhibit: 9-1-3: Group 2 Accounts for additional information on the accounts described in
18 this Schedule.

19

20 **3. ACCOUNTING STANDARDS USED**

21 Hydro Ottawa adopted International Financial Reporting Standards (“IFRS”) for financial reporting
22 purposes on January 1, 2015.

23

24 **4. ACCOUNTING TREATMENT FOR UTILITY-OWNED GENERATION**

25 Hydro Ottawa confirms that the accounting for utility-owned generation, other than behind-the-meter
26 generation, has been segregated from its rate-regulated activities.

27 ⁶ Ontario Energy Board, *Decision and Order in the matter of Energy Retailer Service Charges effective May 1, 2019*,
28 EB-2015-0304 (February 14, 2019).

29 ⁷ Ontario Energy Board, *Regulatory Treatment of Pension and Other Post-employment Benefits (OPEBs) Costs* (May 18,
30 2017).

31 ⁸ Ontario Energy Board, *Regulatory Treatment of Pension and Other Post-employment Benefits (OPEBs) Costs: Section B -*
32 *Variance Tracking Account* (Sept 14, 2017).

1 **5. ACCOUNTING TREATMENT OF NON-UTILITY BUSINESS**

2 Hydro Ottawa confirms that the accounting treatment used by the utility segregates the business
3 activities of its non-utility business from its rate-regulated business.

4
5 **6. CHANGES TO ACCOUNTING POLICIES USED IN PREVIOUS APPLICATIONS**

6 The following are the International Financial Reporting Standards (“IFRS”) that the utility adopted and
7 were accepted as part of the 2021-2025 Approved Settlement Agreement:

- 8 • IFRS 15 – Revenue from Contracts with Customers,
9 • IFRS 9 – Financial Instruments, and;
10 • IFRS 16 – Leases.

RATE BASE OVERVIEW

1

2

3 1. INTRODUCTION

4 This Schedule provides an overview of Hydro Ottawa’s yearly distribution rate base, including
 5 information on approved net fixed assets, calculated on a mid-year average basis, along with working
 6 capital allowance (“WCA”). Net fixed assets are gross assets in service minus accumulated
 7 amortization and contributed capital.

8

9 2. SUMMARY OF 2021-2025 RATE BASE

10 As part of the 2021-2025 Approved Settlement Agreement¹ both gross and net capital additions have
 11 been set for the five year term while working capital will be annually adjusted based on an approved
 12 inflationary parameter. Details regarding WCA can be found in Exhibit 2-3-1: Working Capital
 13 Requirement.

14

15 Table 1 provides a summary of Hydro Ottawa’s 2021 approved, 2022 proposed and 2023-2025
 16 illustrative rate base.

17

18

Table 1 – Summary of Rate Base (\$’000s)

	2021 Approved	2022 Proposed	2023 Illustrative	2024 Illustrative	2025 Illustrative
Opening Net Book Value	\$1,083,600	\$1,182,840	\$1,248,271	\$1,267,004	\$1,289,424
Closing Net Book Value	\$1,182,840	\$1,248,271	\$1,267,004	\$1,289,424	\$1,345,241
Average Net Fixed Assets	\$1,133,220	\$1,215,555	\$1,257,638	\$1,278,214	\$1,317,333
Working Capital Allowance	\$85,459	\$87,339	\$89,261	\$91,224	\$93,231
RATE BASE	\$1,218,679	\$1,302,894	\$1,346,899	\$1,369,438	\$1,410,564

19

20 Hydro Ottawa will update its proposed rate base and resulting impact of its proposed 2022 revenue
 21 requirement and rates when the OEB published its inflation factor for incentive rate-setting under Price

22 ¹ Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261
 23 (September 18, 2020).

1 Cap IR and Annual Index plans for the year 2022. Please see Exhibit 2-3-1: Working Capital
2 Requirement for more details.

3

4 Please see Exhibit 2-2-1: Assets Property Plant & Equipment & Accumulated Depreciation for details
5 regarding gross assets and accumulated depreciation. The approved capital expenditure plan for
6 2021-2025 is summarized in Exhibit 2-4-1: Capital Expenditure Summary. Details regarding WCA can
7 be found in Exhibit 2-3-1: Working Capital Requirement.

8

9 As per the 2021-2025 Approved Settlement Agreement, a number of regulatory accounts will track any
10 revenue requirement associated with certain variances to the approved 2021-2025 rate base.
11 Specifically, the Capital Variance Accounts and the Connection Cost Recovery Agreement ("CCRA")
12 Payments Deferral Account. For more detail on the regulatory accounts that track revenue requirement
13 variances please see Exhibit 9-1-3: Group 2 Accounts. For a summary of approved capital additions by
14 capital program and for items not included in Capital Asset Additions for the 2021-2025 term, please
15 see Exhibit 2-4-1: Capital Expenditure Summary.

1 **GROSS ASSETS - PROPERTY PLANT AND EQUIPMENT AND ACCUMULATED**
2 **DEPRECIATION**

3
4 This Schedule provides an overview of Hydro Ottawa’s Approved Gross Assets and Accumulated
5 Depreciation for its 2021-2025 Custom Incentive Rate-setting (“Custom IR”) period. Net fixed assets
6 (gross assets in service minus accumulated depreciation/amortization and contributed capital) is used
7 in the determination of rate base. For the calculation of rate base, please see Exhibit 2-1-1: Rate Base
8 Overview.

9
10 As per the 2021-2025 Approved Settlement Agreement,¹ Hydro Ottawa’s Approved Gross Assets and
11 Accumulated Depreciation are fixed for the five year rate term. The Parties² agreed that “Hydro
12 Ottawa’s 2021-2025 Custom IR plan, as updated with the amendments agreed upon in this Settlement
13 Proposal, provides adequate resources to allow the utility to manage its assets while satisfying
14 customer preferences and expectations, and to operate a safe and reliable electricity distribution
15 system.”³ As part of the amendments, the Parties agreed it was reasonable to reduce the capital
16 spending and additions by \$10.M. Please see Exhibit 2-4-1: Capital Expenditure Summary for further
17 details.

18
19 Table 1 below provides a summary of Hydro Ottawa’s Approved 2021-2025 Gross Assets, Accumulated
20 Depreciation and resulting average net book Value.

21 ¹ Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261 (September
22 18, 2020).

23 ² Hydro Ottawa and the following intervenor groups: Building Owners and Managers Association, Consumers Council of
24 Canada, Distributed Resource Coalition, Environmental Defence, Energy Probe Research Foundation, Pollution Probe, School
25 Energy Coalition, Vulnerable Energy Consumers Coalition.

26 ³ Ibid., p. 11

1
 2 **Table 1 – Gross Assets, Accumulated Depreciation and Net Book Value (\$000)**

	2021 Approved	2022 Approved	2023 Approved	2024 Approved	2025 Approved
Opening Gross Assets	\$1,358,887	\$1,507,478	\$1,626,152	\$1,700,252	\$1,779,853
Closing Gross Assets	\$1,507,478	\$1,626,152	\$1,700,252	\$1,779,853	\$1,896,452
Average Gross Assets	\$1,433,182	\$1,566,815	\$1,663,202	\$1,740,052	\$1,838,152
Opening Accumulated Depreciation	\$ (275,287)	\$ (324,639)	\$ (377,881)	\$ (433,247)	\$ (490,428)
Closing Accumulated Depreciation	\$ (324,639)	\$ (377,881)	\$ (433,247)	\$ (490,428)	\$ (551,211)
Average Accumulated Depreciation	\$ (299,963)	\$ (351,260)	\$ (405,564)	\$ (461,838)	\$ (520,820)
Opening Net Book Value	\$1,083,600	\$1,182,840	\$1,248,271	\$1,267,004	\$1,289,424
Closing Net Book Value	\$1,182,840	\$1,248,271	\$1,267,004	\$1,289,424	\$1,345,241
Average Net Book Value	\$1,133,220	\$1,215,555	\$1,257,638	\$1,278,214	\$1,317,333

3
 4 As per the 2021-2025 Approved Settlement Agreement, a number of regulatory accounts will track any
 5 revenue requirement associated with certain variances to the approved 2021-2025 capital additions
 6 that are included in rate base - namely, the Capital Variance Accounts and the Connection Cost
 7 Recovery Agreement (“CCRA”) Payments Deferral Account. For a summary of Approved Capital
 8 Additions by capital program and for items not included in capital asset additions for the 2021-2025
 9 term please see Exhibit 2-4-1: Capital Expenditure Summary. For more detail on the regulatory
 10 accounts that track revenue requirement variances, please see Exhibit 9-1-3: Group 2 Accounts.

WORKING CAPITAL REQUIREMENT

1

2

1. INTRODUCTION

4 This Schedule provides a summary of the components of the Working Capital Requirement agreed to in
5 Hydro Ottawa's 2021-2025 Approved Settlement Agreement.¹ As part of the Agreement, all
6 components of the working capital will be annually adjusted based on the inflationary factor published
7 by the OEB for incentive rate-setting under Price Cap IR and Annual Index applications. Hydro Ottawa
8 will update its proposed working capital and the resulting impact on its proposed 2022 revenue
9 requirement and rates when the OEB publishes its inflation factor for the year 2022.

10

11 Table 1 presents the 2021 approved working capital allowance ("WCA").

12

13

Table 1 – 2021 Approved Working Capital Allowance (\$'000s)

	2021 Approved
Power Supply Expenses	\$1,048,856
OM&A Expenses	\$90,600
Total Expenses for Working Capital	\$1,139,456
Working Capital %	7.50%
TOTAL WCA	\$85,459

14

15 Table 2 below presents the 2022 proposed and 2023-2025 illustrative WCA. As a placeholder pending
16 publication of the OEB's inflation factor, the 2022 WCA has been inflated by the OEB's 2021 inflation
17 rate of 2.2%.² Values presented for 2023-2025 align with what was presented as illustrative totals at the
18 draft rate order stage of Hydro Ottawa's 2021-2025 Custom Incentive Rate-setting ("Custom IR")
19 Application.³

20

21 ¹ Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261 (September
22 18, 2020).

23 ² *Ibid.*, pp. 18-19.

24 ³ *Ibid.*, p. 19.

1 **Table 2 – Working Capital Allowance 2022-2025 (\$'000s)**

	2022 Proposed	2023 Illustrative	2024 Illustrative	2025 Illustrative
Prior Year Working Capital Allowance	\$85,459	\$87,339	\$89,261	\$91,224
Annual Increase	2.20%	2.20%	2.20%	2.20%
Current Year Total WCA	\$87,339	\$89,261	\$91,224	\$93,231

2

3 **2. WORKING CAPITAL PERCENTAGE**

4 The Parties to the 2021-2025 Settlement Agreement⁴ agreed that Hydro Ottawa would incorporate the
 5 OEB's default WCA percentage of 7.5% for the WCA included in the rate base calculation.

6

7 **3. OPERATIONS, MAINTENANCE AND ADMINISTRATION**

8 For more details on the Operations, Maintenance & Administration ("OM&A") expenses summarized in
 9 Table 1, please see Exhibit 4-1-2: Operations, Maintenance and Administration Summary.

10

11 Please note all components of working capital are increased by the inflationary factor, which is a
 12 different escalation factor than what is applied to the proposed OM&A.

13

14 **4. CALCULATION OF POWER SUPPLY EXPENSE**

15 As discussed above, total Cost of Power for the years 2022-2025 will be inflated from the base 2021
 16 figure using the OEB's annual inflation factor.

17

18 Please see Exhibit 3-1-1: Load Forecast for details on the billing determinants underpinning the
 19 estimated 2021 Power Supply Expense and the forecasted purchased kWh and peak kW produced by
 20 the load forecast.

21 ⁴ Hydro Ottawa and the following intervenor groups: Building Owners and Managers Association, Consumers Council of
 22 Canada, Distributed Resource Coalition, Environmental Defence, Energy Probe Research Foundation, Pollution Probe, School
 23 Energy Coalition, Vulnerable Energy Consumers Coalition.

CAPITAL EXPENDITURE SUMMARY

1

2

1. INTRODUCTION

3 This Schedule provides a summary of the approved capital expenditures as per the 2021-2025
4 Approved Settlement Agreement.¹ Expenditures were planned in the following OEB-defined categories:
5 System Access, System Renewal, System Service, and General Plant.
6

7

8 As part of the 2021-2025 Approved Settlement Agreement the Parties² agreed that it was reasonable to
9 reduce the capital spending and additions by \$10.0M. Although Hydro Ottawa summarized the \$10.0M
10 adjustment within the Settlement Agreement, which is also reflected in the tables below, it was agreed
11 that “Hydro Ottawa will retain the flexibility within the agreed-upon envelope approach to make more
12 informed decisions over the course of the five-year rate term regarding the implementation of these
13 reductions.”³

14

2. CAPITAL EXPENDITURES

15 The utility’s 2016-2020 capital plan represented the highest level of average annual capital
16 expenditures in any multi-year rate term in Hydro Ottawa’s history. Capital spending during that period
17 focused on the enhancement of system capacity to keep pace with growth and shifts in loads within the
18 service territory, as well as renewal of the aged and aging infrastructure at risk of failure.
19 Notwithstanding this progress, however, renewing Hydro Ottawa’s aged and aging infrastructure in
20 deteriorating condition (i.e. stations, and underground and overhead systems) at an appropriate pace
21 remains a priority for both near-term performance and long-term sustainability of the distribution
22 system.
23

24

25 ¹ Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261 (September
26 18, 2020).

27 ² Hydro Ottawa and the following intervenor groups: Building Owners and Managers Association, Consumers Council of
28 Canada, Distributed Resource Coalition, Environmental Defence, Energy Probe Research Foundation, Pollution Probe, School
29 Energy Coalition, Vulnerable Energy Consumers Coalition.

30 ³ Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261 (September
31 18, 2020), p. 20.

1 Hydro Ottawa’s service territory continues to be characterized by both a growing and a shifting
 2 customer base. In terms of growth, expanding suburban areas and load intensification in established
 3 communities are driving a need for investments to maintain reliability, increase supply capacity, and
 4 reduce the frequency and duration of outages. At the same time, as customer priorities and needs
 5 evolve with the advancement of technology and innovation, discernible shifts are being triggered: in
 6 patterns of supply and demand; in preferences with regards to the availability of information on the
 7 services received by customers; and in expectations for how quickly and effectively Hydro Ottawa can
 8 restore service when an outage occurs.

9

10 Table 1 provides a summary of these expenditures for 2021-2025.

11

12

Table 1 – Summary of Capital Expenditures (\$’000,000s)

Investment Category	2021 Approved	2022 Approved	2023 Approved	2024 Approved	2025 Approved
System Access (net of contribution)	\$17.8	\$17.9	\$17.7	\$15.6	\$15.3
System Renewal and Service	\$72.2	\$72.3	\$64.5	\$64.6	\$64.4
General Plant including CCRAs	\$33.2	\$11.3	\$7.3	\$17.0	\$16.4
TOTAL	\$123.2	\$101.5	\$89.6	\$97.2	\$96.0
\$10.0M Reduction	(\$3.0)	(\$2.2)	(\$1.6)	(\$2.1)	(\$1.0)
TOTAL AFTER REDUCTION	\$120.2	\$99.3	\$88.0	\$95.1	\$95.0

13

14 **3. CAPITAL ADDITIONS SUMMARY**

15 Hydro Ottawa’s Approved Capital Additions, inclusive of \$10.0M agreed reduction, over the 2021-2025
 16 Custom Incentive Rate-setting (“Custom IR”) Term is summarized in Table 2.

17

18

Table 2 – Summary of Capital Additions (inclusive of \$10.0M Reduction) (\$’000,000s)

Investment Category	2021 Approved	2022 Approved	2023 Approved	2024 Approved	2025 Approved
System Access (net of contribution)	\$19.5	\$17.9	\$17.6	\$15.6	\$15.3
System Renewal and Service	\$67.5	\$92.5	\$53.9	\$59.3	\$81.0
General Plant including CCRAs	\$65.8	\$12.1	\$6.2	\$7.9	\$22.9
TOTAL	\$152.8	\$122.5	\$77.8	\$82.8	\$119.2

1 **4. ITEMS NOT INCLUDED IN CAPITAL ADDITIONS**

2 As part of the 2016-2020 Approved Settlement Agreement, a Capital Investment Variance Account was
3 established to “track variances and associated revenue requirement impacts computed and tracked on
4 an annual basis, resulting from any underspending in the three categories [General Plant, System
5 Renewal and Service, and System Access] calculated on a cumulative basis. Disposition of any credit
6 to customers will occur at the end of the five-year term.”⁴ As part of the 2021-2025 Approved
7 Settlement Agreement, the Parties agreed that this variance account would continue with some
8 modification. For 2021-2025 the associated revenue requirement of a portion of the System Access
9 category, specifically plant relocation and residential expansion, will be tracked in a separate Variance
10 Account and will be symmetrical. The Capital Investment Variance Account does not impact Hydro
11 Ottawa’s proposed distribution rates for 2022. No amount has been recorded into the variance account
12 to date. Please see Exhibit 9-1-3: Group 2 Accounts for more details.

13
14 In addition, as part of the 2021-2025 Approved Settlement Agreement, the Parties agreed to the
15 continued use of the Connection Cost Recovery Agreement (“CCRA”) Payment Deferral Account with
16 modification. With the modification, the account will now include the difference in revenue requirement
17 of new and true-up payments between what Hydro Ottawa has forecasted and what is actually paid for
18 in CCRA payments. Please see Exhibit 9-1-3: Group 2 Accounts for more details.

19
20 Lastly, the Parties agreed to the application of a stretch factor to be applied to Hydro Ottawa’s
21 capital-related revenue requirement. Please see Exhibit 6-1-1: Calculation of Revenue Deficiency or
22 Sufficiency for more details.

23
24 **5. ADDITIONAL CAPITAL PLAN ITEMS**

25 As part of the 2021-2025 Approved Settlement Agreement, Hydro Ottawa agreed to meaningfully
26 consider the goals of its capital plan “with a view to pursuing cost efficiencies, reduced emissions, and
27 enhanced energy outcomes for consumers in the City of Ottawa.”⁵ In addition, Hydro Ottawa will

28 ⁴ Hydro Ottawa Limited, *2016-2020 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2015-0004 (December
29 7, 2015), p. 25.

30 ⁵ Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261 (September
31 18, 2020), p. 22.

1 consider these elements in its next Distribution System Plan and Business Plan, and will report on
2 realized cost-efficiency and coordination related to the City of Ottawa's action plan for reducing
3 greenhouse gas emissions, also known as Energy Evolution, in its next rebasing application.

4
5 The Parties also accepted Hydro Ottawa's proposal to capitalize some integration-related,
6 non-recurring cloud computing costs associated with its Enterprise Resource Planning system of the
7 type that had previously been accepted by the utility's auditors. However, the Parties noted that "such
8 acceptance should not be construed as: (i) Parties accepting the appropriateness of such regulatory
9 treatment generally, or in the future, with respect to these specific costs; (ii) approval from the OEB that
10 such regulatory treatment is appropriate; or (iii) the provision of guidance to Hydro Ottawa's auditors,
11 who shall make an independent judgement regarding this issue."⁶

12
13 In addition, the parties agree that Hydro Ottawa shall prepare a plan to reduce distribution losses and
14 implement as many of the cost-effective measures as possible during 2022-2025. In Hydro Ottawa's
15 next rebasing application and DSP, all other cost-effective measures will be incorporated. Please see
16 Exhibit 8-9-1: Loss Adjustment Factors for more detail.

17
18 Lastly, the Parties support Phase 2 of the MiGen pilot project⁷ "on the understanding that (i) all
19 parameters and metrics (including the project's impact on reliability, customer costs/savings,
20 generation, electric vehicle penetration, line losses, and potential costs and savings from any proposed
21 future expansion of the pilot after 2025) be reported and included in Hydro Ottawa's next rebasing
22 application, and (ii) the ratepayer costs of the project be limited to the budgeted \$2.2M over the
23 2021-2025 period."⁸

24 ⁶ Ibid., p. 22.

25 ⁷ As described in the updates to section 2.3.3 of Attachment 2-4-3(E): Material Investments filed on May 5, 2020 and in the
26 response to interrogatory DRC-9 in Hydro Ottawa's Custom IR proceeding, EB-2019-0261.

27 ⁸ Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261
28 (September 18, 2020), p. 23.

LOAD FORECAST

1

2

1. INTRODUCTION

3 Hydro Ottawa engaged Itron to complete a 2021-2025 sales and energy forecast, including total energy
4 and demand sales by rate class, total number of customers and connections, and billing demand, for its
5 2021-2025 Custom Incentive Rate-setting (“Custom IR”) Application. As an outcome of the 2021-2025
6 Approved Settlement Agreement,¹ the forecast numbers have been set for the five year Custom IR
7 term. The Load Forecast was presented both with and without Conservation and Demand Management
8 (“CDM”) and included a customized approach for CDM saving thresholds for the Lost Revenue
9 Adjustment Mechanism Variance Account (“LRAMVA”).
10

11

12 As described in the 2021-2025 Approved Settlement Agreement, the Parties² acknowledge that “the
13 values for Residential, General Service < 50 kW, General Service 50 to 1,000 kW Non Interval, and
14 General Service 50 to 1,000 kW Interval models have a CDM variable in the regression models. The
15 resulting model output includes the impact of future CDM. As a result of the coefficient on the CDM
16 variable, the CDM output from the model is not a one-to-one relationship to the proposed CDM savings.
17 Adjustments for CDM for the General Service 1,000 to 1,499 kW, General Service 1,500 to 4,999 kW,
18 Large Use, Unmetered Scattered Load, and Street Lighting classes happen outside of the model
19 specification. In addition, the annualized savings are transformed into a monthly series, and in some
20 cases a centered moving average is used to smooth the transition from year to year. This also results in
21 the proposed CDM savings not having a one-to-one relationship with the output of CDM within the Load
22 Forecast.”³

23

2. 2021-2025 LOAD FORECAST

24 Table 1 below provides Hydro Ottawa’s sales forecast by MWh for 2021-2025.
25

26 ¹ Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261 (September
27 18, 2020).

28 ² Hydro Ottawa and the following intervenor groups: Building Owners and Managers Association, Consumers Council of
29 Canada, Distributed Resource Coalition, Environmental Defence, Energy Probe Research Foundation, Pollution Probe, School
30 Energy Coalition, Vulnerable Energy Consumers Coalition.

31 ³ Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261 (September
32 18, 2020), Attachment 3, p. 1.

1 **Table 1 – 2021-2025 Energy Sales Forecast by Customer Class (MWh)⁴**

	2021 Approved	2022 Approved	2023 Approved	2024 Approved	2025 Approved
Residential	2,258,843	2,280,182	2,305,786	2,339,674	2,359,684
General Service < 50 kW	708,639	710,222	713,228	717,823	719,362
General Service 50 to 1,000 kW Non Interval	1,091,085	1,056,449	1,021,440	988,364	949,975
General Service 50 to 1,000 kW Interval	1,364,773	1,413,973	1,463,774	1,517,384	1,564,934
General Service 1,000 to 1,499 kW	389,402	392,217	394,994	398,727	401,058
General Service 1,500 to 4,999 kW	693,934	698,365	703,557	710,450	714,171
Large Use	575,952	575,413	575,413	577,069	575,413
Unmetered Scattered Load	13,641	13,188	12,737	12,285	11,834
Sentinel Lighting	47	47	47	47	47
Street Lighting	23,955	23,893	23,893	23,893	23,893
TOTAL MWh SALES	7,120,269	7,163,948	7,214,868	7,285,717	7,320,370

2
 3
 4 Table 2 provides Hydro Ottawa’s demand forecast by kW for 2021-2025. CDM demand savings are
 5 modeled as a function of Sales.

7 **Table 2 – 2021-2025 Demand Sales Forecast by Customer Class (kW)**

	2021 Approved	2022 Approved	2023 Approved	2024 Approved	2025 Approved
General Service 50 to 1,000 kW Non Interval	2,810,072	2,734,277	2,657,662	2,585,280	2,501,269
General Service 50 to 1,000 kW Interval	3,201,012	3,297,917	3,396,004	3,501,595	3,595,248
General Service 1,000 to 1,499 kW	860,836	866,547	872,179	879,752	884,481
General Service 1,500 to 4,999 kW	1,537,380	1,545,513	1,555,042	1,567,693	1,574,524
Large Use	1,055,426	1,054,605	1,054,605	1,057,124	1,054,605
Standby Power	7,440	7,440	7,440	7,440	7,440
Sentinel Lighting	132	132	132	132	132
Street Lighting	66,556	66,152	66,152	66,152	66,152
TOTAL KW DEMAND SALES	9,538,854	9,572,582	9,609,217	9,665,168	9,683,851

8 ⁴ This forecast does not include the Dry Core Transformer Charge.

1 **3. CUSTOMER AND CONNECTION FORECAST**

2 Tables 3 below provides Hydro Ottawa’s average number of customers for the 2021-2025 period as per
 3 the 2021-2025 Approved Settlement Agreement.

4

5

Table 3 – 2021-2025 Average Number of Customers by Class

	2021 Approved	2022 Approved	2023 Approved	2024 Approved	2025 Approved
Residential	316,346	319,510	322,705	325,932	329,191
General Service < 50 kW	25,391	25,554	25,704	25,846	25,987
General Service 50 to 1,000 kW Non Interval	2,004	1,930	1,856	1,781	1,707
General Service 50 to 1,000 kW Interval	1,043	1,084	1,126	1,168	1,212
General Service 1,000 to 1,499 kW	73	73	73	73	73
General Service 1,500 to 4,999 kW	68	68	68	68	68
Large Use	11	11	11	11	11
Standby Power	3	3	3	3	3
TOTAL CUSTOMERS	344,940	348,233	351,545	354,883	358,252

6

7 Tables 4 below provide Hydro Ottawa’s average number of connections for the 2021-2025 period as
 8 per the 2021-2025 Approved Settlement Agreement.

9

10

Table 4 – 2021-2025 Average Number of Connections by Customer Class

	2021 Approved	2022 Approved	2023 Approved	2024 Approved	2025 Approved
Unmetered Scattered Load	3,321	3,321	3,321	3,321	3,321
Sentinel Lighting	55	55	55	55	55
Street Lighting	62,806	63,725	64,645	65,564	66,484
TOTAL CONNECTIONS	66,182	67,101	68,021	68,940	69,860

11

12 **4. TRANSFORMER OWNERSHIP CREDIT FORECAST**

13 Table 5 below provides Hydro Ottawa’s Approved forecast kW for 2021-2025 for the transformer
 14 ownership credit (“TOC”).

1 As part of the Approved 2021-2025 Approved Settlement Agreement the parties agreed that as of
 2 November 1, 2025, the TOC will be discontinued for all customers. Please refer to Exhibit 8-1-1:
 3 Fixed/Variable Proportion for more details.

4

5 **Table 5 – 2021-2025 Demand Sales Forecast (kW) for Transformer Ownership Credit**

	2021 Approved	2022 Approved	2023 Approved	2024 Approved	2025 Approved
General Service 50 to 1,000 kW Non Interval	312,336	313,462	314,671	316,518	265,838
General Service 50 to 1,000 kW Interval	101,746	102,113	102,507	103,108	86,599
General Service 1,000 to 1,499 kW	354,927	356,207	357,581	359,679	302,089
General Service 1,500 to 4,999 kW	889,684	892,893	896,336	901,596	757,236
Large Use	707,488	710,040	712,778	716,960	602,164
TOTAL KW DEMAND SALES	2,366,182	2,374,715	2,383,873	2,397,861	2,013,925

6

7 For the 2022 class level revenue forecast for the transformer ownership credit, please see Attachment
 8 6-1-1(A): OEB Workform - 2022 Revenue Requirement Workform.

9

10 **5. LOAD FORECAST PRIOR TO CDM ADJUSTMENTS**

11 Table 6 below provides Hydro Ottawa’s sales forecast excluding CDM impacts. As discussed in Section
 12 1 above, the CDM savings do not have a one-to-one relationship with the output of CDM within the
 13 Load Forecast.

14

15 For clarity, Table 6 is the sum of Table 1 and Table 8.

1 **Table 6 – 2021-2025 Energy Sales Forecast without CDM by Customer Class (MWh)⁵**

	2021 Approved	2022 Approved	2023 Approved	2024 Approved	2025 Approved
Residential	2,258,843	2,280,182	2,305,786	2,339,674	2,359,684
General Service < 50 kW	720,115	722,974	725,981	730,576	732,114
General Service 50 to 1,000 kW Non Interval	1,102,247	1,067,368	1,032,028	998,682	960,071
General Service 50 to 1,000 kW Interval	1,378,809	1,428,642	1,479,005	1,533,289	1,581,629
General Service 1,000 to 1,499 kW	394,239	397,048	399,591	402,923	404,684
General Service 1,500 to 4,999 kW	730,959	736,095	741,287	748,180	751,902
Large Use	604,263	604,263	604,263	605,919	604,263
Unmetered Scattered Load	13,714	13,263	12,812	12,360	11,909
Sentinel Lighting	47	47	47	47	47
Street Lighting	27,415	27,419	27,419	27,419	27,419
TOTAL MWh SALES	7,230,651	7,277,300	7,328,220	7,399,069	7,433,723

2
 3 Table 7 provides Hydro Ottawa's demand forecast excluding CDM impacts. For clarity, Table 7 is the
 4 sum of Table 2 and Table 9.

5
 6 **Table 7 – 2021-2025 Demand Sales Forecast without CDM by Customer Class (kW)**

	2021 Approved	2022 Approved	2023 Approved	2024 Approved	2025 Approved
General Service 50 to 1,000 kW Non Interval	2,834,500	2,758,170	2,680,834	2,607,858	2,523,364
General Service 50 to 1,000 kW Interval	3,228,658	3,326,809	3,426,004	3,532,920	3,628,131
General Service 1,000 to 1,499 kW	870,649	876,346	881,506	888,263	891,836
General Service 1,500 to 4,999 kW	1,605,335	1,614,763	1,624,293	1,636,944	1,643,774
Large Use	1,098,490	1,098,490	1,098,490	1,101,009	1,098,490
Standby Power	7,440	7,440	7,440	7,440	7,440
Sentinel Lighting	132	132	132	132	132
Street Lighting	75,860	75,890	75,891	75,891	75,891
TOTAL KW DEMAND SALES	9,721,064	9,758,040	9,794,589	9,850,457	9,869,058

7
 8 ⁵ This forecast does not include the Dry Core Transformer Charge.

1 **6. CDM ADJUSTMENTS IN LOAD FORECAST**

2 Tables 8 and 9 provide Hydro Ottawa's approved CDM adjustments for savings achieved after 2020.

3

4 **Table 8 – 2021-2025 Energy Sales CDM Adjustments by Customer Class (MWh)**

	2021 Approved	2022 Approved	2023 Approved	2024 Approved	2025 Approved
Residential	0	0	0	0	0
General Service < 50 kW	11,476	12,752	12,753	12,753	12,752
General Service 50 to 1,000 kW Non Interval	11,162	10,919	10,588	10,318	10,096
General Service 50 to 1,000 kW Interval	14,036	14,669	15,231	15,905	16,695
General Service 1,000 to 1,499 kW	4,837	4,831	4,597	4,196	3,626
General Service 1,500 to 4,999 kW	37,025	37,730	37,730	37,730	37,731
Large Use	28,311	28,850	28,850	28,850	28,850
Unmetered Scattered Load	73	75	75	75	75
Sentinel Lighting	0	0	0	0	0
Street Lighting	3,460	3,526	3,526	3,526	3,526
TOTAL MWh SALES	110,382	113,352	113,352	113,352	113,353

5

6 **Table 9 – 2021-2025 Demand Sales CDM Adjustments by Customer Class (kW)**

	2021 Approved	2022 Approved	2023 Approved	2024 Approved	2025 Approved
General Service 50 to 1,000 kW Non Interval	24,428	23,893	23,172	22,578	22,095
General Service 50 to 1,000 kW Interval	27,646	28,892	30,000	31,325	32,883
General Service 1,000 to 1,499 kW	9,813	9,799	9,327	8,511	7,355
General Service 1,500 to 4,999 kW	67,955	69,250	69,251	69,251	69,250
Large Use	43,064	43,885	43,885	43,885	43,885
Standby Power	0	0	0	0	0
Sentinel Lighting	0	0	0	0	0
Street Lighting	9,304	9,738	9,739	9,739	9,739
TOTAL KW DEMAND SALES	182,210	185,458	185,372	185,289	185,207

7

1 **7. ANNUALIZED CDM THRESHOLD FOR LRAMVA**

2 Tables 10 and 11 provide Hydro Ottawa’s Annualized CDM Thresholds for the LRAMVA for 2021-2025,
 3 as set in the 2021-2025 Approved Settlement Agreement.

4

5 **Table 10 – 2021-2025 Annualized CDM Threshold for LRAMVA (MWh)⁶**

	2021 Approved	2022 Approved	2023 Approved	2024 Approved	2025 Approved
Residential	0	0	0	0	0
General Service < 50 kW	13,129	13,064	12,999	12,935	12,871
General Service 50 to 1,499 kW	35,710	35,533	35,358	35,183	35,008
General Service 1,500 to 4,999 kW	37,731	37,633	37,536	37,439	37,343
Large Use	28,851	28,837	28,823	28,809	28,795
Unmetered Scattered Load	75	75	74	74	74
Sentinel Lighting	0	0	0	0	0
Street Lighting	3,526	3,509	3,491	3,474	3,457
TOTAL MWh	119,021	118,650	118,281	117,914	117,546

6

7 **Table 11 – 2021-2025 Annualized CDM Threshold for LRAMVA (kW)**

	2021 Approved	2022 Approved	2023 Approved	2024 Approved	2025 Approved
General Service 50 to 1,499 kW	63,939	63,623	63,308	62,995	62,682
General Service 1,500 to 4,999 kW	67,557	67,382	67,208	67,035	66,862
Large Use	51,658	51,632	51,607	51,582	51,557
Standby Power	0	0	0	0	0
Sentinel Lighting	0	0	0	0	0
Street Lighting	6,313	6,282	6,251	6,220	6,189
TOTAL KW DEMAND SALES	189,467	188,920	188,375	187,833	187,291

8

9 ⁶ This forecast does not include the Dry Core Transformer Charge.

- 1 The CDM adjustments related to the Conservation First Framework (“CFF”) wind-down were
- 2 incorporated in the Load Forecast using a half year approach, while the CDM LRAMVA thresholds were
- 3 set on an annualized basis.
- 4
- 5 For more details related to the LRAMVA Account, please see Exhibit 4-4-2: LRAM Variance Account.

OTHER REVENUE SUMMARY

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1. INTRODUCTION

Other Revenue, also referred to as Revenue Offsets, relates to all utility revenues other than distribution and cost of power revenues. Hydro Ottawa has classified these into categories, each of which is described in more detail within the following Schedules:

- Exhibit 3-2-2: Specific Service Charges
- Exhibit 3-2-3: Late Payment Charges
- Exhibit 3-2-4: Other Operating Revenue and
- Exhibit 3-2-5: Other Income and Deductions

Table 1 provides a summary of the approved, proposed and illustrative Other Revenue, by Uniform System of Accounts (“USofA”) for 2021-2025. The totals for 2022 and subsequent years are those provided during the draft rate order stage of Hydro Ottawa’s 2021-2025 Custom Incentive Rate-setting (“Custom IR”) Application.

Table 1 – Other Revenue Summary (\$’000s)

	2021 Approved	2022 Proposed	2023 Illustrative	2024 Illustrative	2025 Illustrative
Specific Service Charges (4235)	\$5,119	\$5,382	\$5,593	\$5,872	\$6,100
Late Payment Charges (4225)	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Other Operating Revenue (4082, 4084, 4086, 4090)	\$1,456	\$1,463	\$1,460	\$1,459	\$1,472
Other Income & Deductions (4315, 4325, 4330, 4362, 4375, 4405)	\$2,105	\$1,691	\$2,017	\$2,181	\$2,081
TOTAL OTHER REVENUE	\$9,680	\$9,536	\$10,070	\$10,512	\$10,653

19
20 Some portions of other revenue have been set for the Custom IR term, while a portion of the rates and
21 charges that are incorporated into other revenue will be updated annually per the agreed Custom Price

1 Escalation Factor (“CPEF”) established in the 2021-2025 Approved Settlement Agreement, but will not
 2 include the “G” factor.¹ Table 2 provides a description of the CPEF (excluding the “G” factor).

3

4

Table 2 – Other Revenue Custom Price Escalation Factor

Component	As per Settlement Proposal
Inflation factor (“I”)	<ul style="list-style-type: none"> ● Uses the OEB inflation rate for incentive rate-setting under Price Cap IR and Annual Index plans ● Uses standard OEB labour/non-labour weighting factors ● Updated Annually
Productivity factor (“X”)	<ul style="list-style-type: none"> ● 0.45% (0% Total Productivity Factor plus 0.45% stretch factor) ● Fixed for duration of Custom IR term
Total CPEF Value: (I - X)	<ul style="list-style-type: none"> ● $2.2\% - 0.45\% = 1.75\%$²

5

6 Hydro Ottawa will update the proposed revenue requirement and impacted rates and charges when the
 7 OEB publishes its inflation factor for incentive rate-setting under Price Cap IR and Annual Index plans
 8 for the year 2022. For the calculation of 2022 revenue required from distribution rates and revenue
 9 deficiency, please see Exhibit 6-1-1: Calculation of Revenue Deficiency or Sufficiency. Please see
 10 Exhibit 8-7-1: Specific Service Charges for a presentment of the rates and charges incorporated into
 11 other revenue.

12 ¹ Hydro Ottawa Limited, 2021-2025 *Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261 (September
 13 18, 2020) p. 28.

14 ² For illustrative purposes, this equation uses the OEB’s inflation factor for incentive rate-setting under Price Cap IR and
 15 Annual Index plans for the year 2021, which is 2.2%. The inflation factor will be updated when the OEB’s inflationary
 16 adjustment for 2022 is published.

SPECIFIC SERVICE CHARGES

1

2

1. INTRODUCTION

3 Specific Service Charges (“SSCs”) are applied for service requests or activities which primarily benefit
4 or are attributed to the requesting customer or are necessitated by customer inaction. Examples include
5 setting up an account for a new customer or collection action arising from non-payment of an account.
6

7

8 The revenue from these charges offset the total revenue requirement. Please see Exhibit 6-1-1:
9 Calculation of Revenue Deficiency or Sufficiency for more details regarding revenue requirement and
10 revenue offsets.

11

12 As part of the rebasing Application process, routine service charges were reviewed to ensure that the
13 associated costs of providing such services were appropriately recovered. As part of the 2021-2025
14 Approved Settlement Agreement,¹ the Parties² agreed to a modified approach to the annual inflation of
15 certain SSCs and the removal of the reconnect at meter charges under the Customer Administration
16 category. For a more detailed description of the annual escalation factor please see Exhibit 3-2-1: Other
17 Revenue Summary.

18

2. SPECIFIC SERVICE CHARGE REVENUE

19 Each SSC is forecasted based on the rate factored by the estimated volume. Hydro Ottawa provides
20 the expected revenue trend for each SSC in 2022 below, and describes how each rate will be adjusted.
21 For each SSC’s rates, please see Exhibit 8-7-1: Specific Service Charges. Volumes were set as part of
22 the 2021-2025 Approved Settlement Agreement.
23

24

25 Table 1 below provides the 2021 approved, 2022 proposed and 2023-2025 illustrative revenue for each
26 SSC.

27 ¹ Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261 (September
28 18, 2020).

29 ² Hydro Ottawa and the following intervenor groups: Building Owners and Managers Association, Consumers Council of
30 Canada, Distributed Resource Coalition, Environmental Defence, Energy Probe Research Foundation, Pollution Probe, School
31 Energy Coalition, Vulnerable Energy Consumers Coalition.

1 **Table 1 – Specific Service Charge Revenue (\$'000s)**

	2021 Approved	2022 Proposed	2023 Illustrative	2024 Illustrative	2025 Illustrative
Customer Administration					
Arrears Certificate (formerly Account Certificate)	\$0	\$0	\$0	\$0	\$0
Easement Certificate for Unregistered Easements	\$7	\$8	\$8	\$8	\$8
Duplicate invoices for previous billing	\$1	\$1	\$1	\$1	\$1
Special Billing Service	\$6	\$6	\$6	\$6	\$6
Credit Reference/Credit Check (+ credit agency costs)	\$2	\$3	\$3	\$3	\$3
Unprocessed Payment Charge (+ bank fees)	\$50	\$52	\$52	\$54	\$54
Account Set Up Charge / Change of Occupancy Charge	\$1,413	\$1,470	\$1,470	\$1,526	\$1,526
Interval Meter - Field Reading	\$1	\$1	\$1	\$1	\$1
High Bill Investigation - If Billing is Correct	\$2	\$2	\$2	\$2	\$2
Non-Payment of Account					
Collection of Account Charge - No Disconnection	\$0	\$0	\$0	\$0	\$0
Reconnect at Meter - Regular Hours	\$159	\$161	\$162	\$166	\$168
Reconnect at Meter - After Regular Hours	\$60	\$61	\$61	\$63	\$65
Reconnect at Pole - Regular Hours	\$4	\$4	\$4	\$4	\$4
Reconnect at Pole - After Regular Hours	\$1	\$1	\$1	\$1	\$1
Other					
Temporary Service - Install and Remove ("TS-I&R") - Overhead - no transformer	\$11	\$11	\$12	\$12	\$12
TS-I&R - Underground - no transformer	\$25	\$26	\$26	\$27	\$27
TS-I&R Overhead - with transformer	\$9	\$9	\$10	\$10	\$10
Wireline Pole Attachments	\$3,246	\$3,369	\$3,498	\$3,631	\$3,769
Wireless Pole Attachments	\$69	\$141	\$216	\$294	\$376
Drycore Transformer Distribution Charge	\$49	\$52	\$56	\$59	\$63
Energy Resource Facilities Administration Charge	\$0	\$0	\$0	\$0	\$0
TOTAL	\$5,115	\$5,378	\$5,589	\$5,868	\$6,096

2
 3 The SSC rate increases over the Custom Incentive Rate-setting ("Custom IR") term can be separated
 4 into two groups: (1) those that are increased by the custom escalation factor, and (2) those that are
 5 driven by other specific drivers. Regardless of the driver, the revenue provided above for 2022-2025,
 6 with the exception of the Wireless Pole Attachments revenue and the Drycore Transformer Distribution

1 Charge revenue, reflects the totals as provided during the draft rate order stage of Hydro Ottawa's
2 2021-2025 Custom IR Application, and will be updated later during the 2022 rate application process.
3 Please see below for more details.

4

5 **2.1. SSCs ESCALATED BY THE CUSTOM ESCALATION FACTOR**

6 Hydro Ottawa will update the proposed SSCs that are escalated by the custom escalation factor when
7 the OEB publishes its inflation factor for incentive rate-setting under Price Cap IR and Annual Index
8 plans for the year 2022.

9

10 The following SSC volumes are based on the 2021-2025 rate application forecast.

11

12 **2.1.1. Arrears Certificate**

13 Hydro Ottawa expects minimal requests for this service in 2022.

14

15 **2.1.2. Easement Certificate for Unregistered Easements**

16 The forecast volume of 300 transactions for 2022 reflects historical trends.

17

18 **2.1.3. Duplicate Invoices for Previous Billing**

19 The forecast volume of 170 transactions for 2022 reflects historical trends.

20

21 **2.1.4. Special Billing Service**

22 The Special Billing Service charge (formerly Request for other Billing Information) is applied to all
23 requests for customized billing information that involve sourcing, compiling, and presenting several
24 months or years of billing information for customers or their agents. The volume of requests is expected
25 to remain flat in 2022.

26

27 **2.1.5. Credit Reference/Credit Check**

28 The estimated volume of requests for this service is based on historical trends and is expected to
29 remain flat in 2022.

30

31

1 **2.1.6. Unprocessed Payment Charge**

2 Costs associated with this service include internal costs for administering an unprocessable payment
3 (i.e. non-sufficient funds or “NSF”), labour, and bank fees. Bank charges to the customer for processing
4 a NSF cheque are not included. The annual volume of unprocessable payments in 2022 is estimated to
5 be 2,000.

6

7 **2.1.7. Account Set Up Charge/Change of Occupancy Charge**

8 Estimated volume for this service in 2022 is 56,500, reflecting historical trends.

9

10 **2.1.8. Interval Meter - Field Reading**

11 The estimated volume is based on historical trends.

12

13 **2.1.9. High Bill Investigation - If Billing is Correct**

14 The forecasted volume is consistent with historical trends.

15

16 **2.1.10. Reconnect at Meter during Regular Hours**

17 The estimated volume for 2022 is based on historical trends.

18

19 **2.1.11. Reconnect at Meter after Regular Hours**

20 Volumes for this service are forecasted to remain low.

21

22 **2.1.12. Reconnect at Pole during Regular Hours**

23 Based upon historical trending, 17 requests for this service are estimated for 2022.

24

25 **2.1.13. Reconnect at Pole after Regular Hours**

26 Two requests for this service are forecasted in 2022, based upon historical trends.

27

28 **2.1.14. Temporary Service - Install & Remove**

29 Temporary services cover the connection, metering, installation, and removal of required assets to
30 supply electrical energy on a planned temporary basis, as per Hydro Ottawa's Conditions of Service.

1 Transformer rental costs are included in the Temporary Service - Install & Remove - Overhead - with
2 transformer charge. Any additional material costs beyond the standard service, such as the installation
3 of a pole, the upgrade of a secondary buss, or new underground transformer requirements will be
4 charged in addition to this SSC, and will be recorded as Other Income and Deductions.

5

6 The estimated volume of requests for this service is based on historical trends.

7

8 **2.1.15. Energy Resource Facilities Administration Charge**

9 Hydro Ottawa expects minimal requests for this service in 2022.

10

11 **2.2. SSCs NOT ESCALATED BY THE CUSTOM ESCALATION FACTOR**

12 **2.2.1. Specific Access to Power Poles - Wireline Attachments**

13 There are currently pole attachment agreements with telecommunication companies, and agreements
14 with the City of Ottawa and Village of Casselman for streetlight attachments. In 2021, Hydro Ottawa
15 moved from an approved utility-specific wireline pole attachment rate to the OEB's provincial standard
16 rate.

17

18 As a placeholder pending the OEB's rate order for 2022, the 2021 generic pole attachment rate has
19 been inflated by the OEB's 2021 inflationary rate of 2.2% to estimate the proposed 2022 revenue.
20 Revenues presented for 2023-2025 align with what was presented as illustrative revenue at the draft
21 rate order stage of Hydro Ottawa's 2021-2025 Custom IR Application and incorporated into the Final
22 Decision.

23

24 The volume estimate for this service is based on the historical trend, which has seen a modest increase
25 and is set for the five-year Custom IR term.

1 **2.2.2. Specific Access to Power Poles - Wireless Attachments**

2 As part of the 2021-2025 Approved Settlement Agreement, the revenue associated with wireless pole
3 attachments was set for the Custom IR term. A volume of 400 attachments is expected in 2022. No
4 adjustment will be required to the proposed Other Revenue related to wireless attachments.

5

6 **2.2.3. Dry Core Transformer Charges**

7 Dry Core transformer charges are applied to recover the cost of energy lost in the operation of dry core
8 transformers. A specific charge is calculated for each transformer size that is currently in the utility's
9 service area or in CSA-C802-94.

10

11 As per the 2021-2025 Approved Settlement Agreement, Hydro Ottawa will calculate the dry core
12 transformer loss charge for any new size of transformer upon connection, based on the approved dry
13 core rate design. The Schedule of Rates and Tariffs will be updated annually for any new size of
14 transformer. Please see Exhibit 8-7-1: Specific Service Charges for further details on the Dry Core
15 transformer charges.

16

17 As part of the 2021-2025 Approved Settlement Agreement, the revenue associated with dry core
18 transformers was set for the Custom IR term. No adjustment will be required to the proposed Other
19 Revenue related to dry core transformer charges.

LATE PAYMENT CHARGES

1

2

3 An OEB-approved monthly interest rate of 1.5% (effective annual rate of 19.56% per annum or
4 0.04896% compounded daily rate) is applied to outstanding account balances that exceed 20 calendar
5 days from the date on which the bill was issued to the customer.

6

7 Taking into account the continued promotion of automated payment withdrawal services, effective use
8 of the Auto Dialer tool during the Disconnection Moratorium timeframe, and additional proposed OEB
9 Customer Service Rule changes, the Late Payment Charge revenue was proposed at \$1.0M each year
10 of the 2021-2025 term. The Parties¹ agreed to this amount as part of the 2021-2025 Approved
11 Settlement Agreement,² and this amount has been incorporated in the revenue requirement as part of
12 this Application.

13 ¹ Hydro Ottawa and the following intervenor groups: Building Owners and Managers Association, Consumers Council of
14 Canada, Distributed Resource Coalition, Environmental Defence, Energy Probe Research Foundation, Pollution Probe, School
15 Energy Coalition, Vulnerable Energy Consumers Coalition.

16 ² Hydro Ottawa Limited, *2021-2025 Approved Settlement Agreement*, EB-2019-0261 (September 18, 2020), p. 30.

OTHER OPERATING REVENUES

1. OTHER OPERATING REVENUES

Other Operating Revenues include revenue associated with Standard Supply, Retailer, and Generator Services. Expected revenues for Other Operating Revenues were agreed to for all five years of Hydro Ottawa’s 2021-2025 Custom Incentive Rate-setting term, as per the 2021-2025 Approved Settlement Agreement.¹ Hydro Ottawa has incorporated the agreed-upon 2022 revenue into its proposed base revenue requirement.

Table 1 shows the approved revenue for Other Operating Revenues for the 2021-2025 period.

Table 1 – Other Operating Revenue 2021-2025 (\$’000s)

	2021 Approved	2022 Approved	2023 Approved	2024 Approved	2025 Approved
Standard Supply Administration	\$1,012	\$1,022	\$1,031	\$1,041	\$1,051
Retailer Services	\$165	\$148	\$133	\$119	\$107
Generator Services	\$279	\$293	\$296	\$299	\$314
TOTAL	\$1,456	\$1,463	\$1,460	\$1,459	\$1,472

1.1. STANDARD SUPPLY SERVICE ADMINISTRATION CHARGE

The Standard Supply Service Administration Charge (“SSS Charge”) is an administrative charge that allows Hydro Ottawa to recover costs of providing standard supply service to all customers who are not enrolled with a Retailer.

The Parties² agreed that Hydro Ottawa will continue the use of the \$0.25 per customer per month charge set by the OEB, while acknowledging “that the charge has not been adjusted to reflect actual costs or inflation since it was first introduced in 2002. The Parties believe that timely review of the rate

¹ Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261 (September 18, 2020), p. 30.

² Hydro Ottawa and the following intervenor groups: Building Owners and Managers Association, Consumers Council of Canada, Distributed Resource Coalition, Environmental Defence, Energy Probe Research Foundation, Pollution Probe, School Energy Coalition, Vulnerable Energy Consumers Coalition.

1 design methodology associated with the SSS Charge is warranted as part of the OEB's ongoing review
2 of miscellaneous rates and charges."³

3

4 Please see Exhibit 8-7-1: Specific Service Charges for more information related to this charge.

5

6 **1.2. RETAILER SERVICES**

7 Hydro Ottawa charges Retailer Service Charges ("RSCs") to electricity retailers or their customers to
8 recover the cost of providing distribution services on behalf of competitive electricity suppliers. While
9 the revenue generated from the RSCs has declined annually due to a reduction in the number of
10 customers enrolled with a Retailer, expenses related to providing these services have remained
11 relatively constant.

12

13 As agreed to as part of the 2021-2025 Approved Settlement Agreement, Hydro Ottawa will continue to
14 apply the OEB generic rates for RSCs for the five-year Custom Incentive Rate-setting ("Custom IR")
15 term.⁴

16

17 Please see Exhibit 8-4-1: Retail Service Charges for more information on the 2022 RSCs.

18

19 **1.3. GENERATOR SERVICES**

20 Monthly fixed charges for generation customers were introduced by Hydro Ottawa in the 2016-2020
21 Rate Application to ensure recovery of the cost of managing these accounts. The Parties agreed to the
22 continuation of the utility-specific charges for the 2021-2025 Custom IR term.

23

24 Please see Exhibit 8-7-1: Specific Service Charges for more information related to these charges.

25 ³ Hydro Ottawa 2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal, EB-2019-0261 (September 18,
26 2020), p. 29.

27 ⁴ Ibid., p. 61.

OTHER INCOME AND DEDUCTIONS

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2

3 1. OTHER INCOME AND DEDUCTIONS

4 This Schedule provides an overview of the revenue Hydro Ottawa earns through Other Income and
 5 Deductions. As part of its 2021-2025 Approved Settlement Agreement,¹ Other Income and Deductions
 6 revenue was set for the five year Custom Incentive Rate-setting (“Custom IR”) term. Hydro Ottawa has
 7 incorporated the agreed 2022 revenue into its proposed base revenue requirement as part of this
 8 Application.

9

10 The Other Income and Deductions are categorized as follows:

11

- 12 ● Services to Third Parties, net of costs;
- 13 ● Property Rental Income;
- 14 ● Gains and Losses on Disposal of Utility Property;
- 15 ● SLA Services to Hydro Ottawa Affiliates, net of costs; and
- 16 ● Interest and Dividend Income.

17

18 Table 1 summarizes the Other Income and Deductions for the 2021-2025 period.

19

Table 1 – Other Income and Deductions 2021- 2025 (\$’000s)

Other Income and Deductions	2021 Approved	2022 Approved	2023 Approved	2024 Approved	2025 Approved
Services to Third Parties (net of costs)	\$ 1,170	\$ 1,097	\$ 974	\$ 1,130	\$ 1,117
Property Rental Income	\$ 516	\$ 516	\$ 516	\$ 516	\$ 516
Gains and (Losses) on Disposal of Utility Property	\$ (389)	\$ (751)	\$ (323)	\$ (336)	\$ (445)
SLA Services to Hydro Ottawa Affiliates	\$ 4,800	\$ 4,920	\$ 5,043	\$ 5,169	\$ 5,298
SLA Costs from Hydro Ottawa Affiliates	\$ (3,991)	\$ (4,091)	\$ (4,193)	\$ (4,298)	\$ (4,406)
Interest and Dividend Income	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 2,105	\$ 1,691	\$ 2,017	\$ 2,181	\$ 2,081

20 ¹ Hydro Ottawa Limited, 2021-2025 Custom Incentive Rate-Setting Approved Settlement Agreement, EB-2019-0261
 21 (September 18, 2020).

1 **1.1. SERVICES TO THIRD PARTIES**

2 Services to third parties revenues, net of expenses, relate to services provided to customers or third
3 parties that are outside the scope of standard temporary services included in Specific Service Charges
4 (as itemized in Exhibit 3-2-2: Specific Service Charges). These additional services may include isolating
5 and re-energizing services, mutual aid services, transformer vault shutdown escort services, inspection
6 services, generator services, and a recently introduced bill reporting service. A small amount of
7 revenue is also forecasted for providing ad hoc web portal services for viewing interval meter data in a
8 web-based format. Services to the City of Ottawa and to affiliates for the aforementioned services are
9 recorded in Uniform System of Accounts (“USofAs”) Account 4325 Revenues from Merchandise, and
10 Account 4330 Costs and Expenses of Merchandising.

11

12 Hydro Ottawa rents out its underground civil capacity to third parties on a temporary basis through a
13 five-year Access Agreement. These duct rental agreements exist with the City of Ottawa and a major
14 telecommunications provider. Hydro Ottawa has several third parties which pay the applicable Specific
15 Service Charge for wireline pole attachments. These third parties include street light owners,
16 telecommunications providers, and Hydro One Networks Inc. (“Hydro One”).

17

18 **1.2. PROPERTY RENTAL INCOME**

19 Property rental relates to fees paid by Hydro One for land owned by Hydro Ottawa. In many locations in
20 the City of Ottawa, Hydro Ottawa and Hydro One have joint facilities for transformer stations. For
21 situations in which Hydro Ottawa owns the land on which Hydro One has facilities, a rental fee is
22 received.

23

24 Income is also generated by rent paid on a small number of houses located adjacent to certain
25 distribution stations that were previously purchased by Hydro Ottawa. These houses were purchased to
26 facilitate future station expansion.

27

28 **1.3. GAINS AND LOSSES ON DISPOSAL OF UTILITY PROPERTY**

29 Hydro Ottawa periodically disposes of assets that are no longer necessary or re-usable in serving the
30 public (e.g. end-of-life assets, asset failure, damaged beyond repair, relocation requests from third

1 parties, surplus inventory, obsolescence, etc.). Where the proceeds vary from the net book value of an
2 asset, Hydro Ottawa treats the variance as a debit or credit to income.

3

4 As part of Hydro Ottawa 2016-2020 Custom IR Application,² a variance account on the gains and loss
5 on disposal of fixed assets was established. As per Hydro Ottawa's 2021-2025 Approved Settlement
6 Agreement, the Parties³ agreed to continue the use of the variance account. For more details related to
7 USofA 1508 Other Regulatory Assets - Sub-Account - Gains and Loss on Disposal of Fixed Assets
8 Variance Account, please refer to Exhibit 9-1-3: Group 2 Accounts.

9

10 **1.4. SERVICES TO HYDRO OTTAWA AFFILIATES**

11 Hydro Ottawa provides a range of services to its affiliates under the terms of Service Level Agreements
12 ("SLAs"). In addition, Hydro Ottawa provides third party services as described in section 1.1 above.

13

14 Consistent with section 2.4.3.2 of the OEB's *Chapter 2 Filing Requirements for Electricity Distribution*
15 *Rate Applications* as updated on June 24, 2021,⁴ the costs related to SLA services should be included
16 within Other Revenue.⁵

17

18 **1.5. INTEREST AND DIVIDEND INCOME**

19 Interest income refers to interest earned on cash balances within the year. Material cash balances were
20 not forecasted for the 2021-2022 Custom IR term.

21 ² Hydro Ottawa Limited, *2016-2020 Custom Incentive Rate-Setting Distribution Rate Application*, EB-2015-0004 (April 29,
22 2015, Updated June 29, 2015).

23 ³ Hydro Ottawa and the following intervenor groups: Building Owners and Managers Association, Consumers Council of
24 Canada, Distributed Resource Coalition, Environmental Defence, Energy Probe Research Foundation, Pollution Probe, School
25 Energy Coalition, Vulnerable Energy Consumers Coalition.

26 ⁴ Ontario Energy Board, *Chapter 2 Filing Requirements for Electricity Distributor Rate Applications*, (June 24, 2021), page 28.

27 ⁵ Ontario Energy Board, Presentation re: *Chapter 1 & 2 Filing Requirements Update for 2019 Applications: Summary of Key*
28 *Changes* (July 19, 2018), slides 15-16.

EXPENSE SUMMARY

1

2

3 1. INTRODUCTION

4 This Schedule provides an overview of Hydro Ottawa’s total operating expenses, in the context of the
5 2021-2025 Approved Settlement Agreement.¹ These expenses include Operations, Maintenance and
6 Administration (“OM&A”) expenditures, Property Taxes, Depreciation and Amortization expenses, and
7 Payments in Lieu of Taxes (“PILS”). As per the 2021-2025 Approved Settlement Agreement, some of
8 the operating expenses have been fixed while others will be annually adjusted based on a Custom
9 Price Escalation Factor (“CPEF”). Detailed information with respect to these operating expenses is
10 available in Exhibit 4-1-2: Operations, Maintenance and Administration Summary, Exhibit 4-2-1:
11 Depreciation, Amortization Disposal, and Exhibit: 4-3-1: Payments in Lieu of Taxes.

12

13 Please note that throughout this evidence, unless it is explicitly stated otherwise, OM&A is inclusive of
14 property taxes.

15

16 Table 1 below provides Hydro Ottawa’s approved 2021 base year operating expenses, the 2022 OM&A
17 incorporated into the proposed 2022 revenue requirement and rates, and 2023-2025 illustrative
18 operating expenses. For the purpose of the proposed 2022 operating expenses and 2023-2025
19 illustrative operating expenses, Hydro Ottawa has used the approved amounts for Depreciation and
20 placeholders for the other operating expenses that align with the amounts provided in the draft rate
21 order evidence for 2022-2025. Hydro Ottawa will update it’s proposed operating expenses and resulting
22 impact on it’s proposed 2022 revenue requirement and rates when the OEB publishes its inflation factor
23 for incentive rate-setting under Price Cap IR and Annual Index plans for the year 2022. Please see
24 Exhibit 4-1-2: Operations, Maintenance and Administration Summary, and Exhibit: 4-3-1: Payments in
25 Lieu of Taxes for more details.

26 ¹ Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261 (September
27 18, 2020).

1

Table 1 – Total Operating Expenses (\$'000s)

	2021 Approved	2022 Proposed	2023 Illustrative	2024 Illustrative	2025 Illustrative
OM&A excluding Property Tax	\$87,468	\$89,296	\$91,162	\$93,068	\$95,013
Property Tax	\$3,132	\$3,198	\$3,264	\$3,333	\$3,402
OM&A including Property Tax	\$90,600	\$92,494	\$94,427	\$96,400	\$98,415
Depreciation	\$51,956	\$55,472	\$57,686	\$59,039	\$62,125
PILS	\$891	\$2,119	\$6,303	\$8,758	\$5,431
TOTAL	\$143,448	\$150,085	\$158,416	\$164,197	\$165,971

2

3 **2. OM&A SUMMARY**

4 Hydro Ottawa’s OM&A planned expenses included costs that are incurred to continue providing a safe
 5 and reliable electricity distribution system, meeting legislative and regulatory compliance requirements,
 6 and satisfying other operational and maintenance needs.

7

8 Key projects and programs in the 2021-2025 period include distribution maintenance and operations
 9 programs, such as vegetation management, underground locates, information technology (“IT”)
 10 maintenance, contact centre and billing activities, stations maintenance, and meter operations and
 11 testing activities.

12

13 **3. PROPERTY TAXES**

14 Property taxes are paid to the City of Ottawa annually based on the value of its buildings and
 15 substations and the associated municipal tax rates. Property Taxes are included in the funding
 16 envelope for OM&A.

17

18 **4. DEPRECIATION AND AMORTIZATION EXPENSES**

19 Hydro Ottawa adheres to the Modified International Financial Reporting Standards (“MIFRS”) as its
 20 accounting standard, which informs its rate making and regulatory reporting requirements. Hydro
 21 Ottawa uses the half-year rule for calculating depreciation/amortization in the year that capital additions
 22 are added into rate base, except in the case of discrete material assets, such as a station. For more

1 information regarding Hydro Ottawa's Depreciation and Amortization expenses, please refer to Exhibit
2 4-2-1: Depreciation, Amortization & Disposal.

3

4 **5. PAYMENTS IN LIEU OF TAXES**

5 Pursuant to its obligations under Section 93 of the *Electricity Act, 1998, S.O. 1998, c. 15, Sched. A*,
6 Hydro Ottawa is liable for the payment of PILS to the Ministry of Finance based on its taxable income.
7 For more information regarding PILS and details related to the 2021-2025 Approved Settlement
8 Agreement, please see Exhibit 4-3-1: Payments in Lieu of Taxes.

9

10 Please see Exhibit 9-1-4: Account 1592 PILS and Tax Variance for any tax impact of differences related
11 to legislative or regulatory changes to tax rates or rules or disclosure of a new assessing or
12 administrative policy published by federal or provincial public tax bulletins that impact relevant
13 balances.

14

15 In addition, any PILS impact related to other Deferral Accounts, and not related to Account 1592, will be
16 addressed within those Accounts. Please see Exhibit 9-1-3: Group 2 Accounts for details on Group 2
17 deferral and variance accounts.

1 **OPERATIONS, MAINTENANCE AND ADMINISTRATION SUMMARY**

2

3 **1. INTRODUCTION**

4 This Schedule provides a brief summary of Hydro Ottawa’s operations, maintenance and administration
5 (“OM&A”) expenditures as per the 2021-2025 Approved Settlement Agreement.¹ It also includes a brief
6 overview of Hydro Ottawa’s approach to OM&A planning, and the top-down and bottom-up budget
7 process used to arrive at the utility’s OM&A expenditures.

8

9 **2. OM&A SUMMARY**

10 Hydro Ottawa’s OM&A costs are significantly influenced by requirements to operate and maintain a
11 safe and reliable distribution grid, provide service levels that are satisfactory to customers, and ensure
12 continued compliance with all legislative and regulatory obligations. Among other things, this entails a
13 need for the utility to strategically manage its workforce in a way that allows it to replace retiring
14 workers with new tradespeople, and respond to the changing dynamics of the market and operating
15 environment in which it is tasked with.

16

17 **2.1. HYDRO OTTAWA’S APPROACH TO OM&A PLANNING AND BUDGETING**

18 Hydro Ottawa’s approach to OM&A planning and budgeting for the 2021-2025 period was guided by
19 the utility’s planning and performance management framework, which aligns corporate strategies with
20 planning, operations, performance, and the drive for continuous improvement. Refer to Figure 1 below
21 for an overview of Hydro Ottawa’s Integrated Planning & Performance Management Framework.

22 ¹ Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261 (September
23 18, 2020).

1 **Figure 1 – Hydro Ottawa’s Integrated Planning & Performance Management Framework**



3 The framework maintains that spending correspond to business priorities, be directed to achieve
 4 performance targets, and support Hydro Ottawa’s four key focus areas, as set out in its *2016-2020*
 5 *Strategic Direction*:

- 6
- 7 ● **Customer Value:** we will deliver value across the entire customer experience by providing
 8 reliable, responsive and innovative services at competitive rates.
 - 9
 - 10 ● **Financial Strength:** we will create sustainable growth in our business and our earnings by
 11 improving productivity and pursuing business growth opportunities that leverage our strengths –
 12 our core capabilities, our assets and our people.
 - 13
 - 14 ● **Organizational Effectiveness:** we will achieve performance excellence by cultivating a culture
 15 of innovation and continuous improvement.
 - 16
 - 17 ● **Corporate Citizenship:** we will contribute to the well-being of the community by acting at all
 18 times as a responsible and engaged corporate citizen.

1 **2.2. OM&A BUDGET PROCESS**

2 Hydro Ottawa undertook both a top-down and bottom-up forecasting exercise to develop the 2021-2025
3 budget. The budget forecasting exercise began with the preparation and issuance of a planning
4 memorandum from the Chief Financial Officer that provided top-down guidance on the areas of
5 constraints which were to inform the individual corporate Divisions in the bottom-up development of
6 their budgets. Examples of top-down constraints and expectations included constraints on hiring,
7 compensation, and benefits, as well as expectations for productivity and cost control activities.
8 Bottom-up funding requests were then developed, evaluated, and scrutinized based on priority and
9 alignment with core strategic objectives as well as customer impacts. Adjustments were subsequently
10 made to the OM&A budget to reflect these priorities and impacts. The final OM&A budget was
11 developed to accommodate Hydro Ottawa's operational requirements to provide a safe and reliable
12 distribution system, while respecting legislative and regulatory obligations, including the conditions set
13 forth in the utility's distribution license issued by the OEB. The OM&A budget was included in the
14 assessment of customer rate impacts that were reviewed by Hydro Ottawa's senior management team
15 and Board of Directors.

16

17 **2.3. OM&A 2021 BASE YEAR AND 2022-2025 IR TERM**

18 As per the 2021-2025 Approved Settlement Agreement, the Parties² agreed to set the 2021 Test Year
19 envelope at \$90.6M and were of the view that the \$90.6M envelope was appropriate, and further, was
20 supported by adequate rationale contained in the evidence provided in the application process.³

21

22 As established by the Renewed Regulatory Framework ("RRF"), under a Price Cap IR, rates are
23 adjusted using a formulaic approach in the years following the first year base rates. This formula
24 consists of a two-component Price Cap Index ("PCI"): inflation and productivity. For electricity
25 distributors, the formula includes an industry-specific inflation factor and two factors for productivity: (1)
26 a fixed amount for industry-wide productivity; and (2) a stretch factor which is set each year based on
27 the level of productivity the distributor has achieved.

28 ² Hydro Ottawa and the following intervenor groups: Building Owners and Managers Association, Consumers Council of
29 Canada, Distributed Resource Coalition, Environmental Defence, Energy Probe Research Foundation, Pollution Probe, School
30 Energy Coalition, Vulnerable Energy Consumers Coalition.

31 ³ Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261 (September
32 18, 2020), p. 55.

1
 2 For the 2022-2025 Test Years, Hydro Ottawa proposed using a Custom Price Escalation Factor
 3 (“CPEF”) to align with the principles of incentive regulation, as set out in the RRF. Setting rates based
 4 on a CPEF will result in the utility bearing the risk associated with any shortfall between revenues
 5 collected through rates and regularly incurred costs. This difference will be recovered through
 6 productivity initiatives and operational efficiencies.

7
 8 For the 2022-2025 years, a modified Custom Price Escalation Factor (“CPEF”) was agreed to. The
 9 CPEF will apply to OM&A expenditures only. The modified CPEF equation is explained in Table 1.

10
 11 **Table 1 – OM&A Custom Price Escalation Factor**

Component	As per Settlement Proposal
Inflation factor (“I”)	<ul style="list-style-type: none"> • Uses the OEB inflation rate for incentive rate-setting under Price Cap IR and Annual Index plans • Uses standard OEB labour/non-labour weighting factors • Updated annually
Productivity factor (“X”)	<ul style="list-style-type: none"> • 0.45% (0% Total Productivity Factor plus 0.45% stretch factor) • Fixed for duration of Custom IR term
Growth factor (“G”)	<ul style="list-style-type: none"> • 0.34% • Fixed for duration of Custom IR term
Total CPEF Value: (I - X + G)	<ul style="list-style-type: none"> • $2.2\% - 0.45\% + 0.34\% = 2.09\%$⁴

12
 13 The Parties agreed that the funding envelope for OM&A would “enable Hydro Ottawa to operate its
 14 distribution system in a manner consistent with the utility’s core mandate and the needs and
 15 preferences of its customers.”⁵

16
 17 Table 2 provides Hydro Ottawa’s approved 2021 base year OM&A, the 2022 OM&A incorporated into
 18 the proposed 2022 revenue requirement and rates based on the Approved CPEF, and 2023-2025

⁴ For illustrative purposes, this equation uses the OEB’s inflation factor for incentive rate-setting under Price Cap IR and Annual Index plans for the year 2021, which is 2.2%. The inflation factor will be updated annually from 2022-2025 using the OEB’s annual inflationary adjustment.

⁵ Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261 (September 18, 2020), p. 56.

1 illustrative OM&A. For the purpose of the proposed 2022 OM&A and illustrative OM&A for 2023-2025,
 2 Hydro Ottawa has used the OEB’s inflation factor for incentive rate-setting under Price Cap IR and
 3 Annual Index plans for the year 2021, which is 2.2%. Hydro Ottawa will update it’s proposed OM&A and
 4 resulting impact of it’s proposed 2022 revenue requirement and rates when the OEB publishes its
 5 inflation factor for incentive rate-setting under Price Cap IR and Annual Index plans for the year 2022.

6
 7 **Table 2 – Recoverable OM&A (\$’000s)**

2021 Approved	2022 Proposed	2023 Illustrative	2024 Illustrative	2025 Illustrative
\$90,600	\$92,494	\$94,427	\$96,400	\$98,415

8

9 **2.4. PRODUCTIVITY**

10 Under a Custom Incentive Rate-Setting (“Custom IR”) approach, the annual rate adjustment must be
 11 based on a custom index supported by empirical evidence that can be tested. The annual adjustment
 12 must include explicit financial incentives for continuous improvement and cost control targets. As noted
 13 in the OEB’s *Handbook for Utility Rate Applications*, “these incentive elements, including a productivity
 14 factor, must be incorporated through a custom index or an explicit revenue reduction over the term of
 15 the plan (not built into the cost forecast).”⁶

16

17 The Parties to the 2021-2025 Approved Settlement Agreement agreed that Hydro Ottawa’s 2021-2025
 18 Custom IR plan, as modified through the Settlement Proposal, “includes appropriate incentives and
 19 measures to ensure productivity and efficiency gains are embedded in the utility’s proposed OM&A and
 20 capital expenditures.”⁷

21

22 For more details regarding Hydro Ottawa’s alignment with the OEB’s *Renewed Regulatory Framework*
 23 *for Electricity Distributors: A Performance-Based Approach* (“RRFE Report”), please see Exhibit 1-1-7:
 24 Alignment with the Renewed Regulatory Framework.

25 ⁶ Ontario Energy Board, *Handbook for Utility Rate Applications* (October 13, 2016), p. 25.

26 ⁷ Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261
 27 (September 18, 2020), p. 49.

1 For details on productivity related to other components of revenue requirement please see Exhibit
2 2-4-1: Capital Expenditure Summary, Exhibit 2-1-1: Rate Base Overview and Exhibit 6-1-1: Calculation
3 of Revenue Deficiency or Sufficiency.

4

5 For Hydro Ottawa's Performance Outcomes Accountability Mechanism Deferral Account please see
6 Exhibit 9-1-3: Group 2 Accounts.

7

8 **2.5. Z-FACTOR**

9 Recognizing that Hydro Ottawa cannot accurately predict all potential OM&A funding requirements that
10 may emerge during the 2021-2025 Custom IR term, the Parties agreed that the utility was not
11 precluded from applying for Z-factor relief. Hydro Ottawa will only resort to applying for Z-factor relief if
12 costs incurred arise from unforeseen events, decisions, or activities, the results of which cannot be
13 reasonably anticipated or qualified at the time of the Application and where the costs exceed Hydro
14 Ottawa's materiality threshold and satisfy OEB criteria. Examples include unforeseen weather events or
15 changes to laws or regulations requiring significant implementation investment.⁸

16

17 For unforeseen costs related to COVID-19, please see Exhibit 9-1-3: Group 2 Accounts.

18 ⁸ Additional information on Hydro Ottawa's intended approach to Z-factor applications is available in Exhibit 9-2-1: New
19 Deferral and Variance Accounts.

DEPRECIATION, AMORTIZATION AND DISPOSAL

1.0 INTRODUCTION

This Schedule provides a summary of the depreciation/amortization and disposal approved as part of the 2021-2025 Approved Settlement Agreement.¹ Hydro Ottawa’s capital additions, depreciation/amortization, and disposal have been set for rate making purposes for the 2021-2025 Custom Incentive Rate-setting (“Custom IR”) period. The depreciation/amortization and net disposal, per the 2021-2025 Approved Settlement Agreement, have been summarized in Table 1 below.

Table 1 – Depreciation/Amortization and Disposals

	2021 Approved	2022 Approved	2023 Approved	2024 Approved	2025 Approved
Depreciation/Amortization	\$51,956	\$55,472	\$57,686	\$59,039	\$62,125
Net Disposals	\$1,602	\$1,568	\$1,356	\$1,313	\$1,293

Hydro Ottawa uses the half-year rule for calculating depreciation/amortization in the year that capital additions are added to the rate base for both actual and budgeted pooled assets, except in the case of discrete material assets, such as a station. In those specific cases, the actual or forecasted in-service month is used to calculate the depreciation/amortization.

**2.0 ITEMS NOT INCLUDED IN BASE REVENUE REQUIREMENT
 DEPRECIATION/AMORTIZATION AND DISPOSALS**

As part of the 2016-2020 Approved Settlement Agreement,² a Capital Investment Variance Account was established to “track variances and associated revenue requirement impacts computed and tracked on an annual basis, resulting from any underspending in the three categories [General Plant, System Renewal and Service, and System Access] calculated on a cumulative basis. Disposition of

¹ Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261 (September 18, 2020).

² Hydro Ottawa Limited, *2016-2020 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2015-0004 (December 22, 2015).

1 any credit to customers will occur at the end of the five-year term.”³ As part of the 2021-2025 Approved
2 Settlement Agreement, the Parties⁴ agreed that this variance account would continue with some
3 modification. For 2021-2025, the associated revenue requirement of a portion of the System Access
4 category, specifically plant relocation and residential expansion, will be tracked in a separate Variance
5 Account and will be symmetrical. The Capital Investment Variance Account does not impact Hydro
6 Ottawa’s proposed distribution rates for 2022. Please see Exhibit 9-1-3: Group 2 Accounts for more
7 details.

8

9 In addition, as part of the 2021-2025 Approved Settlement Agreement, the Parties agreed to continue
10 the use of the Loss on Disposal Variance Account.⁵ The Account will be disposed of as part of Group 2
11 Regulatory Accounts. Hydro Ottawa is not requesting clearance of the Loss on Disposal Variance
12 Account as part of this Application, and the Account does not impact Hydro Ottawa’s proposed 2022
13 distribution rates. Details on reporting on this variance account can be found in Exhibit 9-1-3: Group 2
14 Accounts.

15

16 Finally, as part of the 2021-2025 Approved Settlement Agreement, the Parties agreed to the continued
17 use of the Connection Cost Recovery Agreement (“CCRA”) Payment Deferral Account with
18 modification.⁶ With the modification, the account will now include the difference in revenue requirement
19 of new and true-up payments between what Hydro Ottawa has forecasted and what is actually paid for
20 in CCRA payments. Please see Exhibit 9-1-3: Group 2 Accounts for more details.

21 ³ Ibid., p. 25.

22 ⁴ Hydro Ottawa and the following intervenor groups: Building Owners and Managers Association, Consumers Council of
23 Canada, Distributed Resource Coalition, Environmental Defence, Energy Probe Research Foundation, Pollution Probe, School
24 Energy Coalition, Vulnerable Energy Consumers Coalition.

25 ⁵ Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261 (September
26 18, 2020), p. 33.

27 ⁶ Ibid., p. 30.

PAYMENTS IN LIEU OF TAXES

1

2

3 1. INTRODUCTION

4 Hydro Ottawa is required to make Payments in Lieu of Taxes (“PILS”) based on its taxable income.
5 Hydro Ottawa used the PILS Workform Model supplied by the OEB for 2020 Cost of Service
6 Applications Filers during the settlement and draft rate order phase of its 2021-2025 Custom IR
7 Application to calculate the PILS payable for 2021-2025.

8

9 As per the 2021-2025 Approved Settlement Agreement,¹ the Parties² agreed that PILS would be
10 updated annually for changes to rate base as a result of the annual update to working capital. For
11 further information, please see Exhibit 2-3-1: Working Capital Requirement. In addition, the Parties
12 agreed that in 2023 for rates effective 2024 and 2025, Hydro Ottawa will update the return on equity
13 (“ROE”) using the applicable ROE value established by the OEB in the Fall of 2023. Please see Exhibit
14 5-1-1: Cost of Capital and Capital Structure for further detail on the update to ROE.

15

16 Hydro Ottawa continues to use the PILS Workform Model supplied by the OEB for 2020 Cost of Service
17 Applications Filers. At this time, the 2022 PILS amounts use the same working capital values as
18 provided at the draft rate order stage of Hydro Ottawa 2021-2025 Custom Incentive Rate-setting
19 (“Custom IR”) Application. Hydro Ottawa will update the PILS amounts and resulting impact on its
20 proposed 2022 revenue requirement and rates when the OEB publishes its inflation factor for incentive
21 rate-setting under Price Cap IR and Annual Index plans for the year 2022. The 2022 PILS calculations
22 have been provided in both PDF and Excel as Attachment 4-3-1(A): OEB Workform - 2022 Income
23 Tax/PILS Workform.

24

25 Table 1 below summarizes PILS for 2021-2025. The 2023-2025 period uses the PILS amounts as
26 provided at the draft rate order stage of Hydro Ottawa’s 2021-2025 Custom IR Application.

27 ¹ Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261 (September
28 18, 2020).

29 ² Hydro Ottawa and the following intervenor groups: Building Owners and Managers Association, Consumers Council of
30 Canada, Distributed Resource Coalition, Environmental Defence, Energy Probe Research Foundation, Pollution Probe, School
31 Energy Coalition, Vulnerable Energy Consumers Coalition.

1

Table 1 – Corporate PILS (\$'000s)

2021 Approved	2022 Proposed	2023 Illustrative	2024 Illustrative	2025 Illustrative
\$891	\$2,119	\$6,303	\$8,758	\$5,431

2

3 Changes in taxes/PILS, as described in the Accounting Procedures Handbook and other Board
4 guidance, will be captured in Account 1592. Please see Exhibit 9-1-4: Account 1592 PILS and Tax
5 Variance for any tax impact of differences related to legislative or regulatory changes to tax rates or
6 rules or disclosure of a new assessing or administrative policy published by federal or provincial public
7 tax bulletins that impact relevant balances.

8

9 In addition, any PILS impact related to other Deferral Accounts and not related to Account 1592 will be
10 addressed within those Accounts. Please see Exhibit 9-1-3: Group 2 Accounts for details on Group 2
11 deferral and variance accounts.

Income Tax/PILs Workform for 2020 Filers

Version 1.10

Utility Name	Hydro Ottawa Limited
Assigned EB Number	EB-2021-0035
Name and Title	April Barrie, Director, Regulatory Affairs
Phone Number	613-738-5499,2106
Email Address	RegulatoryAffairs@hydroottawa.com
Date	FINAL SETTLEMENT - 2022
Last COS Re-based Year	2021

Note: Drop-down lists are shaded blue; input cells are shaded green.

This Workbook Model is protected by copyright and is being made available to you solely for the purpose of filing your rate application. You may use and copy this model for that purpose, and provide a copy of this model to any person that is advising or assisting you in that regard. Except as indicated above, any copying, reproduction, publication, sale, adaptation, translation, modification, reverse engineering or other use or dissemination of this model without the express written consent of the Ontario Energy Board is prohibited. If you provide a copy of this model to a person that is advising or assisting you in preparing the application or reviewing your draft rate order, you must ensure that the person understands and agrees to the restrictions noted above.

While this model has been provided in Excel format and is required to be filed with the applications, the onus remains on the applicant to ensure the accuracy of the data and the results.

Instructions

Purpose

The purpose of this workbook is to calculate the estimated Payment in Lieu of Taxes (PILs) for the Test Year. The calculation of PILs for the Test Year is on tab **T0** and is based on the inputs on the other tabs.

Tab **S Summary** is a summary of the amounts to be transferred to the Data Input Sheet of the Revenue Requirement Workform.

Tab **S1 Integrity Checks** must be completed after the completion of the PILs calculation in this workbook.

Methodology

To calculate the PILs for the Test Year:

- 1) input the balances from the income tax return of the Historical Year in tabs **H1** to **H13**.
- 2) input the balances for the Bridge Year and the Test Year.
Inputs should include:
 - non-deductible expenses (Schedule 1 - **B1** and **T1**)
 - loss carryforward (Schedule 4 - **B4** and **T4**)
 - capital cost allowance (Schedule 8 - **B8** and **T8**)
 - non-deductible reserves (Schedule 13 - **B13** and **T13**)

3) make any other adjustments and inputs required so that the PILs amount calculated for the Test Year on tab **T0** is reasonable.

Other Notes

Tabs **H0** to **H13** relate to the Historical Year.

Tabs **B0** to **B13** relate to the Bridge Year.

Tabs **T0** to **T13** relate to the Test Year.

The amounts on tabs **H0** to **H13** should agree to the tax return filed with the Canada Revenue Agency. Any CRA audit adjustments or corrections should also be reflected.

It is assumed the net income before tax for the Test Year is equal to the Return on Equity. Return on Equity is calculated on tab **A**.

On tab "A. Data Input Sheet", input the "Rate Base" amount and "Return on Rate Base" amounts.



Income Tax/PILs Workform for 2020 Filers

- [1. Info](#)
- [S. Summary](#)
- [A. Data Input Sheet](#)
- [B. Tax Rates & Exemptions](#)

Historical Year

- [H0 - PILs, Tax Provision Historical Year](#)
- [H1 - Adj. Taxable Income Historical Year](#)
- [H4 - Schedule 4 Loss Carry Forward Historical Year](#)
- [H8 - Schedule 8 Historical](#)
- [H13 - Schedule 13 Tax Reserves Historical](#)

Bridge Year

- [B0 - PILs, Tax Provision Bridge Year](#)
- [B1 - Adj. Taxable Income Bridge Year](#)
- [B4 - Schedule 4 Loss Carry Forward Bridge Year](#)
- [B8 - Schedule 8 CCA Bridge Year](#)
- [B13 - Schedule 13 Tax Reserves Bridge Year](#)

Test Year

- [T0 PILs, Tax Provision Test Year](#)
- [T1 Taxable Income Test Year](#)
- [T4 Schedule 4 Loss Carry Forward Test Year](#)
- [T8 Schedule 8 CCA Test Year](#)
- [T13 Schedule 13 Reserve Test Year](#)



Ontario Energy Board

Income Tax/PILs Workform for 2020 Filers

No inputs required on this worksheet.

Inputs on Service Revenue Requirement Worksheet

The Service Revenue Requirement is in the 'Revenue Requirement Workform' - Tab 3.

Item	Working Paper Reference	
Adjustments required to arrive at taxable income	as below	-37,265,627
Test Year - Payments in Lieu of Taxes (PILs)	<u>T0</u>	1,557,718
Test Year - Grossed-up PILs	<u>T0</u>	2,119,344
Effective Federal Tax Rate	<u>T0</u>	15.0%
Effective Ontario Tax Rate	<u>T0</u>	11.5%
Calculation of Adjustments required to arrive at Taxable Income		
Regulatory Income (before income taxes)	<u>T1</u>	43,464,563
Taxable Income	<u>T1</u>	6,198,935
Difference	calculated	-37,265,627 as above

Income Tax/PILs Workform for 2020 Filers

Integrity Checks

The applicant must ensure the following integrity checks have been completed and confirm this is the case in the table below, or provide an explanation if this is not the case:

	Item	Utility Confirmation (Y/N)	Notes
1	The depreciation and amortization added back in the application's PILs model agree with the numbers disclosed in the rate base section of the application	Y	
2	The capital additions and deductions in the CCA Schedule 8 agree with the rate base section for historical, bridge and test years	Y	
3	Schedule 8 of the most recent federal T2 tax return filed with the application has a closing December 31 historical year UCC that agrees with the opening (January 1) bridge year UCC. If the amounts do not agree, then the applicant must provide a reconciliation with explanations. Distributors must segregate non-distribution tax amounts on Schedule 8.	Y	
4	The CCA deductions in the application's PILs tax model for historical, bridge and test years (as applicable) agree with the numbers in the CCA Schedule 8 for the same years filed in the application	Y	
5	Loss carry-forwards, if any, from prior year tax returns' Schedule 4 agree with those disclosed in the application	NA	
6	A discussion is included in the application as to when the loss carry-forwards, if any, will be fully utilized	NA	
7	CCA is maximized even if there are tax loss carry-forwards	Y	
8	Other post-employment benefits and pension expenses that are added back on Schedule 1 to reconcile accounting income to net income for tax purposes agree with the OM&A analysis for compensation. The amounts deducted are reasonable when compared with the notes to the audited financial statements, Financial Services Commission of Ontario reports, and actuarial valuations.	Y	
9	The income tax rate used to calculate the tax expense is consistent with the utility's actual tax facts and evidence filed in the application	Y	

Income Tax/PILs Workform for 2020 Filers

		Test Year	Bridge Year	
Rate Base	S	\$ 1,302,894,561	\$ 1,218,679,084	
Return on Ratebase				
Deemed ShortTerm Debt %	T	4.00% \$ 52,115,782		$W = S * T$
Deemed Long Term Debt %	U	56.00% \$ 729,620,954		$X = S * U$
Deemed Equity %	V	40.00% \$ 521,157,824		$Y = S * V$
Short Term Interest Rate	Z	1.75% \$ 912,026		$AC = W * Z$
Long Term Interest	AA	3.30% \$ 24,077,491		$AD = X * AA$
Return on Equity (Regulatory Income)	AB	8.34% \$ 43,464,563		$AE = Y * AB$ T1
Return on Rate Base		\$ 68,454,080		$AF = AC + AD + AE$

Questions that must be answered

- Does the applicant have any Investment Tax Credits (ITC)?
- Does the applicant have any SRED Expenditures?
- Does the applicant have any Capital Gains or Losses for tax purposes?
- Does the applicant have any Capital Leases?
- Does the applicant have any Loss Carry-Forwards (non-capital or net capital)?
- Since 1999, has the applicant acquired another regulated applicant's assets?
- Did the applicant pay dividends?
If Yes, please describe the tax treatment in the manager's summary.
- Did the applicant elect to capitalize interest incurred on CWIP for tax purposes?

	Historical Year	Bridge Year	Test Year
1.	Yes	Yes	Yes
2.	Yes	Yes	Yes
3.	No	No	No
4.	No	No	No
5.	No	No	No
6.	No	No	No
7.	Yes	Yes	Yes
8.	No	No	No



Income Tax/PILs Workform for 2020 Filers

Tax Rates

Federal & Provincial As of MMM XX, 2019

Federal income tax

General Corporate Rate
 Federal Tax Abatement
 Adjusted Federal Rate

Rate Reduction

Federal Income Tax

Ontario Income Tax

Combined Federal and Ontario

Federal & Ontario Small Business

Federal Small Business Limit
 Ontario Small Business Limit

Federal Small Business Rate

Ontario Small Business Rate

	Effective January 1, 2015	Effective January 1, 2016	Effective January 1, 2017	Effective January 1, 2018	Effective January 1, 2019	Effective January 1, 2020
General Corporate Rate	38.00%	38.00%	38.00%	38.00%	38.00%	38.00%
Federal Tax Abatement	-10.00%	-10.00%	-10.00%	-10.00%	-10.00%	-10.00%
Adjusted Federal Rate	28.00%	28.00%	28.00%	28.00%	28.00%	28.00%
Rate Reduction	-13.00%	-13.00%	-13.00%	-13.00%	-13.00%	-13.00%
Federal Income Tax	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%
Ontario Income Tax	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%
Combined Federal and Ontario	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%
Federal Small Business Limit	500,000	500,000	500,000	500,000	500,000	500,000
Ontario Small Business Limit	500,000	500,000	500,000	500,000	500,000	500,000
Federal Small Business Rate	11.00%	10.50%	10.50%	10.00%	9.00%	9.00%
Ontario Small Business Rate	4.50%	4.50%	4.50%	3.50%	3.50%	3.50%

Notes

1. The Ontario Energy Board's proxy for taxable capital is rate base.
2. Regarding the small business deduction, if applicable,
 - a. If taxable capital exceeds \$15 million, the small business rate will not be applicable.
 - b. If taxable capital is below \$10 million, the small business rate would be applicable.
 - c. If taxable capital is between \$10 million and \$15 million, the appropriate small business rate will be calculated.



Ontario Energy Board

Income Tax/PILs Workform for 2020 Filers

PILs Tax Provision - Historical Year

Note: Input the actual information from the tax returns for the historical year.

Regulatory Taxable Income
 Combined Tax Rate and PILs

Ontario Tax Rate (Maximum 11.5%)
 Federal tax rate (Maximum 15%)
 Combined tax rate (Maximum 26.5%)

11.50% **B**
 15.00% **C**

[H1](#)

Wires Only

\$ 6,665,545 **A**

26.50% **D = B+C**

Total Income Taxes

Investment Tax Credits
 Miscellaneous Tax Credits

Total Tax Credits

\$ 1,766,369 **E = A * D**

\$ 127,000 **F**

\$ - **G**

\$ 127,000 **H = F + G**

Corporate PILs/Income Tax Provision for Historical Year

\$ 1,639,369 **I = E - H**

Income Tax/PILs Workform for 2020 Filers

Adjusted Taxable Income - Historical Year

	T2S1 line #	Total for Legal Entity	Non-Distribution Eliminations	Historic Wires Only
Income before PILs/Taxes	(A + 101 + 102)	41,170,667		41,170,667
Additions:				
Interest and penalties on taxes	103	5,000		5,000
Amortization of tangible assets	104	50,329,203		50,329,203
Amortization of intangible assets	106	0		0
Recapture of capital cost allowance from Schedule 8	107	0		0
Income inclusion under subparagraph 13(38)(d)(iii) from Schedule 10	108	0		0
Loss in equity of subsidiaries and affiliates	110	0		0
Loss on disposal of assets	111	1,000,000		1,000,000
Charitable donations and gifts from Schedule 2	112	0		0
Taxable capital gains from Schedule 6	113	0		0
Political contributions	114	0		0
Deferred and prepaid expenses	116	0		0
Scientific research expenditures deducted on financial statements	118	0		0
Capitalized interest	119	0	0	0
Non-deductible club dues and fees	120	0		0
Non-deductible meals and entertainment expense	121	85,000		85,000
Non-deductible automobile expenses	122	0		0
Non-deductible life insurance premiums	123	0		0
Non-deductible company pension plans	124	0		0
Tax reserves deducted in prior year	125	1,981,112		1,981,112
Reserves from financial statements – balance at the end of the year	126	2,270,590		2,270,590
Soft costs on construction and renovation of buildings	127	0		0
Capital items expensed	206	0		0
Debt issue expense	208	0		0
Development expenses claimed in current year	212	0		0
Financing fees deducted in books	216	0		0
Gain on settlement of debt	220	0		0
Non-deductible advertising	226	0		0
Non-deductible interest	227	0		0
Non-deductible legal and accounting fees	228	0		0
Recapture of SR&ED expenditures	231	0		0
Share issue expense	235	0		0
Write down of capital property	236	0		0
Amounts received in respect of qualifying environment trust per paragraphs 12(1)(z.1) and 12(1)(z.2)	237	0		0
Other additions				
Interest Expensed on Capital Leases	295	0		0
Realized Income from Deferred Credit Accounts	295	0		0
Pensions	295	780,000		780,000
Non-deductible penalties	295	0		0
	295	0		0
	295	0		0
ARO Accretion expense		0		0
Capital Contributions Received (ITA 12(1)(x))		0		0
Lease Inducements Received (ITA 12(1)(x))		0		0
Deferred Revenue (ITA 12(1)(a))		0		0
Prior Year Investment Tax Credits received		0		0
Current Year Investment Tax Credits received		127,000		127,000
		0		0
		0		0
		0		0
		0		0
		0		0
		0		0
		0		0
		0		0
		0		0
		0		0
		0		0
		0		0
Total Additions		56,577,905	0	56,577,905
Deductions:				
Gain on disposal of assets per financial statements	401	0		0
Non-taxable dividends under section 83	402	0		0
Capital cost allowance from Schedule 8	403	83,923,138		83,923,138
Terminal loss from Schedule 8	404	0		0
Allowable business investment loss	406	0		0
Deferred and prepaid expenses	409	0		0
Scientific research expenses claimed in year	411	0		0
Tax reserves claimed in current year	413	1,981,112		1,981,112
Reserves from financial statements - balance at beginning of year	414	2,270,590		2,270,590
Contributions to deferred income plans	416	680,000		680,000
Book income of joint venture or partnership	305	0		0
Equity in income from subsidiary or affiliates	306	0		0
Other deductions				
Interest capitalized for accounting deducted for tax	395	0		0
Capital Lease Payments	395	0		0
Non-taxable imputed interest income on deferral and variance accounts	395	0		0
Scientific Research & Experimental Development Expenses	395	2,228,187		2,228,187
	395	0		0
ARO Payments - Deductible for Tax when Paid		0		0
ITA 13(7.4) Election - Capital Contributions Received		0		0
ITA 13(7.4) Election - Apply Lease Inducement to cost of Leaseholds		0		0
Deferred Revenue - ITA 20(1)(m) reserve		0		0
Principal portion of lease payments		0		0
Lease Inducement Book Amortization credit to income		0		0
Financing fees for tax ITA 20(1)(e) and (e.1)		0		0
		0		0
		0		0
		0		0
		0		0
		0		0
		0		0
		0		0
		0		0
		0		0
Total Deductions		91,083,027	0	91,083,027
Net Income for Tax Purposes		6,665,545	0	6,665,545
Charitable donations from Schedule 2	311	0		0
Taxable dividends received under section 112 or 113	320	0		0
Non-capital losses of previous tax years from Schedule 4	331	0		0
Net capital losses of previous tax years from Schedule 4	332	0		0
Limited partnership losses of previous tax years from Schedule 4	335	0		0
		0		0
TAXABLE INCOME		6,665,545	0	6,665,545



Income Tax/PILs Workform for 2020 Filers

Schedule 4 Loss Carry Forward - Historical

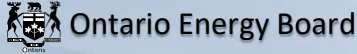
Corporation Loss Continuity and Application

	Total	Non-Distribution Portion	Utility Balance
Non-Capital Loss Carry Forward Deduction			
Actual Historical			0

[B4](#)

	Total	Non-Distribution Portion	Utility Balance
Net Capital Loss Carry Forward Deduction			
Actual Historical			0

[B4](#)



Income Tax/PILs Workform for 2020 Filers

Schedule 13 Tax Reserves - Historical

Continuity of Reserves

Description	Historical Balance as per tax returns	Non-Distribution Eliminations	Utility Only
Capital gains reserves ss.40(1)			0
Tax reserves not deducted for accounting purposes			
Reserve for doubtful accounts ss. 20(1)(l)	1,981,112		1,981,112
Reserve for undelivered goods and services not rendered ss. 20(1)(m)			0
Reserve for unpaid amounts ss. 20(1)(n)			0
Debt & share issue expenses ss. 20(1)(e)			0
Other tax reserves			0
			0
			0
			0
			0
Total	1,981,112	0	1,981,112
Financial Statement Reserves (not deductible for Tax Purposes)			
General reserve for inventory obsolescence (non-specific)			0
General reserve for bad debts	2,270,590		2,270,590
Accrued Employee Future Benefits:			0
- Medical and Life Insurance			0
-Short & Long-term Disability			0
-Accumulated Sick Leave			0
- Termination Cost			0
- Other Post-Employment Benefits			0
Provision for Environmental Costs			0
Restructuring Costs			0
Accrued Contingent Litigation Costs			0
Accrued Self-Insurance Costs			0
Other Contingent Liabilities			0
Bonuses Accrued and Not Paid Within 180 Days of Year-End ss. 78(4)			0
Unpaid Amounts to Related Person and Not Paid Within 3 Taxation Years ss. 78(1)			0
Other			0
			0
			0
			0
Total	2,270,590	0	2,270,590

[B13](#)

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Income Tax/PILs Workform for 2020 Filers

PILS Tax Provision - Bridge Year

Regulatory Taxable Income

	Tax Rate	Small Business Rate (If Applicable)	Taxes Payable	Effective Tax Rate	
Ontario (Max 11.5%)	11.5%	11.5%	\$ 321,156	11.5%	B
Federal (Max 15%)	15.0%	15.0%	\$ 418,900	15.0%	C
Combined effective tax rate (Max 26.5%)					

Total Income Taxes

Investment Tax Credits
 Miscellaneous Tax Credits

Total Tax Credits

Corporate PILs/Income Tax Provision for Bridge Year

Wires Only

Reference

[B1](#) \$ 2,792,663 **A**

26.50% **D = B + C**

\$ 740,056 **E = A * D**

\$ 85,000 **F**

\$ - **G**

\$ 85,000 **H = F + G**

\$ 655,056 **I = E - H**

Note:

1. This is for the derivation of Bridge year PILs income tax expense and should not be used for Test year revenue requirement calculations.



Income Tax/PILs Workform for 2020 Filers

Corporation Loss Continuity and Application

Schedule 4 Loss Carry Forward - Bridge Year

Non-Capital Loss Carry Forward Deduction		Total
Actual Historical	<u>H4</u>	0
Amount to be used in Bridge Year	<u>B1</u>	0
Loss Carry Forward Generated in Bridge Year (if any)	<u>B1</u>	0
Other Adjustments		
Balance available for use post Bridge Year	calculated	0

T4

Net Capital Loss Carry Forward Deduction		Total
Actual Historical	<u>H4</u>	0
Amount to be used in Bridge Year		
Loss Carry Forward Generated in Bridge Year (if any)	<u>B1</u>	
Other Adjustments		
Balance available for use post Bridge Year	calculated	0

T4

Income Tax/PILs Workform for 2020 Filers

Schedule 13 Tax Reserves - Bridge Year

Continuity of Reserves

Description	Reference	Historical Utility Only	Eliminate Amounts Not Relevant for Bridge Year	Adjusted Utility Balance	Bridge Year Adjustments		Balance for Bridge Year	Change During the Year	Disallowed Expenses
					Additions	Disposals			
Capital gains reserves ss.40(1)	H13	0		0			0	T13	0
Tax Reserves Not Deducted for Accounting Purposes									
Reserve for doubtful accounts ss. 20(1)(l)	H13	1,981,112		1,981,112			1,981,112	T13	0
Reserve for goods and services not delivered ss. 20(1)(m)	H13	0		0			0	T13	0
Reserve for unpaid amounts ss. 20(1)(n)	H13	0		0			0	T13	0
Debt & share issue expenses ss. 20(1)(e)	H13	0		0			0	T13	0
Other tax reserves	H13	0		0			0	T13	0
		0		0			0		0
Total		1,981,112	0	1,981,112	B1	0	1,981,112	B1	0
Financial statement reserves (not deductible for tax purposes)									
General Reserve for Inventory Obsolescence (non-specific)	H13	0		0			0	T13	0
General Reserve for Bad Debts	H13	2,270,590		2,270,590			2,270,590	T13	0
Accrued Employee Future Benefits:	H13	0		0			0	T13	0
- Medical and Life Insurance	H13	0		0			0	T13	0
- Short & Long-term Disability	H13	0		0			0	T13	0
- Accumulated Sick Leave	H13	0		0			0	T13	0
- Termination Cost	H13	0		0			0	T13	0
- Other Post-Employment Benefits	H13	0		0			0	T13	0
Provision for Environmental Costs	H13	0		0			0	T13	0
Restructuring Costs	H13	0		0			0	T13	0
Accrued Contingent Litigation Costs	H13	0		0			0	T13	0
Accrued Self-Insurance Costs	H13	0		0			0	T13	0
Other Contingent Liabilities	H13	0		0			0	T13	0
Bonuses Accrued and Not Paid Within 180 Days of Year-End ss. 78(4)	H13	0		0			0	T13	0
Unpaid Amounts to Related Person and Not Paid Within 3 Taxation Years ss. 78(1)	H13	0		0			0	T13	0
Other	H13	0		0			0	T13	0
		0		0			0		0
		0		0			0		0
Total		2,270,590	0	2,270,590	B1	0	2,270,590	B1	0



Income Tax/PILs Workform for 2020 Filers

PILs Tax Provision - Test Year

Regulatory Taxable Income

	Tax Rate	Small Business Rate (If Applicable)	Taxes Payable	Effective Tax Rate	
Ontario (Max 11.5%)	11.5%	11.5%	\$ 712,878	11.5%	B
Federal (Max 15%)	15.0%	15.0%	\$ 929,840	15.0%	C

Combined effective tax rate (Max 26.5%)

Total Income Taxes

Investment Tax Credits
 Miscellaneous Tax Credits

Total Tax Credits

Corporate PILs/Income Tax Provision for Test Year

Corporate PILs/Income Tax Provision Gross Up ¹

73.50%

J = 1-D

Income Tax (grossed-up)

Wires Only

T1 \$ 6,198,935 **A**

26.50% **D = B + C**

\$ 1,642,718 **E = A * D**

\$ 85,000 **F**

\$ - **G**

\$ 85,000 **H = F + G**

\$ 1,557,718 **I = E - H**

[S. Su](#)

\$ 561,626 **K = I/J-I**

\$ 2,119,344 **L = K + I**

[S. Su](#)

Note:

1. This is for the derivation of revenue requirement and should not be used for sufficiency/deficiency calculations.

Income Tax/PILs Workform for 2020 Filers

Taxable Income - Test Year

	Working Paper Reference	Test Year Taxable Income
Net Income Before Taxes	A	43,464,563
Additions:		
Interest and penalties on taxes	103	5,000
Amortization of tangible assets <i>2-4 ADJUSTED ACCOUNTING DATA P489</i>	104	55,709,637
Amortization of intangible assets <i>2-4 ADJUSTED ACCOUNTING DATA P490</i>	106	
Recapture of capital cost allowance from Schedule 8	107 T8	0
Income inclusion under subparagraph 13(38)(d)(ii) from Schedule 10	108	
Loss in equity of subsidiaries and affiliates	110	
Loss on disposal of assets	111	1,000,000
Charitable donations	112	
Taxable Capital Gains	113	
Political Donations	114	
Deferred and prepaid expenses	116	
Scientific research expenditures deducted on financial statements	118	
Capitalized interest	119	
Non-deductible club dues and fees	120	
Non-deductible meals and entertainment expense	121	85,000
Non-deductible automobile expenses	122	
Non-deductible life insurance premiums	123	
Non-deductible company pension plans	124	
Tax reserves beginning of year	125 T13	1,981,112
Reserves from financial statements- balance at end of year	126 T13	2,270,590
Soft costs on construction and renovation of buildings	127	
Book loss on joint ventures or partnerships	205	
Capital items expensed	206	
Debt issue expense	208	
Development expenses claimed in current year	212	
Financing fees deducted in books	216	
Gain on settlement of debt	220	
Non-deductible advertising	226	
Non-deductible interest	227	
Non-deductible legal and accounting fees	228	
Recapture of SR&ED expenditures	231	
Share issue expense	235	
Write down of capital property	236	
Amounts received in respect of qualifying environment trust per paragraphs 12(1)(z.1) and 12(1)(z.2)	237	
Other Additions		
Interest Expensed on Capital Leases	295	
Realized Income from Deferred Credit Accounts	295	
Pensions	295	780,000
Non-deductible penalties	295	
	295	
	295	
	295	
ARO Accretion expense		
Capital Contributions Received (ITA 12(1)(x))		
Lease Inducements Received (ITA 12(1)(x))		
Deferred Revenue (ITA 12(1)(a))		
Prior Year Investment Tax Credits received		
Current Year Investment Tax Credits received		85,000
Total Additions		61,916,339
Deductions:		
Gain on disposal of assets per financial statements	401	
Dividends not taxable under section 83	402	
Capital cost allowance from Schedule 8	403 T8	92,513,305
Terminal loss from Schedule 8	404 T8	0
Allowable business investment loss	406	
Deferred and prepaid expenses	409	
Scientific research expenses claimed in year	411	
Tax reserves end of year	413 T13	1,981,112
Reserves from financial statements - balance at beginning of year	414 T13	2,270,590
Contributions to deferred income plans	416	680,000
Book income of joint venture or partnership	305	
Equity in income from subsidiary or affiliates	306	
Other deductions		
Interest capitalized for accounting deducted for tax	395	
Capital Lease Payments	395	
Non-taxable imputed interest income on deferral and variance accounts	395	
Scientific Research & Experimental Development Expenses	395	1,736,959
	395	
	395	
	395	
	395	
ARO Payments - Deductible for Tax when Paid		
ITA 13(7.4) Election - Capital Contributions Received		
ITA 13(7.4) Election - Apply Lease Inducement to cost of Leaseholds		
Deferred Revenue - ITA 20(1)(m) reserve		
Principal portion of lease payments		
Lease Inducement Book Amortization credit to income		
Financing fees for tax ITA 20(1)(e) and (e.1)		
Total Deductions	calculated	99,181,966
NET INCOME FOR TAX PURPOSES	calculated	6,198,935
Charitable donations	311	
Taxable dividends received under section 112 or 113	320	
Non-capital losses of previous tax years from Schedule 4	331 T4	0
Net capital losses of previous tax years from Schedule 4	332 T4	0
Limited partnership losses of previous tax years from Schedule 4	335	
REGULATORY TAXABLE INCOME	calculated	6,198,935



Ontario Energy Board

Income Tax/PIs Workform for 2020 Filers

Schedule 4 Loss Carry Forward - Test Year

Corporation Loss Continuity and Application

	Working Paper Reference	Total	Non-Distribution Portion	Utility Balance
Non-Capital Loss Carry Forward Deduction				
Actual/Estimated Bridge Year Carried Forward	<u>B4</u>	0		0
Amount to be used in Test Year and Price Cap Years	<u>T1</u>	0		0
Number of years loss until next cost of service (i.e. years the loss is to be spread over)				
Amount to be used in Test Year	calculated	0		0
Loss Carry Forward Generated in Test Year (if any)	<u>T1</u>	0		0
Other Adjustments				0
Balance available for use in Future Years	calculated	0		0

		Total	Non-Distribution Portion	Utility Balance
Net Capital Loss Carry Forward Deduction				
Actual/Estimated Bridge Year Carried Forward	<u>B4</u>	0		0
Amount to be used in Test Year and Price Cap Years				0
Number of years loss until next cost of service (i.e. years the loss is to be spread over)				
Amount to be used in Test Year	<u>T1</u>	0		0
Loss Carry Forward Generated in Test Year (if any)				0
Other Adjustments				0
Balance available for use in Future Years		0		0

Income Tax/PILs Workform for 2020 Filers

Schedule 13 Tax Reserves - Test Year

Continuity of Reserves

Description	Working Paper Reference	Bridge Year	Eliminate Amounts Not Relevant for Test Year	Adjusted Utility Balance	Test Year Adjustments		Balance for Test Year	Change During the Year	Disallowed Expenses
					Additions	Disposals			
Capital Gains Reserves ss.40(1)	B13	0		0			0		0
Tax Reserves Not Deducted for accounting purposes									
Reserve for doubtful accounts ss. 20(1)(l)	B13	1,981,112		1,981,112			1,981,112		0
Reserve for goods and services not delivered ss. 20(1)(m)	B13	0		0			0		0
Reserve for unpaid amounts ss. 20(1)(n)	B13	0		0			0		0
Debt & Share Issue Expenses ss. 20(1)(e)	B13	0		0			0		0
Other tax reserves	B13	0		0			0		0
		0		0			0		0
		0		0			0		0
Total		1,981,112	0	1,981,112	11	0	1,981,112	11	0
Financial Statement Reserves (not deductible for Tax Purposes)									
General Reserve for Inventory Obsolescence (non-specific)	B13	0		0			0		0
General reserve for bad debts	B13	2,270,590		2,270,590			2,270,590		0
Accrued Employee Future Benefits:	B13	0		0			0		0
- Medical and Life Insurance	B13	0		0			0		0
- Short & Long-term Disability	B13	0		0			0		0
- Accumulated Sick Leave	B13	0		0			0		0
- Termination Cost	B13	0		0			0		0
- Other Post-Employment Benefits	B13	0		0			0		0
Provision for Environmental Costs	B13	0		0			0		0
Restructuring Costs	B13	0		0			0		0
Accrued Contingent Litigation Costs	B13	0		0			0		0
Accrued Self-Insurance Costs	B13	0		0			0		0
Other Contingent Liabilities	B13	0		0			0		0
Bonuses Accrued and Not Paid Within 180 Days of Year-End ss. 78(4)	B13	0		0			0		0
Unpaid Amounts to Related Person and Not Paid Within 3 Taxation Years ss. 78(1)	B13	0		0			0		0
Other	B13	0		0			0		0
		0		0			0		0
		0		0			0		0
Total		2,270,590	0	2,270,590	11	0	2,270,590	11	0

1 LOST REVENUE ADJUSTMENT MECHANISM

2

3 1. INTRODUCTION

4 On March 31, 2010, the Ministry of Energy and Infrastructure issued a directive (“2010 Directive”) to the
5 OEB to take steps in order to establish Conservation and Demand Management (“CDM”) targets to be
6 met by licenced electricity distributors over a four-year period beginning January 1, 2011.¹

7

8 In response to the 2010 Directive, the OEB established the *Conservation and Demand Management*
9 *Code for Electricity Distributors* (“CDM Code”) in September 2010. In addition, in April 2012 the OEB
10 issued a set of *Guidelines for Electricity Distributor Conservation and Demand Management* (“2012
11 CDM Guidelines”) which articulated more specific guidance on the obligations and requirements in
12 relation to CDM targets with which distributors were mandated to comply, as stipulated in their licences.²
13 Of note, the 2012 CDM Guidelines provided updated details on the Lost Revenue Adjustment
14 Mechanism (“LRAM”) which was set-up to compensate distributors for lost revenues resulting from CDM
15 programs for the 2011-2014 period. The CDM Code and 2012 CDM Guidelines were applicable for all
16 activities related to the 2011-2014 CDM Framework.

17

18 Under the 2011-2014 CDM Framework, results were predominantly achieved through the delivery of
19 provincially-developed programs that were funded by the Ontario Power Authority (“OPA”) in
20 cooperation with electricity distributors.³ The 2011-2014 framework terminated on December 31, 2014.

21 ¹ Minister of Energy, *Directive to the Ontario Energy Board - Establishing Conservation and Demand Management Targets*,
22 EB-2010-0216 (March 31, 2010).

23 ² Ontario Energy Board, *Guidelines for Electricity Distributor Conservation and Demand Management*, EB-2012-0003, (April
24 26, 2012).

25 ³ References to the OPA remain for activities occurring prior to January 1, 2015. As of January 1, 2015, the functions of the
26 OPA were transferred to the Independent Electricity System Operator through a merger of the two organizations.

1 In 2013, the Government of Ontario released an updated Long-Term Energy Plan (“LTEP”).⁴ A key
2 priority in the 2013 LTEP was reinforcement of the principle of “conservation first” in the electricity
3 sector’s planning processes. In conjunction with the implementation of the 2013 LTEP, the Ministry of
4 Energy established a new Conservation First Framework (“CFF”). The CFF was structured around the
5 goal of achieving 7 TWh of electricity savings province-wide from 2015-2020, with programs funded by
6 the Independent Electricity System Operator (“IESO”) and delivered by electricity distributors. In turn,
7 the OEB received a directive from the Minister of Energy on March 31, 2014 that required the OEB to
8 promote CDM and establish guidelines for CDM program implementation by electricity distributors.
9 These new CDM guidelines were effective as of January 1, 2015, as part of the launch of the CFF
10 framework.

11

12 On March 21, 2019, the Minister of Energy, Northern Development and Mines issued a directive to the
13 IESO mandating the discontinuance of the CFF and the establishment of an Interim Framework for
14 CDM programming.⁵ Under the Interim Framework, the new province-wide target for CDM savings is
15 1.4 TWh, with this framework scheduled to expire on December 31, 2020. As a result of the impact of
16 COVID-19 on eligible conservation projects, two further directives have been received by the IESO to
17 extend the deadline. On July 22, 2020, the Framework was extended until June 30, 2021. Further on
18 June 10, 2021, the Framework was extended until December 31, 2021.

19

20 Subsequent to the discontinuance of the 2015-2020 CFF framework, the OEB issued a letter to
21 distributors on June 20, 2019 stating that distributors should continue to have access to LRAM related
22 to the successful delivery of CFF programs.⁶ In addition, the OEB issued an addendum to both the
23 *Chapter 2* and *Chapter 3 Filing Requirements for Electricity Distribution Rate Applications*, in order to
24 make modifications reflecting the new requirements set forth in the Interim Framework.⁷

25 ⁴ Ministry of Energy, *Achieving Balance - Ontario’s Long-Term Energy Plan* (December 2013).

26 ⁵ Minister of Energy, Northern Development and Mines, *Directive to the Independent Electricity System Operator -*
27 *Discontinuation of the Conservation First Framework* (March 21, 2019).

28 ⁶ Ontario Energy Board, Letter re: *Lost Revenue Adjustment Mechanism for 2020 Rate Applications* (June 20, 2019).

29 ⁷ Ontario Energy Board, *Addendum to Filing Requirements for Electricity Rate Applications - 2020 Rate Applications* (July 15,
30 2019).

1 The IESO historically had produced monthly Participation and Cost Reports available to electricity
2 distributors, from January 1, 2018 to March 31, 2019. These reports include incremental first year
3 energy savings as well as information related to persistence. The OEB has directed that the results
4 from the IESO's 2017 program evaluation should be applied to the January 1, 2018 to March 31, 2019
5 gross unverified savings values, including net-to-gross factors and gross realization rates.⁸ To calculate
6 net savings values at the project level, distributors are instructed to rely on results from the IESO's
7 2017 program evaluation.

8

9 On September 30, 2020 the Minister of Energy, Northern Development and Mines issued a directive to
10 the IESO to implement a framework on the electricity CDM for the 2021-2024 period.⁹ Subsequently on
11 January 4, 2021, the IESO released its 2021-2024 Conservation and Demand Management Framework
12 Program Plan.

13

14 On August 5, 2021 the OEB released updated Conservation and Demand Management Guidelines for
15 Electricity Distributors for stakeholders to comment. Comments are due September 16, 2021.

16

17 **2. LOST REVENUE ADJUSTMENT MECHANISM VARIANCE ACCOUNT**

18 The CDM Guidelines issued in 2012 authorized the establishment of an LRAM variance account
19 ("LRAMVA") Uniform System of Accounts ("USofA") 1568 for the 2011-2014 CDM period to capture, at
20 the customer rate-class, the difference between the following:

21

- 22 • The results of the actual verified impacts of authorized CDM activities undertaken by the
23 electricity distributor for OEB-approved CDM programs and/or OPA-Contracted Province-Wide
24 CDM programs in relation to activities undertaken by the distributor and/or delivered for the
25 distributor by a third party under contract (in the distributor's franchise area);

26

27 AND

28

29 ⁸ Ibid., pp. 6-7.

30 ⁹ Minister of Energy, Northern Development and Mines, *Directive to the Independent Electricity System Operator - 2021-2024*
31 *Conservation and Demand Management Framework*, September 30, 2020.

- 1 • The level of CDM program activities included in the distributor’s load forecast (i.e. the level
2 embedded into rates).¹⁰

3
4 As part of the 2021-2025 Approved Settlement Agreement, the Parties¹¹

5 “acknowledge that Hydro Ottawa will include future CDM savings driven by the Independent
6 Electricity System Operator (“IESO”) or other provincial or federal initiatives in the LRAMVA.
7 (With respect to potential provincial initiatives, it is acknowledged that the Government of
8 Ontario posted a regulatory proposal on July 23, 2020 which contemplates the establishment of
9 a new CDM framework for the 2021-2024 period). The Parties further acknowledge that the
10 OEB may set generic guidelines to measure CDM savings outside the current CFF wind-down
11 framework. However, any updated OEB guidelines will not preclude Hydro Ottawa from bringing
12 forward an LRAM claim, given both known and unknown initiatives have been removed from the
13 Load Forecast for which Hydro Ottawa would have otherwise included in the base Load
14 Forecast.

15
16 The Parties agree that Hydro Ottawa has the ability to record and bring forward a request to
17 dispose it’s LRAMVA for the impact of both known and unknown CDM initiatives. This
18 agreement shall not be construed as agreement to the disposition of such account. Parties are
19 free to take any position they deem appropriate at the time Hydro Ottawa seeks disposition of
20 the LRAMVA.”¹²

21
22 At this time, no new reporting has been provided or announced to distributors in order to have an
23 efficient mechanism to report CDM saving in its territory.

24 ¹⁰ Ontario Energy Board, *Guidelines for Electricity Distributor Conservation and Demand Management*, EB-2012-0003, (April
25 26, 2012), Appendix B, pages 13 and 21.

26 ¹¹ Hydro Ottawa and the following intervenor groups: Building Owners and Managers Association, Consumers Council of
27 Canada, Distributed Resource Coalition, Environmental Defence, Energy Probe Research Foundation, Pollution Probe, School
28 Energy Coalition, Vulnerable Energy Consumers Coalition.

29 ¹² Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261
30 (September 18, 2020), p. 24.

LRAM VARIANCE ACCOUNT

1

2

3 Hydro Ottawa is not seeking clearance of any balance in its Lost Revenue Adjustment Mechanism
4 Variance Account (“LRAMVA”) as part of its 2022 Application.

5

6 At the time of filing this Application, Hydro Ottawa has disposed of balances related to the years up until
7 2016.

8

9 Hydro Ottawa notes that as part of the update to the Chapter 2 and Chapter 3 *Filing Requirements for*
10 *Electricity Rate Applications* issued by the OEB on June 24, 2021, the OEB has request that
11 distributors “strive to dispose of all CFF-related LRAMVA balances as part of its 2022 rate application.”¹
12 Hydro Ottawa also notes that on June 10, 2021, the Independent Electricity System Operator (“IESO”)
13 received a Ministerial directive that enabled the IESO to further extend timelines for completion of
14 certain projects under the now terminated Conservation First Framework (“CFF”) to December 31,
15 2021. The additional extension was intended to offset the disruptions that continue to be caused by
16 COVID-19 and provide stability for participants and those businesses involved in delivering
17 conservation and demand management programs.²

18 ¹ Ontario Energy Board, *Chapter 2 Filing Requirements for Electricity Distribution Rate Applications*, (June 24, 2021), p. 40.

19 ² Executive Council of Ontario, *Minister’s Directive To The Independent Electricity System Operator*, (June 10, 2021).

COST OF CAPITAL AND CAPITAL STRUCTURE

1. INTRODUCTION

This Schedule provides an overview of Hydro Ottawa's capital structure and cost of capital parameters incorporated into its 2022 revenue requirement as per its 2021-2025 Approved Settlement Agreement¹.

2. CAPITAL STRUCTURE

Hydro Ottawa's capital structure is set in accordance with the OEB guidelines provided in the *Report of the Board on Cost of Capital for Ontario's Regulated Utilities*, issued on December 11, 2009 and as agreed to per the 2021-2025 Approved Settlement Agreement. As a result, a 60:40 debt to equity range is incorporated into Hydro Ottawa's revenue requirement. The 60% debt component is made up of 56% long-term debt and 4% short-term debt.

3. DEBT RATES

1.1 SHORT-TERM DEBT

Per the 2021-2025 Approved Settlement Agreement, Hydro Ottawa's short-term debt rate will be fixed for the 2021-2025 Custom IR term. The Parties in that Agreement² concurred that the short-term debt rate would be set using the "2021 Cost of Capital Parameters" set by the OEB in the Fall of 2020.³

The OEB issued an update to the Cost of Capital Parameters on November 9, 2020, establishing 1.75% as the short-term debt to be incorporated into rate-setting applications. Per the 2021-2025 Approved Settlement Agreement, 1.75% will remain in effect for all five rate years.

1.2 LONG-TERM DEBT

Per the 2021-2025 Approved Settlement Agreement, Hydro Ottawa's long-term debt rate will be fixed for the Custom IR term based on the weighted average long-term debt rate, as calculated and

¹ Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261 (November 19, 2020).

² Hydro Ottawa and the following intervenor groups: Building Owners and Managers Association, Consumers Council of Canada, Distributed Resource Coalition, Environmental Defence, Energy Probe Research Foundation, Pollution Probe, School Energy Coalition, Vulnerable Energy Consumers Coalition.

³ 2021-2025 Approved Settlement Agreement, p. 25.

1 presented in OEB Appendix 2-OB for the year 2021, and will not change for the 2022-2025 period. The
2 Parties agreed on a methodology to calculate the forecast debt rate for its planned mid-year \$80M debt
3 issuance in 2021⁴ and used the actual, embedded rate for existing debt instruments.

4
5 The weighted long-term debt rate of 3.30% for 2021-2025 was set as part of the Final Decision and
6 Order issued by the OEB on January 7, 2021.⁵

7

8 **4. RETURN ON EQUITY**

9 Per the 2021-2025 Approved Settlement Agreement, the Parties agreed that Hydro Ottawa's Return on
10 Equity ("ROE") for the three years beginning in 2021 and ending in 2023 will be established by using
11 the ROE set by the OEB in the Fall of 2020. The OEB issued an update to the Cost of Capital
12 Parameters on November 9, 2020 establishing 8.34% as the ROE to be incorporated into rate-setting
13 applications. Therefore, Hydro Ottawa's proposed 2022 revenue requirement has incorporated the
14 ROE rate of 8.34%.

15

16 The Parties of the 2021-2025 Approved Settlement Agreement concurred that "for 2024 and 2025,
17 Hydro Ottawa will update its ROE using the applicable ROE value established by the OEB in the Fall of
18 2023 for January 1, 2024 rates."⁶

19

20 The Parties also agreed that, "if the OEB revises its underlying methodology for calculating ROE in
21 advance of Hydro Ottawa's scheduled adjustment for 2024 and 2025, then the updated ROE for 2024
22 and 2025 will be the lower of the following: (i) the ROE rate established by the OEB for 2024, based
23 upon the revised methodology; or (ii) the ROE rate calculated for 2024 in September 2023 using the
24 OEB's current formulaic methodology for updating the deemed ROE, as determined in the Report of the
25 Board on the Cost of Capital for Ontario's Regulated Utilities, issued December 11, 2009 (Appendix B)."⁷

26 ⁴ *Ibid.*, p. 25-26.

27 ⁵ Ontario Energy Board, Decision and Rate Order, EB-2019-0261 (January 7, 2021), p. 4.

28 ⁶ 2021-2025 Approved Settlement Agreement, p. 26.

29 ⁷ *Ibid.*

1 **CALCULATION OF REVENUE DEFICIENCY OR SUFFICIENCY**

2

3 **1. INTRODUCTION**

4 This Schedule provides a summary of the revenue requirement being requested by Hydro Ottawa for
5 the 2022 year as agreed to as part of the 2021-2025 Approved Settlement Agreement.¹

6

7 The utility's total Service Revenue Requirement is offset by revenues obtained by sources other than
8 distribution rates (i.e. other revenue). The calculation of the revenue deficiency/sufficiency does not
9 include the recovery of deferral and variance accounts, as outlined in Exhibit 9-3-1: Disposition of
10 Deferral and Variance Accounts, or Low Voltage Charges as outlined in Exhibit 8-8-1: Low Voltage
11 Service Rates. As directed in the *Chapter 2 Filing Requirements for Electricity Distribution Rate*
12 *Applications*, as updated on June 24, 2021, costs and revenues related to the cost of power are kept
13 separate from the determination of the distribution revenue sufficiency/deficiency.

14

15 As part of the 2021-2025 Approved Settlement Agreement, the Parties² agreed to specific annual and
16 mid-term adjustments over the CIR Term.

17

18 **2. CALCULATION OF DEFICIENCY OR SUFFICIENCY**

19 The revenue deficiency/sufficiency for 2021-2025 is calculated using the following inputs:

20

- 21 ● 2020 approved rates; and
- 22 ● 2021-2025 approved load forecast and forecast of customers and connections, as provided in
23 Exhibit 3-1-1: Load Forecast.

24

25 The revenue deficiency/sufficiency is determined by calculating what the revenue would have been with
26 2020 rates and the approved forecast for 2021-2025 load and customer/connection numbers. As a

27 ¹ Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261 (September
28 18, 2020).

29 ² Hydro Ottawa and the following intervenor groups: Building Owners and Managers Association, Consumers Council of
30 Canada, Distributed Resource Coalition, Environmental Defence, Energy Probe Research Foundation, Pollution Probe, School
31 Energy Coalition, Vulnerable Energy Consumers Coalition.

1 result, revenue deficiency in the tables of this Schedule and 2022 Revenue Requirement Workform
2 produce a cumulative revenue requirement rather than a year-over-year revenue requirement. Hydro
3 Ottawa compiled the analysis in this manner, as the 2020 rates gave a stable base upon which to
4 compare each year during the 2021-2025 Custom Incentive Rate-setting (“Custom IR”) term. Hydro
5 Ottawa continues to compile the analysis in this manner in order to provide a stable base for
6 comparison to its 2021-2025 Custom IR Application.

7

8 **2.1. REVENUE DEFICIENCY/SUFFICIENCY 2021-2025**

9 Table 1 shows 2021-2025 base revenue requirement calculations. More details for the 2022 year can
10 be found in the 2022 Revenue Requirement Workforms (“RRWF”) attached to this Schedule:

11

- 12 • Attachment 6-1-1(B): OEB Workform - 2022 Revenue Requirement Workform

13

14 The references to Costs Allocated from Previous Study and Previously Approved Ratios on Sheet 11
15 Cost Allocation in the 2022 RRWF Workform refer to 2021 in each case. In addition, the difference in
16 Sheet 11 Cost Allocation between columns (7C) and (7D) is the difference between allocated Base
17 Revenue Requirement and achieved Base Revenue Requirement.

18

19 Table 1 below provides Hydro Ottawa’s approved 2021 revenue requirement, the 2022 revenue
20 requirement incorporated into the proposed 2022 rates and charges, as well as 2023-2025 illustrative
21 revenue requirement. For the purpose of the proposed 2022 revenue requirement and 2023-2025
22 illustrative revenue requirement, Hydro Ottawa has used the approved amounts for any component of
23 revenue requirement that was set as part of the 2021-2025 Approved Settlement Agreement and
24 placeholders for the remaining components which align with the amounts provided in the draft rate
25 order evidence for 2022-2025.

26

27 Hydro Ottawa will update its proposed revenue requirement and rates and charges when the OEB
28 publishes its inflation factor for incentive rate-setting under Price Cap IR and Annual Index plans for the
29 year 2022. Please see Table 4 for a guide to the annual and mid-term adjustments.

30

1 **Table 1 – Revenue Deficiency/Sufficiency for 2021-2025 (\$'000s)**

	2021 Approved	2022 Proposed	2023 Illustrative	2024 Illustrative	2025 Illustrative
Return on Rate Base	\$ 64,029	\$ 68,454	\$ 70,766	\$ 71,950	\$ 74,111
Distribution Expenses (not including amortization)	\$ 90,600	\$ 92,494	\$ 94,427	\$ 96,400	\$ 98,415
Depreciation, amortization	\$ 51,956	\$ 55,472	\$ 57,686	\$ 59,039	\$ 62,125
Payment in Lieu of Taxes	\$ 891	\$ 2,119	\$ 6,303	\$ 8,758	\$ 5,431
Service Revenue Requirement	\$ 207,477	\$ 218,539	\$ 229,182	\$ 236,147	\$ 240,082
Less Capital Stretch Factor	\$ -	\$ 775	\$ 1,656	\$ 2,575	\$ 3,482
Service Revenue Requirement Net of Capital Stretch Factor	\$ 207,477	\$ 217,764	\$ 227,526	\$ 233,572	\$ 236,601
Less Revenue Offsets	\$ 9,680	\$ 9,536	\$ 10,070	\$ 10,512	\$ 10,653
Base Revenue Requirement	\$ 197,797	\$ 208,228	\$ 217,455	\$ 223,059	\$ 225,948
Transformer Ownership Credit	\$ 1,065	\$ 1,069	\$ 1,073	\$ 1,079	\$ 906
Revenue Requirement from Rates	\$ 198,861	\$ 209,297	\$ 218,528	\$ 224,138	\$ 226,854
Forecasted Load at 2020 Rates	\$ 188,518	\$ 189,731	\$ 191,002	\$ 192,415	\$ 193,588
Cumulative Revenue Deficiency (over 2020)	\$ (10,344)	\$ (19,566)	\$ (27,526)	\$ (31,723)	\$ (33,266)
Yearly Revenue Deficiency over 2020	\$ (10,344)	\$ (9,222)	\$ (7,960)	\$ (4,197)	\$ (1,543)

2
 3 Table 2, provides Revenue Deficiency that is calculated by multiplying the previous Test Year's rates
 4 against the current Test Year's load forecast.

5
 6 **Table 2 – Revenue Sufficiency/Deficiency using Prior Test Year's Rates (\$'000s)**

	2021 Approved	2022 Proposed	2023 Illustrative	2024 Illustrative	2025 Illustrative
Total Revenue Requirement from Rates	\$ 197,797	\$ 208,228	\$ 217,455	\$ 223,059	\$ 225,948
Forecast Load at Prior Year's Rates	\$ 187,453	\$ 199,077	\$ 209,619	\$ 219,111	\$ 224,562
Yearly Revenue Deficiency	\$ (10,344)	\$ (9,151)	\$ (7,836)	\$ (3,948)	\$ (1,385)

7
 8
 9

1 **2.2. CAPITAL STRETCH FACTOR**

2 As part of the 2021-2025 Approved Settlement Agreement, the Parties agreed to a Capital Stretch
3 Factor. A Capital Stretch Factor is designed to incentive utilities to achieve productivity savings and
4 continuous improvement in their capital programs. The Capital Stretch Factor ensures customers
5 receive an incremental benefit over the Custom IR term, in addition to the productivity already
6 embedded into the five year plan.

7
8 As 2021 was a rebasing year, no Capital Stretch factor is applied. Starting in 2022, a Capital Stretch
9 Factor of 0.60% will apply, which is calculated by adding a stretch factor of 0.15% to the stretch factor
10 of 0.45% used in Hydro Ottawa's Custom Price Escalation Factor ("CPEF"). For the remaining years of
11 the Custom IR term the Capital Stretch Factor will be annually increased by a value of 0.60%, as
12 outlined in Table 3.

13
14 **Table 3 – 2021-2025 Capital Stretch Factor Values**

Test Year	Capital Stretch Factor
2021	0.0%
2022	0.6%
2023	1.2%
2024	1.8%
2025	2.4%

15
16 **3. ANNUAL AND MID-TERM REVENUE REQUIREMENT ADJUSTMENTS**
17 Table 4 below provides the 2021-2022 annual and mid-term revenue requirement adjustments by
18 Exhibit as well as the year-over-year dollar value difference by revenue requirement component.

1 **Table 4 – 2021-2022 Revenue Deficiency Amounts & Cost Drivers (\$'000s)³**

Driver of Deficiency	2021 Approved	2022 Proposed	+/-	Cost Drivers	Exhibit Reference
Return on Rate Base	\$ 64,029	\$ 68,454	\$ 4,425	- Gross Assets, Accumulated Depreciation and Capital Additions are set for the five year term - Working Capital is annually adjusted - Long-term and Short-term debt rates are set for the five year term - Return on Equity is set for 2021-2023 and will be have a mid-term adjustment for 2024-2025	2-1-1 2-2-1 2-3-1
Distribution Expenses (not including amortization)	\$ 90,600	\$ 92,494	\$ 1,894	- Annually adjusted	4-1-1 4-1-2
Amortization	\$ 51,956	\$ 55,472	\$ 3,516	- Set for the five year term	4-2-1
Payment in Lieu of Taxes	\$ 891	\$ 2,119	\$ 1,228	- Updated for working capital adjustments and ROE mid-term adjustment	4-3-1
Service Revenue Requirement	\$ 207,477	\$ 218,539	\$ 11,062		6-1-1
less Capital Stretch Factor	\$ -	\$ 775	\$ (775)	- Annually Adjusted	6-1-1
Service Revenue Requirement Net of Capital Stretch Factor	\$ 207,477	\$ 217,764	\$ 10,287		6-1-1
Less Revenue Offsets	\$ 9,680	\$ 9,536	\$ 144	- A portion of Other Revenue is set for the five year term, while others will have their rates annually adjusted - The volumes are set for the five year term	3-2-1 3-2-2 3-2-3 3-2-4 3-2-5
Base Revenue Requirement	\$ 197,797	\$ 208,228	\$ 10,431		6-1-1
Transformer Ownership Credit	\$ 1,065	\$ 1,069	\$ 4	- Set for the five year term	3-1-1
Revenue Requirement from Rates	\$ 198,861	\$ 209,297	\$ 10,435		6-1-1 8-1-1
Forecasted Load at 2015/2020 Rates	\$ 188,518	\$ 189,731	\$ 1,213	- Load forecast is set for the five year term - Distribution rates are annually adjusted	3-1-1 8-12-1
Cumulative Revenue Deficiency (over 2020)	\$ (10,344)	\$ (19,566)			6-1-1 8-11-1

2

3 ³ Totals may not sum due to rounding.



Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2022 Filers



Version 1.00

Utility Name	Hydro Ottawa Limited
Service Territory	
Assigned EB Number	EB-2021-0035
Name and Title	April Barrie, Director, Regulatory Affairs
Phone Number	613-738-5499 Ext 2106
Email Address	RegulatoryAffairs@HydroOttawa.com
Test Year	2022
Bridge Year	
Last Rebasing Year	2021

The RRWF has been enhanced commencing with 2017 rate applications to provide estimated base distribution rates. The enhanced RRWF is not intended to replace a utility's formal rate generator model which should continue to be the source of the proposed rates as well as the final ones at the conclusion of the proceeding. The load forecasting addition made to this model is intended to be demonstrative only and does not replace the information filed in the utility's application. In an effort to minimize the incremental work required from utilities, the cost allocation and rate design additions to this model do in fact replace former appendices that were required to be filed as part of the cost of service (Chapter 2) filing requirements.

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While this model has been provided in Excel format and is required to be filed with the applications, the onus remains on the applicant to ensure the accuracy of the data and the



Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2022 Filers

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[2. Table of Contents](#)

[3. Data Input Sheet](#)

[4. Rate Base](#)

[5. Utility Income](#)

[6. Taxes PILs](#)

[7. Cost of Capital](#)

[8. Rev Def Suff](#)

[9. Rev Req](#)

[10. Load Forecast](#)

[11. Cost Allocation](#)

[12. Residential Rate Design](#)

[13. Rate Design and Revenue Reconciliation](#)

[14. Tracking Sheet](#)

Notes:

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



Revenue Requirement Workform (RRWF) for 2022 Filers

Data Input ⁽¹⁾

	Initial Application ⁽²⁾			Per Board Decision
1 Rate Base				
Gross Fixed Assets (average)	\$1,566,815,281		\$1,566,815,281	\$1,566,815,281
Accumulated Depreciation (average)	(\$351,260,009) ⁽⁵⁾		(\$351,260,009)	(\$351,260,009)
Allowance for Working Capital:				
Controllable Expenses	\$92,593,200 ⁽¹⁰⁾		\$ 92,593,200	\$92,593,200
Cost of Power	\$1,071,930,650		\$1,071,930,650	\$1,071,930,650
Working Capital Rate (%)	7.50% ⁽⁹⁾			
2 Utility Income				
Operating Revenues:				
Distribution Revenue at Current Rates	\$188,662,212			
Distribution Revenue at Proposed Rates	\$208,227,981			
Other Revenue:				
Specific Service Charges	\$5,382,055			
Late Payment Charges	\$1,000,000			
Other Distribution Revenue	\$1,462,490			
Other Income and Deductions	\$1,691,420			
Total Revenue Offsets	\$9,535,966 ⁽⁷⁾			
Operating Expenses:				
OM+A Expenses	\$89,295,977		\$ 89,295,977	\$89,295,977
Depreciation/Amortization	\$55,472,443		\$ 55,472,443	\$55,472,443
Property taxes	\$3,197,563		\$ 3,197,563	\$3,197,563
Other expenses	(\$775,461) ⁽¹¹⁾		-775460.5826	(\$775,461)
3 Taxes/PLS				
Taxable Income:				
Adjustments required to arrive at taxable income	(\$37,265,627) ⁽³⁾			
Utility Income Taxes and Rates:				
Income taxes (not grossed up)	\$1,557,718			
Income taxes (grossed up)	\$2,119,344			
Federal tax (%)	15.00%			
Provincial tax (%)	11.50%			
Income Tax Credits	(\$85,000)			
4 Capitalization/Cost of Capital				
Capital Structure:				
Long-term debt Capitalization Ratio (%)	56.0%			
Short-term debt Capitalization Ratio (%)	4.0% ⁽⁸⁾			
Common Equity Capitalization Ratio (%)	40.0%			
Preferred Shares Capitalization Ratio (%)				
	100.0%			
Cost of Capital				
Long-term debt Cost Rate (%)	3.30%			
Short-term debt Cost Rate (%)	1.75%			
Common Equity Cost Rate (%)	8.34%			
Preferred Shares Cost Rate (%)				

Notes:

- General** Data inputs are required on Sheets 3. Data from Sheet 3 will automatically complete calculations on sheets 4 through 9 (Rate Base through Revenue Requirement). Sheets 4 through 9 do not require any inputs except for notes that the Applicant may wish to enter to support the results. Pale green cells are available on sheets 4 through 9 to enter both footnotes beside key cells and the related text for the notes at the bottom of each sheet.
- (1) All inputs are in dollars (\$) except where inputs are individually identified as percentages (%)
 - (2) Data in column E is for Application as originally filed. For updated revenue requirement as a result of interrogatory responses, technical or settlement conferences, etc., use column M and Adjustments in column I
 - (3) Net of addbacks and deductions to arrive at taxable income.
 - (4) Average of Gross Fixed Assets at beginning and end of the Test Year
 - (5) Average of Accumulated Depreciation at the beginning and end of the Test Year. Enter as a negative amount.
 - (6) Select option from drop-down list by clicking on cell M12. This column allows for the application update reflecting the end of discovery or Argument-in-Chief. Also, the outcome of any Settlement Process can be reflected.
 - (7) Input total revenue offsets for deriving the base revenue requirement from the service revenue requirement
 - (8) 4.0% unless an Applicant has proposed or been approved for another amount.
 - (9) The default Working Capital Allowance factor is **7.5%** (of Cost of Power plus controllable expenses), per the letter issued by the Board on June 3, 2015. Alternatively, a WCA factor based on lead-lag study, with supporting rationale could be provided.
 - (10) All components of working capital are increased by the OEB inflationary factor, which is a different escalation factor than what is applied to the proposed OM&A
 - (11) Other Expenses represents revenue offset amount for capital stretch factor



Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2022 Filers

Rate Base and Working Capital

Line No.	Particulars	Initial Application				Per Board Decision
1	Gross Fixed Assets (average) ⁽²⁾	\$1,566,815,281	\$ -	\$1,566,815,281	\$ -	\$1,566,815,281
2	Accumulated Depreciation (average) ⁽²⁾	(\$351,260,009)	\$ -	(\$351,260,009)	\$ -	(\$351,260,009)
3	Net Fixed Assets (average) ⁽²⁾	\$1,215,555,272	\$ -	\$1,215,555,272	\$ -	\$1,215,555,272
4	Allowance for Working Capital ⁽¹⁾	\$87,339,289	(\$87,339,289)	\$ -	\$ -	\$ -
5	Total Rate Base	\$1,302,894,561	(\$87,339,289)	\$1,215,555,272	\$ -	\$1,215,555,272

(1) Allowance for Working Capital - Derivation

6	Controllable Expenses	\$92,593,200	\$ -	\$92,593,200	\$ -	\$92,593,200
7	Cost of Power	\$1,071,930,650	\$ -	\$1,071,930,650	\$ -	\$1,071,930,650
8	Working Capital Base	\$1,164,523,850	\$ -	\$1,164,523,850	\$ -	\$1,164,523,850
9	Working Capital Rate % ⁽¹⁾	7.50%	-7.50%	0.00%	0.00%	0.00%
10	Working Capital Allowance	\$87,339,289	(\$87,339,289)	\$ -	\$ -	\$ -

Notes

(1) Some Applicants may have a unique rate as a result of a lead-lag study. The default rate for 2021 cost of service applications is 7.5%, per the letter issued by the Board on June 3, 2015.

(2) Average of opening and closing balances for the year.



Revenue Requirement Workform (RRWF) for 2022 Filers

Utility Income

Line No.	Particulars	Initial Application				Per Board Decision
Operating Revenues:						
1	Distribution Revenue (at Proposed Rates)	\$208,227,981	(\$208,227,981)	\$ -	\$ -	\$ -
2	Other Revenue ⁽¹⁾	\$9,535,966	(\$9,535,966)	\$ -	\$ -	\$ -
3	Total Operating Revenues	\$217,763,947	(\$217,763,947)	\$ -	\$ -	\$ -
Operating Expenses:						
4	OM+A Expenses	\$89,295,977	\$ -	\$89,295,977	\$ -	\$89,295,977
5	Depreciation/Amortization	\$55,472,443	\$ -	\$55,472,443	\$ -	\$55,472,443
6	Property taxes	\$3,197,563	\$ -	\$3,197,563	\$ -	\$3,197,563
7	Capital taxes	\$ -	\$ -	\$ -	\$ -	\$ -
8	Other expense	(\$775,461)	\$ -	(\$775,461)	\$ -	(\$775,461)
9	Subtotal (lines 4 to 8)	\$147,190,523	\$ -	\$147,190,523	\$ -	\$147,190,523
10	Deemed Interest Expense	\$24,989,518	(\$24,989,518)	\$ -	\$ -	\$ -
11	Total Expenses (lines 9 to 10)	\$172,180,040	(\$24,989,518)	\$147,190,523	\$ -	\$147,190,523
12	Utility income before income taxes	\$45,583,907	(\$192,774,429)	(\$147,190,523)	\$ -	(\$147,190,523)
13	Income taxes (grossed-up)	\$2,119,344	\$ -	\$2,119,344	\$ -	\$2,119,344
14	Utility net income	\$43,464,562	(\$192,774,429)	(\$149,309,867)	\$ -	(\$149,309,867)

Notes

Other Revenues / Revenue Offsets

(1)	Specific Service Charges	\$5,382,055	\$ -	\$ -	\$ -	\$ -
	Late Payment Charges	\$1,000,000	\$ -	\$ -	\$ -	\$ -
	Other Distribution Revenue	\$1,462,490	\$ -	\$ -	\$ -	\$ -
	Other Income and Deductions	\$1,691,420	\$ -	\$ -	\$ -	\$ -
	Total Revenue Offsets	\$9,535,966	\$ -	\$ -	\$ -	\$ -



Revenue Requirement Workform (RRWF) for 2022 Filers

Taxes/PILs

Line No.	Particulars	Application		Per Board Decision	
<u>Determination of Taxable Income</u>					
1	Utility net income before taxes	\$43,464,563	\$ -	\$ -	
2	Adjustments required to arrive at taxable utility income	(\$37,265,627)	\$ -	\$ -	
3	Taxable income	<u>\$6,198,936</u>	<u>\$ -</u>	<u>\$ -</u>	
<u>Calculation of Utility income Taxes</u>					
4	Income taxes	\$1,557,718	\$1,557,718	\$1,557,718	
6	Total taxes	<u>\$1,557,718</u>	<u>\$1,557,718</u>	<u>\$1,557,718</u>	
7	Gross-up of Income Taxes	\$561,626	\$561,626	\$561,626	
8	Grossed-up Income Taxes	<u>\$2,119,344</u>	<u>\$2,119,344</u>	<u>\$2,119,344</u>	
9	PILs / tax Allowance (Grossed-up Income taxes + Capital taxes)	<u>\$2,119,344</u>	<u>\$2,119,344</u>	<u>\$2,119,344</u>	
10	Other tax Credits	(\$85,000)	(\$85,000)	(\$85,000)	
<u>Tax Rates</u>					
11	Federal tax (%)	15.00%	15.00%	15.00%	
12	Provincial tax (%)	<u>11.50%</u>	<u>11.50%</u>	<u>11.50%</u>	
13	Total tax rate (%)	<u>26.50%</u>	<u>26.50%</u>	<u>26.50%</u>	

Notes



Revenue Requirement Workform (RRWF) for 2022 Filers

Capitalization/Cost of Capital

Line No.	Particulars	Capitalization Ratio		Cost Rate	Return
		(%)	(\$)	(%)	(\$)
Initial Application					
	Debt				
1	Long-term Debt	56.00%	\$729,620,954	3.30%	\$24,077,491
2	Short-term Debt	4.00%	\$52,115,782	1.75%	\$912,026
3	Total Debt	60.00%	\$781,736,736	3.20%	\$24,989,518
	Equity				
4	Common Equity	40.00%	\$521,157,824	8.34%	\$43,464,563
5	Preferred Shares	0.00%	\$ -	0.00%	\$ -
6	Total Equity	40.00%	\$521,157,824	8.34%	\$43,464,563
7	Total	100.00%	\$1,302,894,561	5.25%	\$68,454,080
Per Board Decision					
	Debt				
1	Long-term Debt	0.00%	\$ -	0.00%	\$ -
2	Short-term Debt	0.00%	\$ -	0.00%	\$ -
3	Total Debt	0.00%	\$ -	0.00%	\$ -
	Equity				
4	Common Equity	0.00%	\$ -	0.00%	\$ -
5	Preferred Shares	0.00%	\$ -	0.00%	\$ -
6	Total Equity	0.00%	\$ -	0.00%	\$ -
7	Total	0.00%	\$1,215,555,272	0.00%	\$ -
	Debt				
8	Long-term Debt	0.00%	\$ -	3.30%	\$ -
9	Short-term Debt	0.00%	\$ -	1.75%	\$ -
10	Total Debt	0.00%	\$ -	0.00%	\$ -
	Equity				
11	Common Equity	0.00%	\$ -	8.34%	\$ -
12	Preferred Shares	0.00%	\$ -	0.00%	\$ -
13	Total Equity	0.00%	\$ -	0.00%	\$ -
14	Total	0.00%	\$1,215,555,272	0.00%	\$ -

Notes



Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2022 Filers

Revenue Deficiency/Sufficiency

Line No.	Particulars	Initial Application		Per Board Decision		Per Board Decision	
		At Current Approved Rates	At Proposed Rates	At Current Approved Rates	At Proposed Rates	At Current Approved Rates	At Proposed Rates
1	Revenue Deficiency from Below		\$23,620,986		(\$55,023,242)		\$200,259,215
2	Distribution Revenue	\$188,662,212	\$184,606,995	\$188,662,212	\$263,251,223	\$ -	(\$200,259,215)
3	Other Operating Revenue Offsets - net	\$9,535,966	\$9,535,966	\$ -	\$ -	\$ -	\$ -
4	Total Revenue	<u>\$198,198,178</u>	<u>\$217,763,947</u>	<u>\$188,662,212</u>	<u>\$208,227,981</u>	<u>\$ -</u>	<u>\$ -</u>
5	Operating Expenses	\$147,190,523	\$147,190,523	\$147,190,523	\$147,190,523	\$147,190,523	\$147,190,523
6	Deemed Interest Expense	\$24,989,518	\$24,989,518	\$ -	\$ -	\$ -	\$ -
8	Total Cost and Expenses	<u>\$172,180,040</u>	<u>\$172,180,040</u>	<u>\$147,190,523</u>	<u>\$147,190,523</u>	<u>\$147,190,523</u>	<u>\$147,190,523</u>
9	Utility Income Before Income Taxes	\$26,018,138	\$45,583,907	\$41,471,689	\$61,037,458	(\$147,190,523)	(\$147,190,523)
10	Tax Adjustments to Accounting Income per 2013 PILs model	(\$37,265,627)	(\$37,265,627)	(\$37,265,627)	(\$37,265,627)	\$ -	\$ -
11	Taxable Income	<u>(\$11,247,489)</u>	<u>\$8,318,280</u>	<u>\$4,206,062</u>	<u>\$23,771,831</u>	<u>(\$147,190,523)</u>	<u>(\$147,190,523)</u>
12	Income Tax Rate	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%
13	Income Tax on Taxable Income	\$ -	\$2,204,344	\$1,114,607	\$6,299,535	\$ -	\$ -
14	Income Tax Credits	(\$85,000)	(\$85,000)	(\$85,000)	(\$85,000)	\$ -	\$ -
15	Utility Net Income	<u>\$26,103,138</u>	<u>\$43,464,562</u>	<u>\$40,442,083</u>	<u>(\$149,309,867)</u>	<u>(\$147,190,523)</u>	<u>(\$149,309,867)</u>
16	Utility Rate Base	\$1,302,894,561	\$1,302,894,561	\$1,215,555,272	\$1,215,555,272	\$1,215,555,272	\$1,215,555,272
17	Deemed Equity Portion of Rate Base	\$521,157,824	\$521,157,824	\$ -	\$ -	\$ -	\$ -
18	Income/(Equity Portion of Rate Base)	5.01%	8.34%	0.00%	0.00%	0.00%	0.00%
19	Target Return - Equity on Rate Base	8.34%	8.34%	0.00%	0.00%	0.00%	0.00%
20	Deficiency/Sufficiency in Return on Equity	-3.33%	0.00%	0.00%	0.00%	0.00%	0.00%
21	Indicated Rate of Return	3.92%	5.25%	3.33%	0.00%	-12.11%	0.00%
22	Requested Rate of Return on Rate Base	5.25%	5.25%	0.00%	0.00%	0.00%	0.00%
23	Deficiency/Sufficiency in Rate of Return	-1.33%	0.00%	3.33%	0.00%	-12.11%	0.00%
24	Target Return on Equity	\$43,464,563	\$43,464,563	\$ -	\$ -	\$ -	\$ -
25	Revenue Deficiency/(Sufficiency)	\$17,361,425	(\$0)	(\$40,442,083)	\$ -	\$147,190,523	\$ -
26	Gross Revenue Deficiency/(Sufficiency)	<u>\$23,620,986 ⁽¹⁾</u>		<u>(\$55,023,242) ⁽¹⁾</u>		<u>\$200,259,215 ⁽¹⁾</u>	

Notes:

⁽¹⁾ Revenue Deficiency/Sufficiency divided by (1 - Tax Rate)



Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2022 Filers

Revenue Requirement

Line No.	Particulars	Application		Per Board Decision	
1	OM&A Expenses	\$89,295,977		\$89,295,977	
2	Amortization/Depreciation	\$55,472,443		\$55,472,443	
3	Property Taxes	\$3,197,563		\$3,197,563	
5	Income Taxes (Grossed up)	\$2,119,344		\$2,119,344	
6	Other Expenses	(\$775,461)		(\$775,461)	
7	Return				
	Deemed Interest Expense	\$24,989,518		\$ -	
	Return on Deemed Equity	\$43,464,563		\$ -	
8	Service Revenue Requirement (before Revenues)	<u>\$217,763,947</u>		<u>\$149,309,867</u>	
9	Revenue Offsets	\$9,535,966		\$ -	
10	Base Revenue Requirement (excluding Tranformer Owership Allowance credit adjustment)	<u>\$208,227,981</u>		<u>\$149,309,867</u>	
11	Distribution revenue	\$208,227,981		\$ -	
12	Other revenue	\$9,535,966		\$ -	
13	Total revenue	<u>\$217,763,947</u>		<u>\$ -</u>	
14	Difference (Total Revenue Less Distribution Revenue Requirement before Revenues)	<u>(\$0)</u>	(1)	<u>(\$149,309,867)</u>	(1)

Summary Table of Revenue Requirement and Revenue Deficiency/Sufficiency

	Application		Δ% (2)	Per Board Decision	Δ% (2)
Service Revenue Requirement	\$217,763,947	\$149,309,867	#####	\$149,309,867	#####
Grossed-Up Revenue Deficiency/(Sufficiency)	\$23,620,986	(\$55,023,242)	#####	\$200,259,215	#####
Base Revenue Requirement (to be recovered from Distribution Rates)	\$208,227,981	\$149,309,867	#####	\$149,309,867	#####
Revenue Deficiency/(Sufficiency) Associated with Base Revenue Requirement	\$19,565,769	\$ -	#####	\$ -	#####

Notes

- (1) Line 11 - Line 8
 (2) Percentage Change Relative to Initial Application



Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2022 Filers

Load Forecast Summary

This spreadsheet provides a summary of the customer and load forecast on which the test year revenue requirement is derived. The amounts serve as the denominators for deriving the rates to recover the test year revenue requirement for purposes of this RRWF.

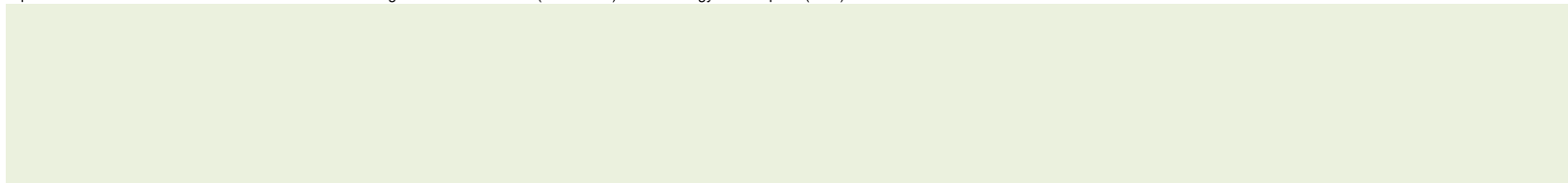
The information to be input is inclusive of any adjustments to kWh and kW to reflect the impacts of CDM programs up to and including CDM programs planned to be executed in the test year. i.e., the load forecast adjustments determined in **Appendix 2-I** should be incorporated into the entries. The inputs should correspond with the summary of the Load Forecast for the Test Year in **Appendix 2-IB** and in Exhibit 3 of the application.

Appendix 2-IB is still required to be filled out, as it also provides a year-over-year variance analysis of demand growth and trends from historical actuals to the Bridge and Test Year forecasts.

Stage in Process:		Initial Application			Per Board Decision		
Customer Class		Initial Application			Per Board Decision		
Input the name of each customer class.		Customer / Connections	kWh	kW/kVA ⁽¹⁾	Customer / Connections	kWh	kW/kVA ⁽¹⁾
		Test Year average or mid-year	Annual	Annual	Test Year average or mid-year	Annual	Annual
1	Residential	319,510	2,280,181,561				
2	GS < 50 kW	25,554	710,221,989				
3	GS > 50 to 1,499 kW	3,087	2,862,639,485	6,898,741			
4	GS > 1,500 to 4,999 kW	68	698,364,677	1,545,513			
5	Large Use	11	575,412,630	1,054,605			
6	Street Lighting	63,725	23,892,645	66,152			
7	Sentinel Lighting	55	47,000	132			
8	Unmetered Scattered Load	3,321	13,188,068				
9	Standby Power	3		7,440			
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
Total			7,163,948,056	9,572,582			

Notes:

⁽¹⁾ Input kW or kVA for those customer classes for which billing is based on demand (kW or kVA) versus energy consumption (kWh)





Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2022 Filers

Cost Allocation and Rate Design

This spreadsheet replaces **Appendix 2-P** and provides a summary of the results from the Cost Allocation spreadsheet, and is used in the determination of the class revenue requirement and, hence, ultimately, the determination of rates from customers in all classes to recover the revenue requirement.

Stage in Application Process: *Initial Application*

A) Allocated Costs

Name of Customer Class ⁽³⁾	Costs Allocated from Previous Study ⁽¹⁾	%	Allocated Class Revenue Requirement ⁽¹⁾	%
<i>From Sheet 10. Load Forecast</i>				
<i>(7A)</i>				
1 Residential	\$ 117,007,775	56.40%	\$ 122,809,179	56.40%
2 GS < 50 kW	\$ 20,892,073	10.07%	\$ 21,927,930	10.07%
3 GS > 50 to 1,499 kW	\$ 49,556,043	23.89%	\$ 52,013,099	23.89%
4 GS > 1,500 to 4,999 kW	\$ 10,433,535	5.03%	\$ 10,950,843	5.03%
5 Large Use	\$ 7,948,894	3.83%	\$ 8,343,011	3.83%
6 Street Lighting	\$ 1,004,437	0.48%	\$ 1,054,238	0.48%
7 Sentinel Lighting	\$ 10,058	0.00%	\$ 10,557	0.00%
8 Unmetered Scattered Load	\$ 560,403	0.27%	\$ 588,188	0.27%
9 Standby Power	\$ 63,740	0.03%	\$ 66,901	0.03%
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
Total	\$ 207,476,959	100.00%	\$ 217,763,947	100.00%
Service Revenue Requirement (from Sheet 9)			\$ 217,763,947.21	

- (1) Class Allocated Revenue Requirement, from Sheet O-1, Revenue to Cost || RR, row 40, from the Cost Allocation Study in this application. This excludes costs in deferral and variance accounts. For Embedded Distributors, Account 4750 - Low Voltage (LV) Costs are also excluded.
- (2) Host Distributors - Provide information on any embedded distributor(s) as a separate class, if applicable. If embedded distributors are billed in a General Service class, include the allocated costs and revenues of the embedded distributor(s) in the applicable class, and also complete Appendix 2-Q.
- (3) Customer Classes - If these differ from those in place in the previous cost allocation study, modify the customer classes to match the proposal in the current application as closely as possible.

B) Calculated Class Revenues

Name of Customer Class	Load Forecast (LF) X current approved rates (7B)	LF X current approved rates X (1+d) (7C)	LF X Proposed Rates (7D)	Miscellaneous Revenues (7E)
1 Residential	\$ 112,416,369	\$ 117,269,634	\$ 117,285,700	\$ 6,864,192
2 GS < 50 kW	\$ 24,241,099	\$ 25,416,978	\$ 25,387,750	\$ 877,565
3 GS > 50 to 1,499 kW	\$ 43,906,589	\$ 45,738,992	\$ 45,739,289	\$ 1,300,195
4 GS > 1,500 to 4,999 kW	\$ 10,857,092	\$ 10,950,649	\$ 10,950,627	\$ 254,637
5 Large Use	\$ 6,979,517	\$ 7,006,916	\$ 7,006,964	\$ 176,223
6 Street Lighting	\$ 1,175,379	\$ 1,227,791	\$ 1,227,162	\$ 37,276
7 Sentinel Lighting	\$ 4,963	\$ 5,254	\$ 5,881	\$ 684
8 Unmetered Scattered Load	\$ 550,301	\$ 591,232	\$ 591,299	\$ 23,495
9 Standby Power	\$ 19,460	\$ 20,536	\$ 20,536	\$ 1,698
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
Total	\$ 200,150,769	\$ 208,227,981	\$ 208,215,208	\$ 9,535,966

- (4) In columns 7B to 7D, LF means Load Forecast of Annual Billing Quantities (i.e., customers or connections, as applicable X 12 months, and kWh, kW or kVA as applicable. Revenue quantities should be net of the Transformer Ownership Allowance for applicable customer classes. Exclude revenues from rate adders and rate riders.
- (5) Columns 7C and 7D - Column Total should equal the Base Revenue Requirement for each.
- (6) Column 7C - The OEB-issued cost allocation model calculates "1+d" on worksheet O-1, cell C22. "d" is defined as Revenue Deficiency/Revenue at Current Rates.
- (7) Column 7E - If using the OEB-issued cost allocation model, enter Miscellaneous Revenues as it appears on worksheet O-1, row 19,

C) Rebalancing Revenue-to-Cost Ratios

Name of Customer Class	Previously Approved Ratios	Status Quo Ratios	Proposed Ratios	Policy Range
	Most Recent Year: 2019	(7C + 7E) / (7A)	(7D + 7E) / (7A)	
	%	%	%	%
1 Residential	101.08%	101.08%	101.09%	85 - 115
2 GS < 50 kW	119.92%	119.91%	119.78%	80 - 120
3 GS > 50 to 1,499 kW	90.44%	90.44%	90.44%	80 - 120
4 GS > 1,500 to 4,999 kW	102.32%	102.32%	102.32%	80 - 120
5 Large Use	86.10%	86.10%	86.10%	85 - 115
6 Street Lighting	120.00%	120.00%	119.94%	80 - 120
7 Sentinel Lighting	56.25%	56.25%	62.19%	80 - 120
8 Unmetered Scattered Load	104.51%	104.51%	104.52%	80 - 120
9 Standby Power	33.23%	33.23%	33.23%	80 - 120
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				

- (8) Previously Approved Revenue-to-Cost (R/C) Ratios - For most applicants, the most recent year would be the third year (at the latest) of the Price Cap IR period. For example, if the applicant, rebased in 2012 with further adjustments to move within the range over two years, the Most Recent Year would be 2015. However, the ratios in 2015 would be equal to those after the adjustment in 2014.
- (9) Status Quo Ratios - The OEB-issued cost allocation model provides the Status Quo Ratios on Worksheet O-1. The Status Quo means "Before Rebalancing".
- (10) Ratios shown in red are outside of the allowed range. Applies to both Tables C and D.

(D) Proposed Revenue-to-Cost Ratios ⁽¹¹⁾

Name of Customer Class	Proposed Revenue-to-Cost Ratio			Policy Range
	Test Year	Price Cap IR Period		
	2022	2023	2024	
1 Residential	101.09%	101.09%	101.09%	85 - 115
2 GS < 50 kW	119.78%	119.78%	119.78%	80 - 120
3 GS > 50 to 1,499 kW	90.44%	90.44%	90.44%	80 - 120
4 GS > 1,500 to 4,999 kW	102.32%	102.32%	102.32%	80 - 120
5 Large Use	86.10%	86.10%	86.10%	85 - 115
6 Street Lighting	119.94%	119.94%	119.94%	80 - 120
7 Sentinel Lighting	62.19%	62.19%	62.19%	80 - 120
8 Unmetered Scattered Load	104.52%	104.52%	104.52%	80 - 120
9 Standby Power	33.23%	33.23%	33.23%	80 - 120
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				

(11) The applicant should complete Table D if it is applying for approval of a revenue-to-cost ratio in 2021 that is outside of the OEB's policy range for any customer class. Table D will show that the distributor is likely to enter into the 2022 and 2023 Price Cap IR models, as necessary. For 2022 and 2023, enter the planned revenue-to-cost ratios that will be "Change" or "No Change" in 2019 (in the current Revenue/Cost Ratio Adjustment Workform, Worksheet C1.1 'Decision - Cost Revenue Adjustment, column d), and enter TBD for class(es) that will be entered as 'Rebalance'.



Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2022 Filers

Tracking Form

The first row shown, labelled "Original Application", summarizes key statistics based on the data inputs into the RRWF. After the original application filing, the applicant provides key changes in capital and operating expenses, load forecasts, cost of capital, etc., as revised through the processing of the application. This could be due to revisions or responses to interrogatories. The last row shown is the most current estimate of the cost of service data reflecting the original application and any updates provided by the applicant distributor (for updated evidence, responses to interrogatories, undertakings, etc.)

Please ensure a Reference (Column B) and/or Item Description (Column C) is entered. Please note that unused rows will automatically be hidden and the PRINT AREA set when the PRINT BUTTON on Sheet 1 is activated.

⁽¹⁾ Short reference to evidence material (interrogatory response, undertaking, exhibit number, Board Decision, Code, Guideline, Report of the Board, etc.)

⁽²⁾ Short description of change, issue, etc.

Summary of Proposed Changes

Reference ⁽¹⁾	Item / Description ⁽²⁾	Cost of Capital		Rate Base and Capital Expenditures			Operating Expenses			Revenue Requirement			
		Regulated Return on Capital	Regulated Rate of Return	Rate Base	Working Capital	Working Capital Allowance (\$)	Amortization / Depreciation	Taxes/PILs	OM&A	Service Revenue Requirement	Other Revenues	Base Revenue Requirement	Grossed up Revenue Deficiency / Sufficiency
	Original Application	\$ 68,454,080	5.25%	\$1,302,894,561	\$1,164,523,850	\$ 87,339,289	\$ 55,472,443	\$ 2,119,344	\$ 89,295,977	\$ 217,763,947	\$ 9,535,966	\$ 208,227,981	\$ 23,620,986

1

COST ALLOCATION

1. INTRODUCTION

This Schedule includes information on cost allocation study requirements, class revenue requirements, and revenue-to-cost ratios.

2. COST ALLOCATION STUDY

Hydro Ottawa submitted a 2021 Cost Allocation model with its 2021-2025 Custom Incentive Rate-setting (“Custom IR”) Application that served as a basis to establish cost allocation for the full five year period of the Custom IR term. This approach was accepted as part of the 2021-2025 Approved Settlement Agreement¹ and as a result, annual updates of the Cost Allocation model are not required. Please see Attachment 6-1-1(B): OEB Workform - 2022 Revenue Requirement Workform and Exhibit 6-1-1: Calculation of Revenue Deficiency or Sufficiency for detailed proposed allocation of revenue requirement to customer classes.

2.1. LOAD PROFILES

Demand data figures for the 2021 Cost Allocation Model were calculated based on hourly demand figures used in previous rate applications, adjusted to the 2021 monthly load profile and customer count forecasts.

As an outcome of the 2021-2025 Approved Settlement Agreement, the Parties² agreed that the utility will develop in-house demand profiles by customer class as input to the next rebasing application. Specifically a new study will be undertaken on “the appropriate customer count and non-coincident peak (“NCP”) split between primary and secondary for the Residential and GS < 50 kW customer classes.”³ Hydro Ottawa confirms that it has a plan in place to develop updated hourly load profiles

¹ Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261 (September 18, 2020).

² Hydro Ottawa and the following intervenor groups: Building Owners and Managers Association, Consumers Council of Canada, Distributed Resource Coalition, Environmental Defence, Energy Probe Research Foundation, Pollution Probe, School Energy Coalition, Vulnerable Energy Consumers Coalition.

³ Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261 (September 18, 2020), p 27.

1 based on in-house demand profiles in the details required to comply with the current Filing
2 Requirements.

3

4 **2.2. PRIMARY / SECONDARY SPLITS**

5 In conjunction with the customer count study detailed in the previous section, Hydro Ottawa has also
6 agreed to complete a study of its distribution assets to produce an updated split of certain asset
7 classes to primary and secondary components for cost allocation purposes.⁴ The asset classes to be
8 investigated are Poles, Towers and Fixtures (Uniform System of Accounts (“USofA”) 1830), Overhead
9 Conductors and Devices (USofA 1835), Underground Conductors (USofA 1840) and Underground
10 Conductors and Devices (USofA 1845).

11

12 Hydro Ottawa confirms work is underway to complete this requirement of the 2021-2025 Approved
13 Settlement Agreement.

14

15 **3. PROPOSED REVENUE TO COST RATIOS**

16 As part of the 2021-2025 Approved Settlement Agreement, the Parties agreed on the methodology of
17 setting the rate class percentage of revenue requirement and revenue-to-cost ratios.

18

19 Sentinel Lighting is the only customer class with a revenue-to-cost ratio outside the OEB policy range.
20 As agreed, the ratio for this customer class is being brought into its policy range over the five year
21 period to mitigate the impact of a large rate increase on a small number of class participants. All other
22 classes have been held constant in 2022.

23

24 Please see Attachment 6-1-1(B): OEB Workform - 2022 Revenue Requirement Workform, Cost
25 Allocation Sheet 11, for Proposed Revenue Requirement and Proposed Ratios by Customer Class.

26

27 Table 1 below provides the current and proposed rate class percentage of revenue requirement and the
28 current and proposed revenue-to-cost ratios.

29

30 ⁴ Ibid.

1 **Table 1 – Current and Proposed Rate Class Percentage & Revenue-to-Cost Ratios**

Rate Class	% Revenue Requirement			Revenue-to-Cost Ratios	
	2021 Cost Study	2021 Approved	2022 Proposed	2021 Approved	2022 Proposed
Residential	56.4%	56.3%	56.3%	101.08%	101.09%
GS < 50 kW	10.1%	12.2%	12.2%	119.92%	119.78%
GS > 50 to 1,499 kW	23.9%	22.0%	22.0%	90.44%	90.44%
GS > 1,500 to 4,999 kW	5.0%	5.3%	5.3%	102.32%	102.32%
Large Use	3.8%	3.4%	3.4%	86.10%	86.10%
Street Lighting	0.5%	0.6%	0.6%	120.00%	119.94%
Sentinel Lighting	0.0%	0.0%	0.0%	56.25%	62.19%
Unmetered Scattered Load	0.3%	0.3%	0.3%	104.51%	104.52%
Standby Power	0.0%	0.0%	0.0%	33.23%	33.23%

2

FIXED / VARIABLE PROPORTION

1

2

1. INTRODUCTION

4 This Schedule describes how Hydro Ottawa’s proposed rates have been designed to collect the
 5 requested revenue requirement for 2022. The corresponding Bill Impacts and Tariffs of Rates and
 6 Charges are provided in Exhibit 8-12-1: Bill Impact Information.

7

8 Hydro Ottawa is requesting approval of a Base Revenue Requirement in 2022 of \$208.2M and
 9 Transformer Ownership Credit of \$1.07M, for total revenue from distribution rates of \$209.3M. Table 1
 10 summarizes the approved 2021, proposed 2022 and illustrative 2023-2025 requested revenue from
 11 distribution rates.

12

13

Table 1 – Revenue from Distribution Rates 2021-2025 (\$’000s)

	2021 Approved	2022 Proposed	2023 Illustrative	2024 Illustrative	2025 Illustrative
Base Revenue Requirement	197,797	208,228	217,455	223,059	225,948
Transformer Ownership Credit	1,065	1,069	1,073	1,079	906
REVENUE FROM DISTRIBUTION RATES	\$198,861	\$209,297	\$218,528	\$224,138	\$226,854

14

15 Hydro Ottawa will update its 2022 proposed revenue requirement and rates and charges when the OEB
 16 publishes its inflation factor for incentive rate-setting under Price Cap IR and Annual Index plans for the
 17 year 2022.

18

19 Please see Exhibit 6-1-1: Calculation of Revenue Deficiency or Sufficiency for the calculation of
 20 revenue required from distribution rates and of revenue deficiency for this Application.

1 **2. FIXED/VARIABLE PROPORTION**

2 As part of the 2021-2025 Approved Settlement Agreement,¹ the Parties² agreed on the fixed/variable
3 rate design for each customer rate class with the exception of the following three commercial customer
4 classes: General Service > 50 to 1,499 kW, General Service 1,500 to 4,999 kW, and Large Use. Rate
5 Design with respect to these three commercial classes was set as part of the OEB's Decision and
6 Order issued on November 19, 2020.³

7
8 For the three affected commercial rate classes the OEB determined that "fixed charges should be set
9 by comparing the fixed charge resulting from Hydro Ottawa's standard rate design approach with the
10 previous year's level for the five year rate term. In years where maintaining the current fixed/variable
11 revenue split results in a higher fixed charge than the previous year, Hydro Ottawa shall maintain the
12 fixed charge at the previous year's level. In years where maintaining the current fixed/variable revenue
13 split results in a lower fixed charge than the previous year, Hydro Ottawa shall maintain the fixed
14 charge at the lower value."⁴ The application of the decision was confirmed in the final OEB Decision
15 and Order dated January 7, 2021.

16
17 Table 2 below provides the 2021 approved, 2022 proposed and 2023-2025 illustrative fixed/variable
18 splits as per the 2021-2025 Approved Settlement Agreement. Tables 3 through 5 below provide the
19 approved, proposed and future illustrative fixed/variable charges for the 2021-2025 rate period. The
20 ratios presented for 2022 may change subsequent to the update to revenue requirement as noted
21 above.

22 ¹ Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261 (September
23 18, 2020).

24 ² Hydro Ottawa and the following intervenor groups: Building Owners and Managers Association, Consumers Council of
25 Canada, Distributed Resource Coalition, Environmental Defence, Energy Probe Research Foundation, Pollution Probe, School
26 Energy Coalition, Vulnerable Energy Consumers Coalition.

27 ³ Ontario Energy Board, *Decision and Order*, EB-2019-0261 (November 19, 2020).

28 ⁴ *Ibid.*, p. 23.

1 **Table 2 – Approved, Proposed and Illustrative Fixed/Variable Split**

	2021 Approved		2022 Proposed		2023 Illustrative		2024 Illustrative		2025 Illustrative	
	Fixed	Variable	Fixed	Variable	Fixed	Variable	Fixed	Variable	Fixed	Variable
Residential	100%	0%	100%	0%	100%	0%	100%	0%	100%	0%
GS < 50 kW	25%	75%	25%	75%	25%	75%	25%	75%	25%	75%
GS 50 to 1,499 kW	17%	83%	16%	84%	15%	85%	15%	85%	14%	86%
GS 1,500 to 4,999 kW	32%	68%	30%	70%	29%	71%	28%	72%	27%	73%
Large Use	29%	71%	27%	73%	26%	74%	25%	75%	24%	76%
Unmetered Scattered Load	38%	62%	39%	61%	40%	60%	41%	59%	42%	58%
Sentinel Lighting	52%	48%	52%	48%	52%	48%	52%	48%	52%	48%
Street Lighting	62%	38%	62%	38%	62%	38%	63%	37%	63%	37%
Standby Power	28%	72%	28%	72%	28%	72%	28%	72%	28%	72%

2
 3 Table 3 details the 2021 approved and 2022 proposed fixed and variable charges by rate class.

4
 5 **Table 3 – Approved and Proposed Fixed/Variable Charges**

	2021 Approved		2022 Proposed	
	Fixed \$	Variable \$/kWh or \$/kW	Fixed \$	Variable \$/kWh or \$/kW
Residential	\$29.32	\$0.0000	\$30.59	\$0.0000
GS < 50 kW	\$19.76	\$0.0256	\$20.72	\$0.0268
GS 50 to 1,499 kW	\$200.00	\$5.2905	\$200.00	\$5.6065
GS 1,500 to 4,999 kW	\$4,193.93	\$4.8106	\$4,193.93	\$5.1311
Large Use	\$15,231.32	\$4.7117	\$15,231.32	\$5.0407
Unmetered Scattered Load	\$5.37	\$0.0255	\$5.77	\$0.0274
Sentinel Lighting	\$3.88	\$18.2019	\$4.60	\$21.5536
Street Lighting	\$0.96	\$6.6705	\$1.00	\$6.9909
Standby Power GS 50 to 1,499 kW	\$153.14	\$2.0437	\$161.61	\$2.1566
Standby Power GS 1,500 to 4,999 kW	\$153.14	\$1.8746	\$161.61	\$1.9782
Standby Power Large Use	\$153.14	\$2.0803	\$161.61	\$2.1953

1 Table 4 outlines the 2021 approved, 2022 proposed and 2023-2025 illustrative fixed charges by rate
 2 class.

3 **Table 4 – Approved, Proposed and Illustrative Fixed Charges**

	2021 Approved	2022 Proposed	2023 Illustrative	2024 Illustrative	2025 Illustrative
Residential	\$29.32	\$30.59	\$31.63	\$32.11	\$32.21
GS < 50 kW	\$19.76	\$20.72	\$21.54	\$21.96	\$22.18
GS 50 to 1,499 kW	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00
GS 1,500 to 4,999 kW	\$4,193.93	\$4,193.93	\$4,193.93	\$4,132.49	\$4,034.09
Large Use	\$15,231.32	\$15,231.32	\$15,216.86	\$14,930.22	\$14,528.81
Unmetered Scattered Load	\$5.37	\$5.77	\$6.16	\$6.46	\$6.69
Sentinel Lighting	\$3.88	\$4.60	\$5.31	\$5.97	\$6.58
Street Lighting	\$0.96	\$1.00	\$1.03	\$1.05	\$1.05
Standby Power GS 50 to 1,499 kW	\$153.14	\$161.61	\$168.72	\$172.93	\$175.20
Standby Power GS 1,500 to 4,999 kW	\$153.14	\$161.61	\$168.72	\$172.93	\$175.20
Standby Power Large Use	\$153.14	\$161.61	\$168.72	\$172.93	\$175.20

4

1 Table 5 summarizes the 2021 approved, 2022 proposed and 2023-2025 illustrative variable charges by
 2 rate class.

3

4 **Table 5 – Approved, Proposed and Illustrative Variable Charges (\$/kWh or \$/kW)**

	2021 Approved	2022 Proposed	2023 Illustrative	2024 Illustrative	2025 Illustrative
Residential	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
GS < 50 kW	\$0.0256	\$0.0268	\$0.0279	\$0.0284	\$0.0287
GS 50 to 1,499 kW	\$5.2905	\$5.6065	\$5.8902	\$6.0448	\$6.1270
GS 1,500 to 4,999 kW	\$4.8106	\$5.1311	\$5.4149	\$5.5944	\$5.6776
Large Use	\$4.7117	\$5.0407	\$5.3401	\$5.5447	\$5.6526
Unmetered Scattered Load	\$0.0255	\$0.0274	\$0.0292	\$0.0306	\$0.0317
Sentinel Lighting	\$18.2019	\$21.5536	\$24.9062	\$27.9664	\$30.8271
Street Lighting	\$6.6705	\$6.9909	\$7.2888	\$7.3701	\$7.4449
Standby Power GS 50 to 1,499 kW	\$2.0437	\$2.1566	\$2.2513	\$2.3074	\$2.3376
Standby Power GS 1,500 to 4,999 kW	\$1.8746	\$1.9782	\$2.0651	\$2.1166	\$2.1443
Standby Power Large Use	\$2.0803	\$2.1953	\$2.2917	\$2.3489	\$2.3796

5

6 Table 6 below details the 2021 approved, 2022 proposed and 2023-2025 illustrative fixed charges by
 7 customer class compared to upper and lower bounds (floor and ceiling) calculated in the 2021 Cost
 8 Allocation Model⁵ submitted in support of the Decision and Rate Order for Hydro Ottawa’s 2021-2025
 9 Custom Incentive Rate-setting Application.

10 ⁵ As submitted in Hydro Ottawa’s Draft Rate Order, EB-2019-0261: Cost_Allocation_Model (December 3, 2020).

1 **Table 6 – Comparison of Approved, Proposed and Illustrative Fixed Charges to Cost Allocation**
 2 **Floor and Ceiling**

	2021 Cost Allocation		2021 Approved	2022 Proposed	2023 Illustrative	2024 Illustrative	2025 Illustrative
	Floor	Ceiling					
Residential	\$4.07	\$17.38	\$29.32	\$30.59	\$31.63	\$32.11	\$32.21
GS < 50 kW	\$6.01	\$22.73	\$19.76	\$20.72	\$21.54	\$21.96	\$22.18
GS > 50 to 1,499 kW	\$25.49	\$76.11	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00
GS > 1,500 to 4,999 kW	\$64.71	\$369.57	\$4,193.93	\$4,193.93	\$4,193.93	\$4,132.49	\$4,034.09
Large Use	\$15.86	\$455.32	\$15,231.32	\$15,231.32	\$15,216.86	\$14,930.22	\$14,528.81
Unmetered Scattered Load	\$0.05	\$9.33	\$5.37	\$5.77	\$6.16	\$6.46	\$6.69
Sentinel Lighting	\$1.78	\$14.97	\$3.88	\$4.60	\$5.31	\$5.97	\$6.58
Street Lighting	\$0.06	\$9.02	\$0.96	\$1.00	\$1.03	\$1.05	\$1.05
Standby Power	\$115.49	\$119.16	\$153.14	\$161.61	\$168.72	\$172.93	\$175.20

3
 4 Since 2020, the Distribution charge for the Residential customer class has been set at 100% fixed. With
 5 the exception of the three commercial classes, the approved rate design is based on maintaining the
 6 fixed/variable split for each customer class. As directed, fixed rates for the three commercial classes
 7 have been held constant in 2022 and variable rates have been adjusted to ensure recovery of the
 8 requested revenue requirement for those classes.

9
 10 **3. TRANSFORMER OWNERSHIP CREDIT**

11 As per the 2021-2025 Approved Settlement Agreement, Hydro Ottawa has maintained the current
 12 Transformer Ownership Credit (“TOC”) of \$0.45/kW for customers who own their transformers and are
 13 currently entitled to receive the credit for 2022.

- 1 As per section 2.5.5.4 of Hydro Ottawa's Conditions of Service ("COS") - Version 7, and as confirmed in
- 2 the 2021-2025 Approved Settlement Agreement, the TOC will be discontinued for all customer-owned
- 3 transformers as of November 1, 2025.⁶

⁴ ⁶ Hydro Ottawa Limited, *Conditions of Service*, Version 7 (April 1, 2019), Section 2.5.5.4, pp. 55-56.

RATE DESIGN POLICY CONSULTATION

1
2
3 In April 2015, the OEB released a policy on distribution rate design for residential customers.¹ This
4 policy directed electricity distributors to transition residential customers to a fully fixed distribution
5 charge. The OEB set out guidance for the transition period, including mitigation expectations.
6
7 As part of Hydro Ottawa's 2016-2020 Approved Settlement Agreement,² the Parties to that Agreement³
8 concurred that the residential class would transition to a fully fixed distribution charge effective January
9 1, 2020. Through the OEB's approval of the utility's 2020 rate adjustment application, the residential
10 class completed the transition to a fully fixed distribution charge.⁴

11 ¹ Ontario Energy Board, *Board Policy - A New Distribution Rate Design for Residential Electricity Customers*, EB-2012-0410
12 (April 2, 2015).

13 ² Hydro Ottawa Limited, *2016-2020 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2015-0004 (December
14 7, 2015).

15 ³ Hydro Ottawa and Consumers Council of Canada, Energy Probe Research Foundation, School Energy Coalition and
16 Vulnerable Energy Consumers Coalition.

17 ⁴ Ontario Energy Board, *Decision and Rate Order*, EB-2019-0046 (December 17, 2019).

RETAIL TRANSMISSION SERVICE RATES

1

2

1. INTRODUCTION

3 On June 28, 2012, the OEB issued a revision to *Guideline G-2008-0001: Electricity Distribution Retail*
4 *Transmission Service Rates*, which outlined information that electricity distributors must file to adjust
5 their retail transmission service rates (“RTSRs”).¹
6

7

8 The OEB also provides a model (“RTSR Model”) which distributors are required to complete and file as
9 part of their rate applications.

10

2. PROPOSED RTSR CHARGES FOR 2022

11 As per the 2021-2025 Approved Settlement Agreement,² Hydro Ottawa will update RTSRs as part of its
12 mechanistic annual rate adjustment applications from 2022-2025. These updates will be based upon
13 OEB-approved adjustments to the Hydro One Networks Inc. (“Hydro One”) Uniform Transmission Rates
14 (“UTRs”) using the RTSR model.
15

16

17 Consistent with the 2021-2025 Approved Settlement Agreement, Hydro Ottawa is using the RTSR
18 model released by the OEB for 2022 rate filers. The RTSR model is designed to use a utility’s billing
19 determinants from the previous year, as reported through the Reporting and Record Keeping
20 Requirements (“RRRs”). As such, the RTSR rates are derived from 2020 billing determinants.
21

22

23 Hydro Ottawa has attached the 2022 RTSR Model in PDF and Excel formats as Attachment 8-3-1(A):
24 OEB Workform - 2022 RTSR Workform.

25

26 Given that the adjustments to Hydro One UTRs typically occur after the implementation of Hydro
27 Ottawa’s rates on January 1st of each year, the parties have agreed to set each year’s RTSRs using
the previous year’s UTRs. As part of the 2021-2025 Approved Settlement Agreement, the differences

28 ¹ Ontario Energy Board, *G-2008-0001: Guideline - Electricity Distribution Retail Transmission Service Rates*, Revision 4.0
29 (June 28, 2012).

30 ² Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261 (September
31 18, 2020).

- 1 from the new rates will be captured in Uniform System of Accounts 1584 - Retail Settlement Variance
- 2 Account ("RSVA") Network and 1586 - Connection for future disposition.



Ontario Energy Board

v 1.0

2022 RTSR Workform for Electricity Distributors

Drop-down lists are shaded blue; Input cells are shaded green.

Utility Name	Hydro Ottawa Limited
Assigned EB Number	EB-2021-0035
Name and Title of Contact	Aprile Barrie, Director Regulatory Affairs
Phone Number	613-738-5499 ext 2106
Email Address	RegulatoryAffairs@HydroOttawa.com
Last COS Re-based Year	2019

This Workbook Model is protected by copyright and is being made available to you solely for the purpose of filing your COS application. You may use and copy this model for that purpose, and provide a copy of this model to any person that is advising or assisting you in that regard. Except as indicated above, any copying, reproduction, publication, sale, adaptation, translation, modification, reverse engineering or other use or dissemination of this model without the express written consent of the Ontario Energy Board is prohibited. If you provide a copy of this model to a person that is advising or assisting you in preparing the application or reviewing your draft rate order, you must ensure that the person understands and agrees to the restrictions noted above.

While this model has been provided in Excel format and is required to be filed with the applications, the onus remains on the applicant to ensure the accuracy of the data and the results.



Ontario Energy Board

2022 RTSR Workform for Electricity Distributors

[1. Info](#)

[2. Table of Contents](#)

[3. RRR Data](#)

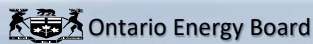
[4. UTRs and Sub-Transmission](#)

[5. Historical Wholesale](#)

[6. Current Wholesale](#)

[7. Forecast Wholesale](#)

[8. RTSR Rates to Forecast](#)



2022 RTSR Workform for Electricity Distributors

Rate Class	Rate Description	Unit	Rate	Non-Loss Adjusted Metered kWh	Non-Loss Adjusted Metered kW	Applicable Loss Factor <i>eg: (1.0325)</i>	Loss Adjusted Billed kWh
RESIDENTIAL SERVICE CLASSIFICATION	Retail Transmission Rate - Network Service Rate	\$/kWh	0.0081	2,441,059,461	0	1.0338	2,523,567,271
RESIDENTIAL SERVICE CLASSIFICATION	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0050	2,441,059,461	0	1.0338	2,523,567,271
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	Retail Transmission Rate - Network Service Rate	\$/kWh	0.0076	667,394,098	0	1.0338	689,952,019
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0048	667,394,098	0	1.0338	689,952,019
GENERAL SERVICE 50 TO 1,499 KW SERVICE CLASSIFICATION	Retail Transmission Rate - Network Service Rate	\$/kW	3.1059	2,693,438,456	6,477,576		0
GENERAL SERVICE 50 TO 1,499 KW SERVICE CLASSIFICATION	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.9644	2,693,438,456	6,477,576		0
GENERAL SERVICE 1,500 TO 4,999 KW SERVICE CLASSIFICATION	Retail Transmission Rate - Network Service Rate	\$/kW	3.2248	653,737,897	1,437,864		0
GENERAL SERVICE 1,500 TO 4,999 KW SERVICE CLASSIFICATION	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.0995	653,737,897	1,437,864		0
LARGE USE SERVICE CLASSIFICATION	Retail Transmission Rate - Network Service Rate	\$/kW	3.5749	573,822,415	1,010,828		0
LARGE USE SERVICE CLASSIFICATION	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.3643	573,822,415	1,010,828		0
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	Retail Transmission Rate - Network Service Rate	\$/kWh	0.0076	14,403,224	0	1.0338	14,890,053
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0048	14,403,224	0	1.0338	14,890,053
SENTINEL LIGHTING SERVICE CLASSIFICATION	Retail Transmission Rate - Network Service Rate	\$/kW	2.2927	46,478	129		0
SENTINEL LIGHTING SERVICE CLASSIFICATION	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.4594	46,478	129		0
STREET LIGHTING SERVICE CLASSIFICATION	Retail Transmission Rate - Network Service Rate	\$/kW	2.3044	22,495,936	62,925		0
STREET LIGHTING SERVICE CLASSIFICATION	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.4898	22,495,936	62,925		0

2022 RTSR Workform for Electricity Distributors

Uniform Transmission Rates		Unit	2020	2021 Jan to Jun	2021 Jul to Dec	2022
Rate Description			Rate	Rate	Rate	Rate
Network Service Rate	kW	\$	3.92	4.67	4.90	\$ 4.90
Line Connection Service Rate	kW	\$	0.97	0.77	0.81	\$ 0.81
Transformation Connection Service Rate	kW	\$	2.33	2.53	2.65	\$ 2.65

Hydro One Sub-Transmission Rates		Unit	2020	2021	2022
Rate Description			Rate	Rate	Rate
Network Service Rate	kW	\$	3.3980	3.4778	\$ 3.4778
Line Connection Service Rate	kW	\$	0.8045	0.8128	\$ 0.8128
Transformation Connection Service Rate	kW	\$	2.0194	2.0458	\$ 2.0458
Both Line and Transformation Connection Service Rate	kW	\$	2.8239	2.8586	\$ 2.8586

If needed, add extra host here. (I)		Unit	2020	2021	2022
Rate Description			Rate	Rate	Rate
Network Service Rate	kW				
Line Connection Service Rate	kW				
Transformation Connection Service Rate	kW				
Both Line and Transformation Connection Service Rate	kW	\$	-	-	\$ -

If needed, add extra host here. (II)		Unit	2020	2021	2022
Rate Description			Rate	Rate	Rate
Network Service Rate	kW				
Line Connection Service Rate	kW				
Transformation Connection Service Rate	kW				
Both Line and Transformation Connection Service Rate	kW	\$	-	-	\$ -
Low Voltage Switchgear Credit (if applicable, enter as a negative value)	\$		Historical 2020	Current 2021	Forecast 2022

2022 RTSR Workform for Electricity Distributors

In the green shaded cells, enter billing detail for wholesale transmission for the same reporting period as the billing determinants on Sheet "3. RRR Data". For Hydro One Sub-transmission Rates, if you are charged a combined Line and Transformation Connection rate, please ensure that both the Line Connection and Transformation Connection columns are completed. If any of the Hydro One Sub-transmission rates (column E, I and M) are highlighted in red, please double check the billing data entered in "Units Billed" and "Amount" columns. The highlighted rates do not match the Hydro One Sub-transmission rates approved for that time period. If data has been entered correctly, please provide explanation for the discrepancies in rates.

IESO Month	Network			Line Connection			Transformation Connection			Total Connection
	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Amount
January	1,082,950	\$3.9200	4,245,164	1,057,458	\$0.9700	1,025,734	840,237	\$2.3300	1,957,752	\$ 2,983,486
February	1,024,992	\$3.9200	4,017,969	982,997	\$0.9700	953,507	790,350	\$2.3300	1,841,516	\$ 2,795,023
March	931,193	\$3.9200	3,650,277	934,230	\$0.9700	906,203	737,872	\$2.3300	1,719,242	\$ 2,625,445
April	775,771	\$3.9200	3,041,022	938,338	\$0.9680	908,281	783,652	\$2.3227	1,820,192	\$ 2,728,474
May	1,138,691	\$3.9200	4,463,669	1,157,908	\$0.9700	1,123,171	864,136	\$2.3300	2,013,437	\$ 3,136,608
June	1,102,382	\$3.9200	4,321,337	1,182,523	\$0.9700	1,147,047	861,748	\$2.3300	2,007,873	\$ 3,154,920
July	1,374,514	\$3.9200	5,388,095	1,346,182	\$0.9700	1,305,797	997,082	\$2.3300	2,323,201	\$ 3,628,998
August	1,137,478	\$3.9200	4,458,914	1,194,027	\$0.9700	1,158,206	904,037	\$2.3300	2,106,406	\$ 3,264,612
September	919,144	\$3.9200	3,603,044	919,457	\$0.9700	891,873	689,364	\$2.3300	1,606,218	\$ 2,498,091
October	875,261	\$3.9200	3,431,023	842,969	\$0.9700	817,680	653,196	\$2.3300	1,521,947	\$ 2,339,627
November	982,983	\$3.9200	3,853,293	922,443	\$0.9700	894,770	707,940	\$2.3300	1,649,500	\$ 2,544,270
December	1,118,304	\$3.9200	4,383,752	1,037,390	\$0.9700	1,006,268	818,992	\$2.3300	1,908,251	\$ 2,914,520
Total	12,463,663	\$ 3.92	\$ 48,857,559	12,515,922	\$ 0.97	\$ 12,138,538	9,648,606	\$ 2.33	\$ 22,475,535	\$ 34,614,073

Hydro One Month	Network			Line Connection			Transformation Connection			Total Connection
	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Amount
January	40,946	\$3.3980	\$ 139,136	4,210	\$0.8045	\$ 3,387	41,545	\$2.0194	\$ 83,896	\$ 87,283
February	39,262	\$3.3980	\$ 133,414	4,399	\$0.8045	\$ 3,539	39,966	\$2.0194	\$ 80,707	\$ 84,246
March	36,570	\$3.3980	\$ 124,263	3,628	\$0.8045	\$ 2,918	36,118	\$2.0194	\$ 72,938	\$ 75,856
April	30,597	\$3.3980	\$ 103,968	3,347	\$0.8045	\$ 2,693	30,479	\$2.0194	\$ 61,549	\$ 64,242
May	53,368	\$3.3980	\$ 181,343	3,935	\$0.8045	\$ 3,166	52,716	\$2.0194	\$ 106,454	\$ 109,620
June	52,128	\$3.3980	\$ 177,131	4,024	\$0.8045	\$ 3,238	51,439	\$2.0194	\$ 103,875	\$ 107,113
July	56,470	\$3.3980	\$ 191,884	4,654	\$0.8045	\$ 3,744	55,709	\$2.0194	\$ 112,498	\$ 116,243
August	48,783	\$3.3980	\$ 165,763	4,166	\$0.8045	\$ 3,352	48,097	\$2.0194	\$ 97,127	\$ 100,479
September	40,892	\$3.3980	\$ 138,952	4,947	\$0.8045	\$ 3,980	40,363	\$2.0194	\$ 81,509	\$ 85,488
October	36,401	\$3.3980	\$ 123,691	3,584	\$0.8045	\$ 2,883	35,727	\$2.0194	\$ 72,147	\$ 75,030
November	38,202	\$3.3980	\$ 129,810	4,526	\$0.8045	\$ 3,641	37,523	\$2.0194	\$ 75,774	\$ 79,415
December	44,336	\$3.3980	\$ 150,653	4,448	\$0.8045	\$ 3,579	43,543	\$2.0194	\$ 87,930	\$ 91,509
Total	517,953	\$ 3.40	\$ 1,760,007	49,868	\$ 0.80	\$ 40,119	513,224	\$ 2.02	\$ 1,036,404	\$ 1,076,523

Add Extra Host Here (I) (if needed) Month	Network			Line Connection			Transformation Connection			Total Connection
	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Amount
January		\$0.0000			\$0.0000			\$0.0000		\$ -
February		\$0.0000			\$0.0000			\$0.0000		\$ -
March		\$0.0000			\$0.0000			\$0.0000		\$ -
April		\$0.0000			\$0.0000			\$0.0000		\$ -
May		\$0.0000			\$0.0000			\$0.0000		\$ -
June		\$0.0000			\$0.0000			\$0.0000		\$ -
July		\$0.0000			\$0.0000			\$0.0000		\$ -
August		\$0.0000			\$0.0000			\$0.0000		\$ -
September		\$0.0000			\$0.0000			\$0.0000		\$ -
October		\$0.0000			\$0.0000			\$0.0000		\$ -
November		\$0.0000			\$0.0000			\$0.0000		\$ -
December		\$0.0000			\$0.0000			\$0.0000		\$ -
Total	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -

2022 RTSR Workform for Electricity Distributors

In the green shaded cells, enter billing detail for wholesale transmission for the same reporting period as the billing determinants on Sheet "3. RRR Data". For Hydro One Sub-transmission Rates, if you are charged a combined Line and Transformation Connection rate, please ensure that both the Line Connection and Transformation Connection columns are completed. If any of the Hydro One Sub-transmission rates (column E, I and M) are highlighted in red, please double check the billing data entered in "Units Billed" and "Amount" columns. The highlighted rates do not match the Hydro One Sub-transmission rates approved for that time period. If data has been entered correctly, please provide explanation for the discrepancies in rates.

Add Extra Host Here (I)	Network			Line Connection			Transformation Connection			Total Connection
(if needed)	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Amount
Month										
January		\$0.0000			\$0.0000			\$0.0000		\$ -
February		\$0.0000			\$0.0000			\$0.0000		\$ -
March		\$0.0000			\$0.0000			\$0.0000		\$ -
April		\$0.0000			\$0.0000			\$0.0000		\$ -
May		\$0.0000			\$0.0000			\$0.0000		\$ -
June		\$0.0000			\$0.0000			\$0.0000		\$ -
July		\$0.0000			\$0.0000			\$0.0000		\$ -
August		\$0.0000			\$0.0000			\$0.0000		\$ -
September		\$0.0000			\$0.0000			\$0.0000		\$ -
October		\$0.0000			\$0.0000			\$0.0000		\$ -
November		\$0.0000			\$0.0000			\$0.0000		\$ -
December		\$0.0000			\$0.0000			\$0.0000		\$ -
Total	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -

Total	Network			Line Connection			Transformation Connection			Total Connection
Month	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Amount
January										
February										
March										
April										
May										
June										
July										
August										
September										
October										
November										
December										
Total	12,981,616	\$ 3.90	\$ 50,617,566	12,565,791	\$ 0.97	\$ 12,178,657	10,161,830	\$ 2.31	\$ 23,511,939	\$ 35,690,596



2022 RTSR Workform for Electricity Distributors

The purpose of this sheet is to calculate the expected billing when current 2021 Uniform Transmission Rates and Hydro One Sub-transmission Rates are applied against historical 2020 transmission units.

IESO	Network			Line Connection			Transformation Connection			Total Connection
Month	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Amount
January	1,082,950	\$ 4.6700	\$ 5,057,377	1,057,458	\$ 0.7700	\$ 814,243	840,237	\$ 2.5300	\$ 2,125,800	\$ 2,940,042
February	1,024,992	\$ 4.6700	\$ 4,786,713	982,997	\$ 0.7700	\$ 756,908	790,350	\$ 2.5300	\$ 1,999,586	\$ 2,756,493
March	931,193	\$ 4.6700	\$ 4,348,671	934,230	\$ 0.7700	\$ 719,357	737,872	\$ 2.5300	\$ 1,866,816	\$ 2,586,173
April	775,771	\$ 4.6700	\$ 3,622,851	938,338	\$ 0.7700	\$ 722,521	783,652	\$ 2.5300	\$ 1,982,641	\$ 2,705,161
May	1,138,691	\$ 4.6700	\$ 5,317,687	1,157,908	\$ 0.7700	\$ 891,589	864,136	\$ 2.5300	\$ 2,186,264	\$ 3,077,853
June	1,102,382	\$ 4.6700	\$ 5,148,124	1,182,523	\$ 0.7700	\$ 910,543	861,748	\$ 2.5300	\$ 2,180,222	\$ 3,090,765
July	1,374,514	\$ 4.9000	\$ 6,735,119	1,346,182	\$ 0.8100	\$ 1,090,407	997,082	\$ 2.6500	\$ 2,642,267	\$ 3,732,675
August	1,137,478	\$ 4.9000	\$ 5,573,642	1,194,027	\$ 0.8100	\$ 967,162	904,037	\$ 2.6500	\$ 2,395,698	\$ 3,362,860
September	919,144	\$ 4.9000	\$ 4,503,806	919,457	\$ 0.8100	\$ 744,760	689,364	\$ 2.6500	\$ 1,826,815	\$ 2,571,575
October	875,261	\$ 4.9000	\$ 4,288,779	842,969	\$ 0.8100	\$ 682,805	653,196	\$ 2.6500	\$ 1,730,969	\$ 2,413,774
November	982,983	\$ 4.9000	\$ 4,816,617	922,443	\$ 0.8100	\$ 747,179	707,940	\$ 2.6500	\$ 1,876,041	\$ 2,623,220
December	1,118,304	\$ 4.9000	\$ 5,479,690	1,037,390	\$ 0.8100	\$ 840,286	818,992	\$ 2.6500	\$ 2,170,329	\$ 3,010,615
Total	12,463,663	\$ 4.79	\$ 59,679,074	12,515,922	\$ 0.79	\$ 9,887,759	9,648,606	\$ 2.59	\$ 24,983,448	\$ 34,871,207

Hydro One	Network			Line Connection			Transformation Connection			Total Connection
Month	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Amount
January	40,946	\$ 3.4778	\$ 142,403	4,210	\$ 0.8128	\$ 3,422	41,545	\$ 2.0458	\$ 84,993	\$ 88,415
February	39,262	\$ 3.4778	\$ 136,547	4,399	\$ 0.8128	\$ 3,576	39,966	\$ 2.0458	\$ 81,763	\$ 85,338
March	36,570	\$ 3.4778	\$ 127,182	3,628	\$ 0.8128	\$ 2,949	36,118	\$ 2.0458	\$ 73,891	\$ 76,840
April	30,597	\$ 3.4778	\$ 106,409	3,347	\$ 0.8128	\$ 2,721	30,479	\$ 2.0458	\$ 62,354	\$ 65,075
May	53,368	\$ 3.4778	\$ 185,602	3,935	\$ 0.8128	\$ 3,198	52,716	\$ 2.0458	\$ 107,846	\$ 111,044
June	52,128	\$ 3.4778	\$ 181,290	4,024	\$ 0.8128	\$ 3,271	51,439	\$ 2.0458	\$ 105,233	\$ 108,504
July	56,470	\$ 3.4778	\$ 196,390	4,654	\$ 0.8128	\$ 3,783	55,709	\$ 2.0458	\$ 113,969	\$ 117,752
August	48,783	\$ 3.4778	\$ 169,656	4,166	\$ 0.8128	\$ 3,386	48,097	\$ 2.0458	\$ 98,397	\$ 101,783
September	40,892	\$ 3.4778	\$ 142,215	4,947	\$ 0.8128	\$ 4,021	40,363	\$ 2.0458	\$ 82,574	\$ 86,595
October	36,401	\$ 3.4778	\$ 126,594	3,584	\$ 0.8128	\$ 2,913	35,727	\$ 2.0458	\$ 73,090	\$ 76,003
November	38,202	\$ 3.4778	\$ 132,859	4,526	\$ 0.8128	\$ 3,678	37,523	\$ 2.0458	\$ 76,765	\$ 80,443
December	44,336	\$ 3.4778	\$ 154,191	4,448	\$ 0.8128	\$ 3,616	43,543	\$ 2.0458	\$ 89,079	\$ 92,695
Total	517,953	\$ 3.48	\$ 1,801,338	49,868	\$ 0.81	\$ 40,533	513,224	\$ 2.05	\$ 1,049,953	\$ 1,090,486

Add Extra Host Here (I)	Network			Line Connection			Transformation Connection			Total Connection
Month	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Amount
January	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -
February	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -
March	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -
April	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -
May	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -
June	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -
July	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -
August	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -
September	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -
October	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -
November	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -
December	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -
Total	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -

Add Extra Host Here (II)	Network			Line Connection			Transformation Connection			Total Connection
Month	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Amount
January	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -
February	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -
March	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -
April	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -
May	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -
June	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -
July	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -
August	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -
September	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -
October	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -
November	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -



2022 RTSR Workform for Electricity Distributors

The purpose of this sheet is to calculate the expected billing when current 2021 Uniform Transmission Rates and Hydro One Sub-transmission Rates are applied against historical 2020 transmission units.

December		-		\$		-		\$		-		\$		-		\$		-	
Total		-		\$		-		\$		-		\$		-		\$		-	
Total		Network			Line Connection			Transformation Connection			Total Connection								
Month	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Amount						
January	1,123,896	\$4.63	\$ 5,199,780	1,061,668	\$0.77	\$ 817,665	881,782	\$2.51	\$ 2,210,792				\$ 3,028,457						
February	1,064,254	\$4.63	\$ 4,923,260	987,396	\$0.77	\$ 760,483	830,316	\$2.51	\$ 2,081,348				\$ 2,841,831						
March	967,763	\$4.62	\$ 4,475,853	937,858	\$0.77	\$ 722,306	773,990	\$2.51	\$ 1,940,707				\$ 2,663,013						
April	806,368	\$4.62	\$ 3,729,260	941,686	\$0.77	\$ 725,241	814,132	\$2.51	\$ 2,044,995				\$ 2,770,236						
May	1,192,059	\$4.62	\$ 5,503,289	1,161,843	\$0.77	\$ 894,788	916,852	\$2.50	\$ 2,294,110				\$ 3,188,897						
June	1,154,510	\$4.62	\$ 5,329,414	1,186,547	\$0.77	\$ 913,814	913,187	\$2.50	\$ 2,285,455				\$ 3,199,269						
July	1,430,984	\$4.84	\$ 6,931,509	1,350,836	\$0.81	\$ 1,094,191	1,052,791	\$2.62	\$ 2,756,236				\$ 3,850,427						
August	1,186,261	\$4.84	\$ 5,743,298	1,198,193	\$0.81	\$ 970,548	952,134	\$2.62	\$ 2,494,095				\$ 3,464,643						
September	960,036	\$4.84	\$ 4,646,020	924,404	\$0.81	\$ 748,781	729,727	\$2.62	\$ 1,909,389				\$ 2,658,170						
October	911,662	\$4.84	\$ 4,415,373	846,553	\$0.81	\$ 685,718	688,923	\$2.62	\$ 1,804,060				\$ 2,489,777						
November	1,021,185	\$4.85	\$ 4,949,475	926,969	\$0.81	\$ 750,857	745,463	\$2.62	\$ 1,952,806				\$ 2,703,663						
December	1,162,640	\$4.85	\$ 5,633,880	1,041,838	\$0.81	\$ 843,901	862,535	\$2.62	\$ 2,259,408				\$ 3,103,310						
Total	12,981,616	\$ 4.74	\$ 61,480,412	12,565,791	\$ 0.79	\$ 9,928,292	10,161,830	\$ 2.56	\$ 26,033,401				\$ 35,961,693						



Ontario Energy Board

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2022 RTSR Workform for Electricity Distributors

The purpose of this sheet is to calculate the expected billing when forecasted 2022 Uniform Transmission Rates and Hydro One Sub-transmission Rates are applied against historical 2020 transmission units.

IESO	Network			Line Connection			Transformation Connection			Total Connection
Month	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Amount
January	1,082,950	\$ 4.9000	\$ 5,306,455	1,057,458	\$ 0.8100	\$ 856,541	840,237	\$ 2.6500	\$ 2,226,628	\$ 3,083,169
February	1,024,992	\$ 4.9000	\$ 5,022,461	982,997	\$ 0.8100	\$ 796,228	790,350	\$ 2.6500	\$ 2,094,428	\$ 2,890,655
March	931,193	\$ 4.9000	\$ 4,562,846	934,230	\$ 0.8100	\$ 756,726	737,872	\$ 2.6500	\$ 1,955,361	\$ 2,712,087
April	775,771	\$ 4.9000	\$ 3,801,278	938,338	\$ 0.8100	\$ 760,054	783,652	\$ 2.6500	\$ 2,076,679	\$ 2,836,733
May	1,138,691	\$ 4.9000	\$ 5,579,586	1,157,908	\$ 0.8100	\$ 937,905	864,136	\$ 2.6500	\$ 2,289,960	\$ 3,227,866
June	1,102,382	\$ 4.9000	\$ 5,401,672	1,182,523	\$ 0.8100	\$ 957,844	861,748	\$ 2.6500	\$ 2,283,632	\$ 3,241,476
July	1,374,514	\$ 4.9000	\$ 6,735,119	1,346,182	\$ 0.8100	\$ 1,090,407	997,082	\$ 2.6500	\$ 2,642,267	\$ 3,732,675
August	1,137,478	\$ 4.9000	\$ 5,573,642	1,194,027	\$ 0.8100	\$ 967,162	904,037	\$ 2.6500	\$ 2,395,698	\$ 3,362,860
September	919,144	\$ 4.9000	\$ 4,503,806	919,457	\$ 0.8100	\$ 744,760	689,364	\$ 2.6500	\$ 1,826,815	\$ 2,571,575
October	875,261	\$ 4.9000	\$ 4,288,779	842,969	\$ 0.8100	\$ 682,805	653,196	\$ 2.6500	\$ 1,730,969	\$ 2,413,774
November	982,983	\$ 4.9000	\$ 4,816,617	922,443	\$ 0.8100	\$ 747,179	707,940	\$ 2.6500	\$ 1,876,041	\$ 2,623,220
December	1,118,304	\$ 4.9000	\$ 5,479,690	1,037,390	\$ 0.8100	\$ 840,286	818,992	\$ 2.6500	\$ 2,170,329	\$ 3,010,615
Total	12,463,663	\$ 4.90	\$ 61,071,949	12,515,922	\$ 0.81	\$ 10,137,897	9,648,606	\$ 2.65	\$ 25,568,807	\$ 35,706,704

Hydro One	Network			Line Connection			Transformation Connection			Total Connection
Month	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Amount
January	40,946	\$ 3.4778	\$ 142,403	4,210	\$ 0.8128	\$ 3,422	41,545	\$ 2.0458	\$ 84,993	\$ 88,415
February	39,262	\$ 3.4778	\$ 136,547	4,399	\$ 0.8128	\$ 3,576	39,966	\$ 2.0458	\$ 81,763	\$ 85,338
March	36,570	\$ 3.4778	\$ 127,182	3,628	\$ 0.8128	\$ 2,949	36,118	\$ 2.0458	\$ 73,891	\$ 76,840
April	30,597	\$ 3.4778	\$ 106,409	3,347	\$ 0.8128	\$ 2,721	30,479	\$ 2.0458	\$ 62,354	\$ 65,075
May	53,368	\$ 3.4778	\$ 185,602	3,935	\$ 0.8128	\$ 3,198	52,716	\$ 2.0458	\$ 107,846	\$ 111,044
June	52,128	\$ 3.4778	\$ 181,290	4,024	\$ 0.8128	\$ 3,271	51,439	\$ 2.0458	\$ 105,233	\$ 108,504
July	56,470	\$ 3.4778	\$ 196,390	4,654	\$ 0.8128	\$ 3,783	55,709	\$ 2.0458	\$ 113,969	\$ 117,752
August	48,783	\$ 3.4778	\$ 169,656	4,166	\$ 0.8128	\$ 3,386	48,097	\$ 2.0458	\$ 98,397	\$ 101,783
September	40,892	\$ 3.4778	\$ 142,215	4,947	\$ 0.8128	\$ 4,021	40,363	\$ 2.0458	\$ 82,574	\$ 86,595
October	36,401	\$ 3.4778	\$ 126,594	3,584	\$ 0.8128	\$ 2,913	35,727	\$ 2.0458	\$ 73,090	\$ 76,003
November	38,202	\$ 3.4778	\$ 132,859	4,526	\$ 0.8128	\$ 3,678	37,523	\$ 2.0458	\$ 76,765	\$ 80,443
December	44,336	\$ 3.4778	\$ 154,191	4,448	\$ 0.8128	\$ 3,616	43,543	\$ 2.0458	\$ 89,079	\$ 92,695
Total	517,953	\$ 3.48	\$ 1,801,338	49,868	\$ 0.81	\$ 40,533	513,224	\$ 2.05	\$ 1,049,953	\$ 1,090,486

Add Extra Host Here (I)	Network			Line Connection			Transformation Connection			Total Connection
Month	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Amount
January	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -
February	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -
March	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -
April	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -
May	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -
June	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -
July	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -
August	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -
September	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -
October	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -
November	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -
December	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -
Total	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -

Add Extra Host Here (II)	Network			Line Connection			Transformation Connection			Total Connection
Month	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Amount
January	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -
February	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -
March	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -
April	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -
May	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -
June	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -
July	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -
August	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -
September	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -
October	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -
November	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -
December	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -



Ontario Energy Board

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2022 RTSR Workform for Electricity Distributors

The purpose of this sheet is to calculate the expected billing when forecasted 2022 Uniform Transmission Rates and Hydro One Sub-transmission Rates are applied against historical 2020 transmission units.

Total	-			\$	-			\$	-			\$	-			\$
Total	Network			Line Connection			Transformation Connection			Total Connection						
Month	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Amount						
January	1,123,896	\$ 4.85	5,448,858	1,061,668	\$ 0.81	859,963	881,782	\$ 2.62	2,311,621	\$ 3,171,584						
February	1,064,254	\$ 4.85	5,159,008	987,396	\$ 0.81	799,803	830,316	\$ 2.62	2,176,190	\$ 2,975,993						
March	967,763	\$ 4.85	4,690,027	937,858	\$ 0.81	759,675	773,990	\$ 2.62	2,029,252	\$ 2,788,927						
April	806,368	\$ 4.85	3,907,687	941,686	\$ 0.81	762,775	814,132	\$ 2.63	2,139,033	\$ 2,901,808						
May	1,192,059	\$ 4.84	5,765,187	1,161,843	\$ 0.81	941,104	916,852	\$ 2.62	2,397,806	\$ 3,338,910						
June	1,154,510	\$ 4.84	5,582,962	1,186,547	\$ 0.81	961,115	913,187	\$ 2.62	2,388,865	\$ 3,349,980						
July	1,430,984	\$ 4.84	6,931,509	1,350,836	\$ 0.81	1,094,191	1,052,791	\$ 2.62	2,756,236	\$ 3,850,427						
August	1,186,261	\$ 4.84	5,743,298	1,198,193	\$ 0.81	970,548	952,134	\$ 2.62	2,494,095	\$ 3,464,643						
September	960,036	\$ 4.84	4,646,020	924,404	\$ 0.81	748,781	729,727	\$ 2.62	1,909,389	\$ 2,658,170						
October	911,662	\$ 4.84	4,415,373	846,553	\$ 0.81	685,718	688,923	\$ 2.62	1,804,060	\$ 2,489,777						
November	1,021,185	\$ 4.85	4,949,475	926,969	\$ 0.81	750,857	745,463	\$ 2.62	1,952,806	\$ 2,703,663						
December	1,162,640	\$ 4.85	5,633,880	1,041,838	\$ 0.81	843,901	862,535	\$ 2.62	2,259,408	\$ 3,103,310						
Total	12,981,616	\$ 4.84	\$ 62,873,287	12,565,791	\$ 0.81	\$ 10,178,430	10,161,830	\$ 2.62	\$ 26,618,760	\$ 36,797,190						

2022 RTSR Workform for Electricity Distributors

The purpose of this sheet is to re-align the current RTS Network Rates to recover current wholesale network costs.

Rate Class	Rate Description	Unit	Current RTSR- Network	Loss Adjusted Billed kWh	Billed kW	Billed Amount	Billed Amount %	Current Wholesale Billing	Adjusted RTSR Network
RESIDENTIAL SERVICE CLASSIFICATION	Retail Transmission Rate - Network Service Rate	\$/kWh	0.0081	2,523,567,271	0	20,440,895	37.6%	23,138,747	0.0092
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	Retail Transmission Rate - Network Service Rate	\$/kWh	0.0076	689,952,019	0	5,243,635	9.7%	5,935,706	0.0086
GENERAL SERVICE 50 TO 1,499 KW SERVICE CLASSIFICATION	Retail Transmission Rate - Network Service Rate	\$/kW	3.1059	0	6,477,576	20,118,703	37.0%	22,774,031	3.5158
GENERAL SERVICE 1,500 TO 4,999 KW SERVICE CLASSIFICATION	Retail Transmission Rate - Network Service Rate	\$/kW	3.2248	0	1,437,864	4,636,824	8.5%	5,248,806	3.6504
LARGE USE SERVICE CLASSIFICATION	Retail Transmission Rate - Network Service Rate	\$/kW	3.5749	0	1,010,828	3,613,609	6.7%	4,090,544	4.0467
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	Retail Transmission Rate - Network Service Rate	\$/kWh	0.0076	14,890,053	0	113,164	0.2%	128,100	0.0086
SENTINEL LIGHTING SERVICE CLASSIFICATION	Retail Transmission Rate - Network Service Rate	\$/kW	2.2927	0	129	296	0.0%	335	2.5953
STREET LIGHTING SERVICE CLASSIFICATION	Retail Transmission Rate - Network Service Rate	\$/kW	2.3044	0	62,925	145,004	0.3%	164,142	2.6085

The purpose of this table is to re-align the current RTS Connection Rates to recover current wholesale connection costs.

Rate Class	Rate Description	Unit	Current RTSR- Connection	Loss Adjusted Billed kWh	Billed kW	Billed Amount	Billed Amount %	Current Wholesale Billing	Adjusted RTSR- Connection
RESIDENTIAL SERVICE CLASSIFICATION	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0050	2,523,567,271	0	12,617,836	36.9%	13,256,846	0.0053
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0048	689,952,019	0	3,311,770	9.7%	3,479,489	0.0050
GENERAL SERVICE 50 TO 1,499 KW SERVICE CLASSIFICATION	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.9644	0	6,477,576	12,724,550	37.2%	13,368,964	2.0639
GENERAL SERVICE 1,500 TO 4,999 KW SERVICE CLASSIFICATION	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.0995	0	1,437,864	3,018,795	8.8%	3,171,677	2.2058
LARGE USE SERVICE CLASSIFICATION	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.3643	0	1,010,828	2,389,901	7.0%	2,510,933	2.4840
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0048	14,890,053	0	71,472	0.2%	75,092	0.0050
SENTINEL LIGHTING SERVICE CLASSIFICATION	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.4594	0	129	188	0.0%	198	1.5333
STREET LIGHTING SERVICE CLASSIFICATION	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.4898	0	62,925	93,746	0.3%	98,493	1.5652

The purpose of this table is to update the re-aligned RTS Network Rates to recover future wholesale network costs.

Rate Class	Rate Description	Unit	Adjusted RTSR- Network	Loss Adjusted Billed kWh	Billed kW	Billed Amount	Billed Amount %	Forecast Wholesale Billing	Proposed RTSR- Network
RESIDENTIAL SERVICE CLASSIFICATION	Retail Transmission Rate - Network Service Rate	\$/kWh	0.0092	2,523,567,271	0	23,138,747	37.6%	23,662,969	0.0094
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	Retail Transmission Rate - Network Service Rate	\$/kWh	0.0086	689,952,019	0	5,935,706	9.7%	6,070,183	0.0088
GENERAL SERVICE 50 TO 1,499 KW SERVICE CLASSIFICATION	Retail Transmission Rate - Network Service Rate	\$/kW	3.5158	0	6,477,576	22,774,031	37.0%	23,289,990	3.5955
GENERAL SERVICE 1,500 TO 4,999 KW SERVICE CLASSIFICATION	Retail Transmission Rate - Network Service Rate	\$/kW	3.6504	0	1,437,864	5,248,806	8.5%	5,367,721	3.7331
LARGE USE SERVICE CLASSIFICATION	Retail Transmission Rate - Network Service Rate	\$/kW	4.0467	0	1,010,828	4,090,544	6.7%	4,183,218	4.1384
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	Retail Transmission Rate - Network Service Rate	\$/kWh	0.0086	14,890,053	0	128,100	0.2%	131,002	0.0088
SENTINEL LIGHTING SERVICE CLASSIFICATION	Retail Transmission Rate - Network Service Rate	\$/kW	2.5953	0	129	335	0.0%	342	2.6541
STREET LIGHTING SERVICE CLASSIFICATION	Retail Transmission Rate - Network Service Rate	\$/kW	2.6085	0	62,925	164,142	0.3%	167,861	2.6676

The purpose of this table is to update the re-aligned RTS Connection Rates to recover future wholesale connection costs.

Rate Class	Rate Description	Unit	Adjusted RTSR- Connection	Loss Adjusted Billed kWh	Billed kW	Billed Amount	Billed Amount %	Forecast Wholesale Billing	Proposed RTSR- Connection
RESIDENTIAL SERVICE CLASSIFICATION	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0053	2,523,567,271	0	13,256,846	36.9%	13,564,842	0.0054
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0050	689,952,019	0	3,479,489	9.7%	3,560,328	0.0052
GENERAL SERVICE 50 TO 1,499 KW SERVICE CLASSIFICATION	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.0639	0	6,477,576	13,368,964	37.2%	13,679,565	2.1118
GENERAL SERVICE 1,500 TO 4,999 KW SERVICE CLASSIFICATION	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.2058	0	1,437,864	3,171,677	8.8%	3,245,365	2.2571
LARGE USE SERVICE CLASSIFICATION	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.4840	0	1,010,828	2,510,933	7.0%	2,569,270	2.5417
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0050	14,890,053	0	75,092	0.2%	76,836	0.0052
SENTINEL LIGHTING SERVICE CLASSIFICATION	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.5333	0	129	198	0.0%	202	1.5689
STREET LIGHTING SERVICE CLASSIFICATION	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.5652	0	62,925	98,493	0.3%	100,782	1.6016

RETAIL SERVICE CHARGES

1
2
3 Retail Service Charges (“RSCs”) are levied to recover the cost of the services provided by a distributor
4 to retailers or customers for supply of competitive electricity through Retailer contracts, in accordance
5 with the OEB’s Retail Settlement Code.

6
7 On February 14, 2019, the OEB issued a Decision and Order in the matter of energy retailer service
8 charges effective May 1, 2019.¹ In accordance with this decision, Hydro Ottawa stopped using its
9 approved distributor-specific RSCs and implemented the OEB generic RSCs effective May 1, 2019.² As
10 accepted as part of the 2021-2025 Settlement Agreement³ Hydro Ottawa will continue to use the OEB
11 generic RSC for 2021-2025. On December 3, 2020, the OEB released its Decision and Order for the
12 generic 2021 RSCs effective January 1, 2021.⁴ Those rates were implemented by Hydro Ottawa as of
13 January 1, 2021.

14
15 Table 1 below presents approved, proposed and illustrative RSCs for the 2021-2025 rate period. The
16 2021 charges are consistent with those prescribed in the OEB’s Decision and Order EB-2020-0285. In
17 2022, Hydro Ottawa will again implement the OEB’s generic RSCs. As a placeholder, pending the
18 OEB’s rate order for 2022, the 2021 generic RSCs have been inflated by the OEB’s 2021 inflationary
19 rate of 2.2%.⁵ Rates presented for 2023-2025 align with what was presented as illustrative rates at the
20 draft rate order stage of Hydro Ottawa’s 2021-2025 Custom IR Application and incorporated into the
21 Final Decision. They are included for information purposes only. Hydro Ottawa continues to opt out of
22 applying a charge for the Notice of Switch Letter.

23
24

25 ¹ Ontario Energy Board, *Decision and Order in the matter of energy retailer service charges effective May 1, 2019*,
26 EB-2015-0304 (February 14, 2019).
27 ² Information on the utility-specific RSCs previously applied by Hydro Ottawa is available in its *2016-2020 Custom Incentive*
28 *Rate-Setting Distribution Rate Application*, EB-2015-0004 (April 29, 2015, Updated June 29, 2015).
29 ³ Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261 (September
30 18, 2020).
31 ⁴ Ontario Energy Board, *Decision and Order in the matter of the inflationary adjustment effective January 1, 2021 for energy*
32 *retailer service charges for electricity distributors*, EB-2020-0285 (December 3, 2020).
33 ⁵ Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261 (September
34 18, 2020).

1

2

Table 1 – Retail Service Charges

	2021 Approved	2022 Proposed	2023 Illustrative	2024 Illustrative	2025 Illustrative
Standard Charge	\$104.24	\$106.53	\$108.87	\$111.27	\$113.72
Monthly Fixed Charge	\$41.70	\$42.62	\$43.56	\$44.53	\$45.50
Monthly Variable Charge	\$1.04	\$1.06	\$1.08	\$1.10	\$1.12
Distributor consolidated billing charge	\$0.62	\$0.63	\$0.64	\$0.65	\$0.66
Retailer consolidated billing credit	-\$0.62	-\$0.63	-\$0.64	-\$0.65	-\$0.66
Service Transaction Requests, per request	\$0.52	\$0.53	\$0.54	\$0.55	\$0.56
Service Transactions Requests, per process	\$1.04	\$1.06	\$1.08	\$1.10	\$1.12
Electronic Business Transaction, up to two per year	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Electronic Business Transaction, more than two, per request	\$4.17	\$4.26	\$4.35	\$4.45	\$4.55

3

WHOLESALE MARKET SERVICE RATE

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2

3 This Application reflects the current Wholesale Market Service (“WMS”) rate of \$0.0030/kWh, Capacity
4 Based Recovery (“CBR”) rate of \$0.0004/kWh, and Rural or Remote Electricity Rate Protection
5 (“RRRP”) rate of \$0.0005/kWh. These are the most recent rates approved by the OEB.¹

6

7 The WMS and RRRP rates apply to both Class A and Class B customers. With regards to the CBR
8 rate, Class B customers are charged the rate of \$0.0004/kWh, as noted above, while Class A
9 customers’ costs are in proportion to the customer’s contribution to peak demand.

10

11 Hydro Ottawa will update WMS rates in accordance with applicable OEB Decisions and Orders.

12 ¹ Ontario Energy Board, *Decision and Order in the matter of Regulatory Charges Effective January 1, 2021*, EB-2020-0276
13 (December 10, 2020), page 16.

SMART METERING CHARGE

1

2

3 On March 1, 2018, the OEB issued a Decision and Order setting the Smart Metering Charge (“SMC”) at
4 \$0.57 per month for Residential and General Service <50 kW customers, effective April 1, 2018.¹ As
5 per that Decision and Order, the SMC is effective until December 31, 2022.

6

7 The OEB subsequently issued accounting guidance on March 23, 2018 regarding the treatment of the
8 changes to the SMC and its inclusion into the Smart Metering Entity Charge Variance Account
9 (“SMECVA”).² Hydro Ottawa hereby confirms that the impact of the changes to the SMC into the
10 SMECVA has been included in the next Group 1 disposition. Please see Exhibit 9-1-1: Summary of
11 Current Deferral and Variance Accounts and Exhibit 9-1-2: Group 1 Accounts for the balance of the
12 SMECVA.

13

14 The currently approved SMC is included in Attachment 8-10-1(A): OEB Workform - 2021 Current and
15 2022 Proposed Tariff of Rates and Charges.

16 ¹ Ontario Energy Board, *Decision and Order - Independent Electricity System Operator/Smart Metering Entity*, EB-2017-0290
17 (March 1, 2018).

18 ² Ontario Energy Board, *Updated Guidance on Smart Metering Entity Charge* (March 23, 2018).

SPECIFIC SERVICE CHARGES

1

2

1. INTRODUCTION

3
4 Specific Service Charges (“SSCs”) apply to services that are over and above Hydro Ottawa’s standard
5 level of service offerings and may result from a customer’s action or inaction. The revenue from these
6 charges offset the total revenue requirement.¹ For more details regarding revenue requirement and
7 revenue offsets, please see Exhibit 6-1-1: Calculation of Revenue Deficiency or Sufficiency.

8

9 In preparation for its 2021-2025 Custom Incentive Rate-setting (“Custom IR”) Application, Hydro Ottawa
10 conducted a review of its SSCs and proposed a method of inflation over the Custom IR term. As part of
11 the 2021-2025 Approved Settlement Agreement,² the Parties³ agreed to a modified approach to the
12 annual inflation of SSCs, and the removal of the reconnect at meter charges under the Customer
13 Administration category.

14

15 The majority of the SSC will be updated annually per the agreed Custom Price Escalation Factor
16 (“CPEF”) established in the 2021-2025 Approved Settlement Agreement for OM&A purposes, however
17 will exclude the growth component of the factor.⁴

18

19 The 2021 charges are the approved SSCs that were incorporated into the Final Decision on Hydro
20 Ottawa’s 2021-2025 Approved Settlement Agreement. As a placeholder pending publication of the
21 OEB’s inflation factors, the 2022 rates have been inflated by the OEB’s 2021 inflation rate of 2.2%.
22 Values presented for 2023-2025 align with what was presented as illustrative totals at the draft rate
23 order stage of Hydro Ottawa’s 2021-2025 Custom IR Application and incorporated into the Final
24 Decision.

25

26 ¹ This exhibit excludes Retail Service Charges which are discussed in detail in Exhibit 8-4-1: Retail Service Charges.

27 ² Hydro Ottawa Limited, 2021-2025 *Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261 (September
28 18, 2020).

29 ³ Hydro Ottawa and the following intervenor groups: Building Owners and Managers Association, Consumers Council of
30 Canada, Distributed Resource Coalition, Environmental Defence, Energy Probe Research Foundation, Pollution Probe, School
31 Energy Coalition, Vulnerable Energy Consumers Coalition.

32 ⁴ Hydro Ottawa Limited, 2021-2025 *Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261 (September
33 18, 2020) p. 28.

1 Table 2 below provides a description of the escalation factor used for the majority of SSCs.

2

3

Table 2 – Other Revenue Custom Price Escalation Factor

Component	As per Settlement Proposal
Inflation factor ("I")	<ul style="list-style-type: none"> • Uses the OEB inflation rate for incentive rate-setting under Price Cap IR and Annual Index plans • Uses standard OEB labour/non-labour weighting factors • Updated Annually
Productivity factor ("X")	<ul style="list-style-type: none"> • 0.45% (0% Total Productivity Factor plus 0.45% stretch factor) • Fixed for duration of Custom IR term
Total CPEF Value: (I - X)	<ul style="list-style-type: none"> • $2.2\% - 0.45\% = 1.75\%$⁵

4

5

6 **2. SUMMARY OF PROPOSED SPECIFIC SERVICE CHARGES**

7 Table 1 below summarizes the 2021 approved, 2022 proposed and 2023-2025 illustrative SSCs. The
 8 proposed 2022 SSCs are included in Hydro Ottawa's Tariff of Rates and Charges as presented in
 9 Exhibit 8-10-1: Current and Proposed Tariff of Rates and Charges.

10 ⁵ For illustrative purposes, this equation uses the OEB's inflation factor for incentive rate-setting under Price Cap IR and
 11 Annual Index plans for the year 2021, which is 2.2%. The inflation factor will be updated when the OEB's inflationary
 12 adjustment for 2022 is published.

1

Table 1 – Specific Service Charges

	2021 Approved	2022 Proposed	2023 Illustrative	2024 Illustrative	2025 Illustrative
Customer Administration					
Arrears Certificate	\$16.00	\$16.00	\$16.00	\$17.00	\$17.00
Easement Certificate for Unregistered Easements	\$25.00	\$26.00	\$26.00	\$27.00	\$27.00
Duplicate Invoices for Previous Billing	\$5.00	\$6.00	\$6.00	\$6.00	\$6.00
Special Billing Service, per hour	\$122.00	\$125.00	\$127.00	\$129.00	\$131.00
Credit Reference/Credit Check (+ credit agency costs)	\$16.00	\$16.00	\$16.00	\$17.00	\$17.00
Unprocessed Payment Charge (+ bank charges)	\$25.00	\$26.00	\$26.00	\$27.00	\$27.00
Account Set Up/Change of Occupancy Charge	\$25.00	\$26.00	\$26.00	\$27.00	\$27.00
Interval Meter - Field Reading	\$314.00	\$320.00	\$326.00	\$331.00	\$337.00
High Bill Investigation - If Billing is Correct	\$237.00	\$241.00	\$245.00	\$249.00	\$254.00
Non-Payment of Account					
Reconnect at Meter - Regular Hours	\$67.00	\$68.00	\$69.00	\$70.00	\$71.00
Reconnect at Meter - After Regular Hours	\$100.00	\$102.00	\$104.00	\$106.00	\$108.00
Reconnect at Pole - Regular Hours	\$250.00	\$255.00	\$259.00	\$264.00	\$268.00
Reconnect at Pole - After Regular Hours	\$423.00	\$430.00	\$438.00	\$445.00	\$453.00
Other					
Temporary Service - Install and Remove ("TS-I&R") - Overhead - no transformer	\$881.00	\$896.00	\$912.00	\$928.00	\$944.00
TS-I&R - Underground - no transformer	\$1,278.00	\$1,300.00	\$1,323.00	\$1,346.00	\$1,370.00
TS-I&R - Overhead - with transformer	\$3,141.00	\$3,196.00	\$3,252.00	\$3,309.00	\$3,367.00
Specific Charge to Access Power Poles - Wireline	\$44.50	\$46.48	\$47.70	\$48.90	\$50.12
Drycore Transformer Charge	8-7-1 (B)	8-7-1 (B)	8-7-1 (B)	8-7-1 (B)	8-7-1 (B)
ERF Administration Charge Without Account Set Up	\$142.00	\$145.00	\$147.00	\$150.00	\$153.00

2

3 **2.1 SSCs ESCALATED BY THE CUSTOM ESCALATION FACTOR**

4

5 The following rates will be adjusted when the OEB publishes its inflation factor for incentive rate-setting
 6 under Price Cap IR and Annual Index plans for the year 2022:

- 1 ● Arrears Certificate
- 2 ● Easement Certificate for Unregistered Easements
- 3 ● Duplicate Invoices for Previous Billing
- 4 ● Special Billing Service, per hour
- 5 ● Credit Reference/Credit Check (+ credit agency costs)
- 6 ● Unprocessed Payment Charge (+ bank charges)
- 7 ● Account Set Up/Change of Occupancy Charge
- 8 ● Interval Meter - Field Reading
- 9 ● High Bill Investigation - If Billing is Correct
- 10 ● Non-Payment of Account - Reconnect at Meter
- 11 ● TS-I&R - Overhead - no transformer
- 12 ● TS-I&R - Underground - no transformer
- 13 ● TS-I&R - Overhead - with transformer
- 14 ● ERF Administration Charge Without Account Set Up

15

16 **2.2 SPECIFIC ACCESS TO POWER POLES - WIRELINE ATTACHMENTS**

17 As part of the 2021-2025 Approved Settlement Agreement the Parties agreed that Hydro Ottawa would
18 use the OEB generic wireline pole attachment charge. Hydro Ottawa will update the 2022 rate after the
19 OEB releases an Order on the province-wide wireline pole attachment charge.

20

21 **2.3 DRY CORE TRANSFORMER CHARGE**

22 The dry core transformer charge is applied to recover unmetered energy lost in the operation of a dry
23 core transformer. A specific charge is calculated for each transformer based on the Canadian
24 Standards Association standard C802-94 ("CSA-C802-94").⁶ For transformer sizes not included in
25 CSA-C802-94, there are no load losses or associated costs that are interpolated based on the
26 transformer size. As per the 2021-2025 Approved Settlement Agreement, Hydro Ottawa will calculate
27 the dry core transformer loss charge for any new size of transformer upon connection, based on the

⁶ Standards Council of Canada, "CAN/CSA-C802-94 - Maximum Losses for Distribution, Power and Dry-Type Transformers"
<http://www.scc.ca/en/standardsdb/standards/5579>.

1 approved dry core rate design. The Schedule of Rates and Tariffs will be updated annually for any new
 2 size of transformers.

3

4 Dry core rates have been set based on the proposed 2022 distribution rates of the >50kW commercial
 5 classes, as well as the forecasted Regulated Price Plan (“RPP”), transmission, low voltage, and
 6 regulatory rates. These rates are outlined in Attachment 8-7-1(A): Dry Core Calculations. The Drycore
 7 rates will be updated based on final approved rates.

8

9 In addition, Regulatory rates will be updated as per any applicable OEB Decision and/or Order.

10

11 **3. GENERATOR FIXED SERVICE CHARGES & STANDARD SUPPLY SERVICE CHARGES**

12 **3.1 GENERATOR FIXED SERVICE CHARGES**

13 As part of the 2021-2025 Approved Settlement Agreement, the Parties agreed to the continuation of the
 14 utility-specific charges for the MicroFIT, Net Metering, FIT, and HCI/RESOP/HESOP service charges.
 15 These rates will be annually inflated by the customer escalator described above in Section 1.

16

17 Table 2 summarizes the 2021 Approved, the 2022 Proposed and 2023-2025 illustrative Generator
 18 Service Charges.

19

20

Table 2 – Generator Service Charges

	2021 Approved	2022 Proposed	2023 Illustrative	2024 Illustrative	2025 Illustrative
MicroFIT and Net-Metering ERF	\$14.00	\$15.00	\$15.00	\$15.00	\$16.00
FIT ERF	\$76.00	\$78.00	\$80.00	\$82.00	\$84.00
HCI, RESOP, Other ERF	\$314.00	\$322.00	\$330.00	\$338.00	\$347.00

21

22 **3.2 STANDARD SUPPLY SERVICE CHARGE**

23 The Standard Supply Service Administration Charge (“SSS Charge”) is an administrative charge that
 24 allows Hydro Ottawa to recover costs of providing standard supply service to all customers who are not
 25 enrolled with a Retailer.

1 The Parties agreed that Hydro Ottawa will continue the use of the \$0.25 per customer per month
2 charge set by the OEB, while acknowledging “that the charge has not been adjusted to reflect actual
3 costs or inflation since it was first introduced in 2002. The Parties believe that timely review of the rate
4 design methodology associated with the SSS Charge is warranted as part of the OEB’s ongoing review
5 of miscellaneous rates and charges.”⁷

6

7 **4. SERVICE CHARGE REVENUES**

8 A schedule of the associated revenues from all SSCs for 2021-2025 is provided in Exhibit 3-2-2:
9 Specific Service Charges.

10 ⁷ Hydro Ottawa *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261 (September 18,
11 2020), p. 29.

Dry Core Transformer Losses Proposed for 2022

Transformers	No Load Loss (W)	Load Loss (W)	Monthly No Load Loss (kW)	Monthly No Load Loss (kWh)	Monthly Load Loss (kW)	Monthly Load Loss (kWh)	Monthly Total Loss (kW)	Monthly Total Loss (kWh)	Cost of Transmission and LV per kW	Cost of Energy and Wholesale Market per kWh**	Total Monthly cost of power	Cost of Distribution per kW	Total
Rates									\$6.1476	\$0.1104		\$5.2594	
25 KVA 1 PH, 1.2kV BIL	150	900	0.113	82	0.048	9	0.161	91	\$0.99	\$10.03	\$11.02	\$0.85	\$11.87
37.5 KVA 1 PH, 1.2kV BIL	200	1200	0.150	110	0.064	12	0.214	121	\$1.32	\$13.38	\$14.69	\$1.13	\$15.82
50 KVA 1 PH, 1.2kV BIL	250	1600	0.188	137	0.086	16	0.273	152	\$1.68	\$16.83	\$18.51	\$1.44	\$19.95
75 KVA 1 PH, 1.2kV BIL	350	1900	0.263	192	0.102	18	0.364	210	\$2.24	\$23.20	\$25.44	\$1.92	\$27.35
100 KVA 1 PH, 1.2kV BIL	400	2600	0.300	219	0.139	25	0.439	244	\$2.70	\$26.97	\$29.67	\$2.31	\$31.98
112.5 KVA 1 PH, 1.2kV BIL	447	2936	0.335	245	0.157	29	0.492	273	\$3.03	\$30.17	\$33.20	\$2.59	\$35.79
*150 KVA 1 PH, 1.2kV BIL	525	3500	0.394	287	0.187	34	0.581	321	\$3.57	\$35.49	\$39.07	\$3.06	\$42.12
167 KVA 1PH, 1.2kV BIL	650	4400	0.488	356	0.236	43	0.723	399	\$4.45	\$44.01	\$48.46	\$3.80	\$52.26
175 KVA 1PH, 1.2kV BIL	665	4496	0.499	364	0.241	44	0.740	408	\$4.55	\$45.02	\$49.57	\$3.89	\$53.46
*200 KVA 1 PH, 1.2kV BIL	696	4700	0.522	381	0.252	46	0.774	427	\$4.76	\$47.12	\$51.87	\$4.07	\$55.94
*225 KVA 1 PH, 1.2kV BIL	748	5050	0.561	410	0.270	49	0.831	459	\$5.11	\$50.64	\$55.75	\$4.37	\$60.12
250 KVA 1 PH, 1.2kV BIL	800	5400	0.600	438	0.289	53	0.889	491	\$5.47	\$54.16	\$59.62	\$4.68	\$64.30
333 KVA 1PH 1.2kV BIL	1000	6600	0.750	548	0.353	64	1.103	612	\$6.78	\$67.53	\$74.32	\$5.80	\$80.12
500 KVA 1PH 1.2kV BIL			0.000	0	0.000	0	0.000	-	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
750 KVA 1PH 1.2kV BIL			0.000	0	0.000	0	0.000	-	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
*10 KVA 3 PH, 1.2kV BIL	83	400	0.062	45	0.021	4	0.084	49	\$0.51	\$5.45	\$5.96	\$0.44	\$6.40
*15 KVA 3 PH, 1.2kV BIL	125	650	0.094	68	0.035	6	0.129	75	\$0.79	\$8.25	\$9.04	\$0.68	\$9.72
30 KVA 3PH, 1.2kV BIL	250	1300	0.188	137	0.070	13	0.257	150	\$1.58	\$16.51	\$18.09	\$1.35	\$19.44
45 KVA 3 PH, 1.2kV BIL	300	1800	0.225	164	0.096	18	0.321	182	\$1.98	\$20.07	\$22.04	\$1.69	\$23.73
75 KVA 3 PH, 1.2kV BIL	400	2400	0.300	219	0.129	23	0.429	242	\$2.63	\$26.76	\$29.39	\$2.25	\$31.64
112.5 KVA 3 PH, 1.2kV BIL	600	3400	0.450	329	0.182	33	0.632	362	\$3.89	\$39.92	\$43.80	\$3.32	\$47.13
150 KVA 3 PH, 1.2kV BIL	700	4500	0.525	383	0.241	44	0.766	427	\$4.71	\$47.14	\$51.85	\$4.03	\$55.88
*175 KVA 3PH, 1.2kV BIL	766	4767	0.575	419	0.255	46	0.830	466	\$5.10	\$51.42	\$56.52	\$4.36	\$60.89
*200 KVA 3PH, 1.2kV BIL	833	5033	0.625	456	0.270	49	0.894	505	\$5.50	\$55.76	\$61.25	\$4.70	\$65.96
225 KVA 3 PH, 1.2kV BIL	900	5300	0.675	493	0.284	52	0.959	544	\$5.89	\$60.09	\$65.99	\$5.04	\$71.03
300 KVA 3 PH, 1.2kV BIL	1100	6300	0.825	602	0.337	61	1.162	664	\$7.15	\$73.26	\$80.40	\$6.11	\$86.51
*450 KVA 3PH, 1.2kV BIL	2075	7275	1.556	1136	0.390	71	1.946	1,207	\$11.96	\$133.24	\$145.20	\$10.23	\$155.43
500 KVA 3 PH, 95kV BIL	2400	7600	1.800	1314	0.407	74	2.207	1,388	\$13.57	\$153.23	\$166.80	\$11.61	\$178.40
750 KVA 3 PH, 95kV BIL	3000	12000	2.250	1643	0.643	117	2.893	1,759	\$17.78	\$194.22	\$212.00	\$15.21	\$227.22
1000 KVA 3 PH, 95kV BIL	3400	13000	2.550	1862	0.696	126	3.246	1,988	\$19.96	\$219.47	\$239.43	\$17.07	\$256.50
1500 KVA 3 PH, 95kV BIL	4500	18000	3.375	2464	0.964	175	4.339	2,639	\$26.67	\$291.33	\$318.01	\$22.82	\$340.83
2000 KVA 3 PH, 95kV BIL	5400	21000	4.050	2957	1.125	204	5.175	3,161	\$31.81	\$348.96	\$380.77	\$27.22	\$407.98
2500 KVA 3 PH, 95kV BIL	6500	25000	4.875	3559	1.339	243	6.214	3,802	\$38.20	\$419.74	\$457.94	\$32.68	\$490.62
3000 KVA 3PH, 95kV BIL	7700	29000	5.775	4216	1.553	282	7.328	4,498	\$45.05	\$496.57	\$541.62	\$38.54	\$580.16
3750 KVA 3PH, 95kV BIL	9500	35000	7.125	5201	1.874	341	8.999	5,542	\$55.32	\$611.81	\$667.14	\$47.33	\$714.47
5000 KVA 3PH, 95kV BIL	11000	39000	8.250	6023	2.088	379	10.338	6,402	\$63.56	\$706.78	\$770.33	\$54.37	\$824.71

No Load and load losses from CSA standard C802-94: Maximum losses for distribution, power and dry-type transformers commercial use
 Average load factor = 0.46 average loss factor = 0.2489
 Loss factor = 0.15*(load factor + 0.85*(load factor)²
 Average perunit loading squared=0.0714; per unit loading=0.2672
 *For transformer sizes not included in the CSA standard, no load losses, load losses and associated costs are interpolated based on transformer size
 ** Cost of Energy and Wholesale Market per kWh contains Nov 1, 2019 RPP Tiered Pricing, WMRS Pricing to be effective January 1, 2019

Monthly No Load Loss (kW) = no load loss (kW) * .75 (responsibility factor)
 Monthly No Load Loss (kWh) = monthly no load loss (kW) * 8760/12
 Monthly Load loss (kW) = load loss (kW)*average perunit loading squared (.0714)*.75 (responsibility factor?)
 Monthly Load loss (kWh) = monthly load loss (kW) *8760/12*average loss factor (.2489)

Responsibility Factor= (load at system peak/peak load)²= the ratio of the transformer load at system peak to the peak load, all squared=.75
 Utilization Factor = peak load/rated load = 1

	LV	Network	Line & Transmission	Variable
GS 50 to 1,499 kW	0.01989	3.5955		2.1118 5.6065
GS 1,500 to 4,999 kW	0.02126	3.7331		2.2571 5.1311
Large Use	0.02394	4.1384		2.5417 5.0407
Tier 1		0.098 May 1, 2021 Rate		
Tier 2		0.115 May 1, 2021 Rate		
WMSR	0.0030			
CBR	0.0004			
RRRP	0.0005			

LOW VOLTAGE SERVICE RATES

1

2

1. INTRODUCTION

3 Hydro Ottawa receives low voltage (“LV”) charges, including the Facility Charge for connection to
4 Common sub-transmission Lines (“Common ST Lines”), from Hydro One Networks Inc. (“Hydro One”)
5 for a number of Shared Distribution Stations, Specific Lines and Shared Lines. In 2006, the OEB issued
6 a Decision which determined that it was appropriate for an embedded electricity distributor, or a
7 distributor with embedded distribution points (such as Hydro Ottawa), to establish and maintain a
8 variance account for LV charges from its host distributor.¹
9

10

11 Subsequent to issuing the 2006 LV Decision, the OEB sent a letter in June 2006 notifying electricity
12 distributors that the following accounts had been added to the Uniform System of Accounts (“USofA”):
13 Account 4750, Charges – LV; Account 4075, Billed – LV; and Account 1550, LV Variance Account.² As
14 a result, effective May 1, 2006, Account 1550 has been used to record the net of the amounts recorded
15 in Accounts 4750 (amount charged by Hydro One for LV services) and 4075 (amount Hydro Ottawa
16 customers are billed for LV services).
17

18

18 In 2008, Hydro Ottawa removed the LV charges from the distribution revenue requirement and
19 proposed that a separate charge be calculated to recover the LV charges from customers. These
20 separate charges were approved by the OEB in its Decision on the utility’s 2008 rebasing application.³
21

22

2. CURRENT LV CHARGES

23 Hydro Ottawa’s current LV rates were approved by the OEB as part of the 2021-2025 Approved
24 Settlement Agreement.⁴ These rates are shown in Table 1 below.

25 ¹ Ontario Energy Board, *Decision with Reasons in the matter of a proceeding initiated by the Ontario Energy Board to make*
26 *certain determinations of matters raised in applications by electricity distribution companies for 2006 rates pursuant to sections*
27 *19(4) and 78 of the Ontario Energy Board Act, 1998*, EB-2005-0529 (March 21, 2006).

28 ² Ontario Energy Board, Letter re: *Smart Meters and Low Voltage Accounting Matters arising from the*
29 *Board’s 2006 EDR Decision on Common or Generic Issues*, EB-2006-0136 (June 13, 2006).

30 ³ Ontario Energy Board, *Decision in the matter of an application by Hydro Ottawa Limited for an Order or Orders approving just*
31 *and reasonable rates and other service charges for the distribution of electricity, effective May 1, 2008*, EB-2007-0713 (March
32 17, 2008).

33 ⁴ Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261 (September
34 18, 2020).

1 **Table 1 – Hydro Ottawa LV Charges (Effective January 1, 2021)**

Class	Per	LV Charge
Residential	kWh	\$0.00005
General Service <50 kW	kWh	\$0.00005
General Service 50 to 1,499 kW	kW	\$0.01964
General Service 1,500 to 4,999 kW	kW	\$0.02099
Large Use > 5,000 kW	kW	\$0.02364
Unmetered Scattered Load	kWh	\$0.00005
Sentinel Lighting	kW	\$0.01459
Street Lighting	kW	\$0.01490

2
 3 **3. ESTIMATED 2021-2025 LV EXPENSES**

4 As part of its 2021-2025 Custom IR Application, in order to set the rates for the five-year term, Hydro
 5 Ottawa estimated the LV expenses that the utility would incur over the 2021-2025 rate term. As part of
 6 its 2021-2025 Approved Settlement Agreement, the Parties⁵ agreed to a revised LV expense estimate.
 7 The LV expense estimate for setting LV rates for the five-year term are shown in Table 2.

8
 9 **Table 2 – Approved LV Expenses 2021-2025 (\$'000s)**

	2021 Approved	2022 Approved	2023 Approved	2024 Approved	2025 Approved
LV Expenses	\$340,502	\$346,939	\$353,687	\$360,497	\$367,685

10
 11 **4. PROPOSED 2021-2025 LV CHARGES**

12 As part of the 2021-2025 Approved Settlement Agreement, the Parties accepted Hydro Ottawa's
 13 proposed LV rates and agreed they would be updated annually based on the methodology described
 14 below.

15
 16 The LV expense has been allocated to the customer classes based on the class percentage of Retail
 17 Transmission Connections dollars using 2021 rates. As shown in Table 3 below, Hydro Ottawa

18 ⁵ Hydro Ottawa and the following intervenor groups: Building Owners and Managers Association, Consumers Council of
 19 Canada, Distributed Resource Coalition, Environmental Defence, Energy Probe Research Foundation, Pollution Probe, School
 20 Energy Coalition, Vulnerable Energy Consumers Coalition.

1 continues to use the same methodology for allocation used in the 2006 Electricity Distribution Rate
 2 (“EDR”) Model.
 3
 4 Hydro Ottawa will update the LV charges annually based on updated Transmission Connections rates,
 5 while using the forecasted expenses as presented in Table 3.

6
 7

Table 3 – 2022 Calculation of LV Charge

	2021 Retail Transmission Connection Rate	2022 Charge Determinant (kWh or kW)	Basis for Allocation (A*B)	Allocation	LV Expense Allocation	2022 Rate/ kWh or kW (E/B)
	A	B	C	D	E	F
Residential	\$0.0050	2,280,181,561	\$11,400,908	33.28%	\$115,446	\$0.00005
General Service < 50 kW	\$0.0048	710,221,989	\$3,409,066	9.95%	\$34,520	\$0.00005
General Service 50 to 1,499 kW	\$1.9644	6,898,741	\$13,551,886	39.55%	\$137,227	\$0.01989
General Service 1,500 to 4,999 kW	\$2.0995	1,545,513	\$3,244,804	9.47%	\$32,857	\$0.02126
Large Use > 5,000 kW	\$2.3643	1,054,605	\$2,493,403	7.28%	\$25,248	\$0.02394
Unmetered Scattered Load	\$0.0048	13,188,068	\$63,303	0.18%	\$641	\$0.00005
Sentinel Lighting	\$1.4594	132	\$193	0.00%	\$2	\$0.01478
Street Lighting	\$1.4898	66,152	\$98,553	0.29%	\$998	\$0.01509
TOTAL⁶			\$34,262,114		\$346,939	

8

9 ⁶ Totals may not sum due to rounding.

LOSS ADJUSTMENT FACTORS

1. INTRODUCTION

This Schedule outlines information related to Hydro Ottawa’s Loss Adjustment Factors. As part of the 2021-2025 Approved Settlement Agreement,¹ the Parties² agreed on loss factors that will remain fixed for the five-year Custom Incentive Rate-setting (“Custom IR”) term.

2. DISTRIBUTION LOSSES

Table 1 provides losses as a percentage of purchases for each of the five years 2015-2019, as was presented in Hydro Ottawa’s 2021-2025 Custom IR Application. Hydro Ottawa losses had not been greater than 5% in the past five years. There are no distributors embedded in Hydro Ottawa’s service area and the utility is not an embedded distributor itself. However, Hydro Ottawa does have a number of delivery points embedded in Hydro One Networks Inc.’s service territory.

Table 1 – Losses as a Percentage of Purchases for the Previous Five Years³

	2015	2016	2017	2018	2019
Electricity Purchases (MWh)	7,622,794	7,600,820	7,410,784	7,612,656	7,466,403
Electricity Sales (MWh)	7,374,808	7,374,415	7,190,875	7,367,818	7,240,881
Losses (MWh)	247,987	226,405	219,909	244,838	225,521
Losses %	3.25%	2.98%	2.97%	3.22%	3.02%

As part of the 2021-2025 Approved Settlement Agreement, the Parties agreed that Hydro Ottawa “shall endeavour to maintain its five-year average total system losses below the target of 3.02% set by the OEB in EB-2005-0381 through cost-effective measures.”⁴

¹ Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261 (September 18, 2020).

² Hydro Ottawa and the following intervenor groups: Building Owners and Managers Association, Consumers Council of Canada, Distributed Resource Coalition, Environmental Defence, Energy Probe Research Foundation, Pollution Probe, School Energy Coalition, Vulnerable Energy Consumers Coalition.

³ Totals may not match due to rounding.

⁴ Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261 (September 18, 2020), p. 23.

1 Hydro Ottawa also committed to prepare a plan in 2020-2021 to reduce distribution losses as much as
2 possible through cost-effective measures and file the plan with the OEB when complete. Hydro Ottawa
3 confirms such plans are underway.

4
5 In addition, throughout the 2022-2025 period, Hydro Ottawa will implement as many of the
6 cost-effective measures set out in its plan as possible and remaining cost-effective measures will be
7 incorporated into Hydro Ottawa's next rebasing application and included in the Distribution System Plan
8 ("DSP").

9
10 Finally, Hydro Ottawa described a pilot of a Grid Edge Volt/VAr Control ("VVC") solution that was to be
11 complete by the end of 2020. Depending on the success of the pilot, Hydro Ottawa would "increase the
12 deployment of these (or equivalent) units by conducting an analysis in 2021 to identify potential suitable
13 locations and by deploying these units in a subset of locations which are deemed to be suitable and
14 cost-effective, with an estimated investment of up to \$1.0M over the five-year test period."⁵ The cost of
15 doing so will be managed within the overall approved capital budget as part of the 2021-2025 Approved
16 Settlement Agreement.

17

18 **3. LOSS ADJUSTMENT FACTORS**

19 As part of the 2021-2025 Approved Settlement Agreement, the following loss factors will remain
20 constant from 2021-2025:

21

22

Table 2 – 2021-2025 Approved Loss Adjustment Factors

	Total Loss Factor
Secondary Metered Customer < 5,000 kW	1.0335
Secondary Metered Customer > 5,000 kW	1.0164
Primary Metered Customer < 5,000 kW	1.0232
Primary Metered Customer > 5,000 kW	1.0062

23

24

25 ⁵ Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261 (September
26 18, 2020), p. 23.

1 **CURRENT AND PROPOSED TARIFF OF RATES AND CHARGES**

- 2
- 3 Hydro Ottawa's approved 2021 and proposed 2022 tariffs of rates and charges are provided in
- 4 Attachment 8-10-1(A): OEB Workform - 2020 Current and 2021 Proposed Tariff of Rates and Charges.
- 5
- 6 Attachment 8-10-1(A) is included as a PDF Attachment to this Exhibit, as well as in live Excel format.

Tariff Schedule and Bill Impacts Model (2022 Cost of Service Filers)

Version 1.0

Utility Name Hydro Ottawa Limited

Assigned EB Number EB-2021-0035

Name of Contact and Title April Barrie, Director Regulatory Affairs

Phone Number 613-738-5499

Email Address RegulatoryAffairs@HydroOttawa.com

We are applying for rates effective Saturday, January 1, 2022

Rate-Setting Method Custom IR

Please indicate the last Cost of Service Re-Basing Year 2021

Legend

- Pale green cells represent input cells.
- Pale blue cells represent drop-down lists. The applicant should select the appropriate item from the drop-down list.
- Pale grey cell represent auto-populated RRR data
- White cells contain fixed values, automatically generated values or formulae.

This Workbook Model is protected by copyright and is being made available to you solely for the purpose of filing your rate application. You may use and copy this model for that purpose, and provide a copy of this model to any person that is advising or assisting you in that regard. Except as indicated above, any copying, reproduction, publication, sale, adaptation, translation, modification, reverse engineering or other use or dissemination of this model without the express written consent of the Ontario Energy Board is prohibited. If you provide a copy of this model to a person that is advising or assisting you in preparing the application or reviewing your draft rate order, you must ensure that the person understands and agrees to the restrictions noted above.

While this model has been provided in Excel format and is required to be filed with the applications, the onus remains on the applicant to ensure the accuracy of the data and the results.



Tariff Schedule and Bill Impacts Model

Hydro Ottawa Limited

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2021

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

EB-2019-0261

RESIDENTIAL SERVICE CLASSIFICATION

This classification includes accounts taking electricity at 120/240 volts single phase where the electricity is used exclusively in a separately metered living accommodation. Customers shall be residing in single-dwelling units that consist of a detached house or one unit of a semi-detached, duplex, triple or quadruplex house, with a residential zoning. Separately metered dwellings within a town house complex or apartment building also qualify as residential customers. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	29.32
Smart Metering Entity Charge - effective until December 31, 2022	\$	0.57
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism (LRAM) - effective until December 31, 2021	\$	0.24
Rate Rider for Disposition of Group 2 Accounts - effective until December 31, 2021	\$	-0.5
Low Voltage Service Rate	\$/kWh	0.00005
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (ex. Global Adj.) - effective until December 31, 2021	\$/kWh	-0.0006
Rate Rider for Disposition of Global Adjustment Account (2021) - Applicable only for Non-RPP Customers - effective until December 31, 2021	\$/kWh	0.0026
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0081
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.005

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.003
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25



Tariff Schedule and Bill Impacts Model

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

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

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	19.76
Smart Metering Entity Charge - effective until December 31, 2022	\$	0.57
Distribution Volumetric Rate	\$/kWh	0.0256
Low Voltage Service Rate	\$/kWh	0.00005
Rate Rider for Disposition of Group 2 Accounts - effective until December 31, 2021	\$/kWh	-0.0007
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism (LRAM) - effective until December 31, 2021	\$/kWh	0.0006
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (ex. Global Adj.) - effective until December 31, 2021	\$/kWh	-0.0006
Rate Rider for Disposition of Global Adjustment Account (2021) - Applicable only for Non-RPP Customers - effective until December 31, 2021	\$/kWh	0.0026
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0076
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0048

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.003
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25



Tariff Schedule and Bill Impacts Model

GENERAL SERVICE 50 TO 1,499 KW SERVICE CLASSIFICATION

This classification refers to non residential accounts whose monthly average peak demand is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 1,500 kW. Class A and Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

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

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

Note: A Customer shall be billed for Demand based on the greater of the measured kilowatts or ninety percent (90%) of the measured kilovolt-amperes.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	200
Distribution Volumetric Rate	\$/kW	5.2905
Low Voltage Service Rate	\$/kW	0.01964
Rate Rider for Disposition of Group 2 Accounts - effective until December 31, 2021	\$/kW	-0.1972
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism (LRAM) - effective until December 31, 2021	\$/kW	-0.0144
Rate Rider for Disposition of Global Adjustment Account (2021) - Applicable only for Non-RPP Customers - effective until December 31, 2021	\$/kWh	0.0026
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (ex. Global Adj.) - effective until December 31, 2021	\$/kW	-0.1809
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (ex. Global Adj.) - Applicable only for Non-Wholesale Market Participants - effective until December 31, 2021	\$/kW	-0.1046
Retail Transmission Rate - Network Service Rate	\$/kW	3.1059
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.9644

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.003
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25



Tariff Schedule and Bill Impacts Model

GENERAL SERVICE 1,500 TO 4,999 KW SERVICE CLASSIFICATION

This classification refers to non residential accounts whose monthly average peak demand is equal to or greater than, or is forecast to be equal to or greater than, 1,500 kW but less than 5,000 kW. Class A and Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

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

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

Note: A Customer shall be billed for Demand based on the greater of the measured kilowatts or ninety percent (90%) of the measured kilovolt-amperes.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	4193.93
Distribution Volumetric Rate	\$/kW	4.8106
Low Voltage Service Rate	\$/kW	0.02099
Rate Rider for Disposition of Group 2 Accounts - effective until December 31, 2021	\$/kW	-0.2159
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism (LRAM) - effective until December 31, 2021	\$/kW	0.048
Rate Rider for Disposition of Global Adjustment Account (2021) - Applicable only for Non-RPP Customers - effective until December 31, 2021	\$/kWh	0.0026
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (ex. Global Adj.) - effective until December 31, 2021	\$/kW	-0.1972
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (ex. Global Adj.) - Applicable only for Non-Wholesale Market Participants - effective until December 31, 2021	\$/kW	-0.117
Retail Transmission Rate - Network Service Rate	\$/kW	3.2248
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.0995

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.003
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25



Tariff Schedule and Bill Impacts Model

LARGE USE SERVICE CLASSIFICATION

This classification refers to an account whose monthly average peak demand is equal to or greater than, or is forecast to be equal to or greater than 5,000 kW. Class A and Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

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

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

Note: A Customer shall be billed for Demand based on the greater of the measured kilowatts or ninety percent (90%) of the measured kilovolt-amperes.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	15231.32
Distribution Volumetric Rate	\$/kW	4.7117
Low Voltage Service Rate	\$/kW	0.02364
Rate Rider for Disposition of Group 2 Accounts - effective until December 31, 2021	\$/kW	-0.2409
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism (LRAM) - effective until December 31, 2021	\$/kW	0.041
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (ex. Global Adj.) - effective until December 31, 2021	\$/kW	-0.3076
Rate Rider for Disposition of Global Adjustment Account (2021) - Applicable only for Non-RPP Customers - effective until December 31, 2021	\$/kWh	0.0026
Retail Transmission Rate - Network Service Rate	\$/kW	3.5749
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.3643

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.003
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25



Tariff Schedule and Bill Impacts Model

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification includes accounts taking electricity at 120/240 volts single phase whose monthly average peak demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. These connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The customer will provide detailed manufacturer information/documentation with regard to electrical demand/consumption of the proposed unmetered load. Class B consumers are defined in accordance with O. Reg. 429/04. Qualification for this classification is at the discretion of Hydro Ottawa as defined in its Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	5.37
Distribution Volumetric Rate	\$/kWh	0.0255
Low Voltage Service Rate	\$/kWh	0.00005
Rate Rider for Disposition of Group 2 Accounts - effective until December 31, 2021	\$/kWh	-0.0008
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism (LRAM) - effective until December 31, 2021	\$/kWh	-0.0001
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (ex. Global Adj.) - effective until December 31, 2021	\$/kWh	-0.0006
Rate Rider for Disposition of Global Adjustment Account (2021) - Applicable only for Non-RPP Customers - effective until December 31, 2021	\$/kWh	0.0026
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0076
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0048

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.003
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25



Tariff Schedule and Bill Impacts Model

STANDBY POWER SERVICE CLASSIFICATION

This classification refers to an account that has Load Displacement Generation equal to or greater than 500 kW and requires the distributor to provide back-up service. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component - Approved on an Interim Basis

Service Charge	\$	153.14
General Service 50 TO 1,499 kW customer	\$/kW	2.0437
General Service 1,500 TO 4,999 kW customer	\$/kW	1.8746
General Service Large User kW customer	\$/kW	2.0803



Tariff Schedule and Bill Impacts Model

SENTINEL LIGHTING SERVICE CLASSIFICATION

This classification refers to accounts that are an unmetered lighting load supplied to a sentinel light. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	3.88
Distribution Volumetric Rate	\$/kW	18.2019
Low Voltage Service Rate	\$/kW	0.01459
Rate Rider for Disposition of Group 2 Accounts - effective until December 31, 2021	\$/kW	-0.5139
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (ex. Global Adj.) - effective until December 31, 2021	\$/kW	-0.2007
Rate Rider for Disposition of Global Adjustment Account (2021) - Applicable only for Non-RPP Customers - effective until December 31, 2021	\$/kWh	0.0026
Retail Transmission Rate - Network Service Rate	\$/kW	2.2927
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.4594

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.003
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25



Tariff Schedule and Bill Impacts Model

STREET LIGHTING SERVICE CLASSIFICATION

This classification refers to an account for roadway lighting with a Municipality, Regional Municipality, Ministry of Transportation and private roadway lighting controlled by photocells. The consumption for these customers is based on the calculated connected load times the required lighting times established in the approved OEB street lighting load shape template. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	0.96
Distribution Volumetric Rate	\$/kW	6.6705
Low Voltage Service Rate	\$/kW	0.0149
Rate Rider for Disposition of Group 2 Accounts - effective until December 31, 2021	\$/kW	-0.3004
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism (LRAM) - effective until December 31, 2021	\$/kW	-0.0381
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (ex. Global Adj.) - effective until December 31, 2021	\$/kW	-0.2029
Rate Rider for Disposition of Global Adjustment Account (2021) - Applicable only for Non-RPP Customers - effective until December 31, 2021	\$/kWh	0.0026
Retail Transmission Rate - Network Service Rate	\$/kW	2.3044
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.4898

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.003
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

NET-METERING SERVICE CLASSIFICATION

This classification applies to an eligible electricity generation facility as defined in O. Reg. 541/05 . Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component



Tariff Schedule and Bill Impacts Model

microFIT SERVICE CLASSIFICATION

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

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	14
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Tariff Schedule and Bill Impacts Model

FIT SERVICE CLASSIFICATION

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

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	76
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Tariff Schedule and Bill Impacts Model

HCI, RESOP, OTHER ENERGY RESOURCE SERVICE CLASSIFICATION

This classification applies to an electricity generation facility contracted under the Independent Electricity System Operator's HCI, RESOP and Other Energy Resource programs and connected to the distributor's distribution system. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	314
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Tariff Schedule and Bill Impacts Model

ALLOWANCES

Transformer Allowance for Ownership - per kW of billing demand/month	\$/kW	(0.45)
Primary Metering Allowance for Transformer Losses - applied to measured demand & energy	%	-1

SPECIFIC SERVICE CHARGES

APPLICATION

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

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

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

Customer Administration

Arrears Certificate	\$	16
Easement Certificate for Unregistered Easements	\$	25
Duplicate invoices for previous billing	\$	5
Special billing service per hour (min 1 hour, 15 min incremental billing thereafter)	\$	122
Credit reference/credit check (plus credit agency costs)	\$	16
Unprocessed payment charge (plus bank charges)	\$	25
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	25
Interval meter - field reading	\$	314
High bill investigation - if billing is correct	\$	237

Non-Payment of Account

Late payment - per month (effective annual rate 19.56% per annum or 0.04896% compounded daily rate)	%	1.5
Reconnection at meter - during regular hours	\$	67
Reconnection at meter - after regular hours	\$	100
Reconnection at pole - during regular hours	\$	250
Reconnection at pole - after regular hours	\$	423

Other

Temporary service - install & remove - overhead - no transformer	\$	881
Temporary service - install & remove - underground - no transformer	\$	1278
Temporary service - install & remove - overhead - with transformer	\$	3141
Specific charge for access to the power poles - \$/pole/year (with the exception of wireless attachments) - Approved on an Interim Basis	\$	44.5
Dry core transformer distribution charge	Per Attached Table	
Energy resource facility administration charge (account set-up charge separately if applicable)	\$	142



Tariff Schedule and Bill Impacts Model

RETAIL SERVICE CHARGES (if applicable)

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

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

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

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

Retail Service Charges refer to services provided by a distributor to retailers or customers related to the supply of competitive electricity.

One-time charge, per retailer, to establish the service agreement between the distributor and the retailer	\$	104.24
Monthly fixed charge, per retailer	\$	41.7
Monthly variable charge, per customer, per retailer	\$/cust.	1.04
Distributor-consolidated billing monthly charge, per customer, per retailer	\$/cust.	0.62
Retailer-consolidated billing monthly credit, per customer, per retailer	\$/cust.	-0.62
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	\$	0.52
Processing fee, per request, applied to the requesting party	\$	1.04
Request for customer information as outlined in Section 10.6.3 and Chapter 11 of the Retail Settlement Code directly to retailers and customers, if not delivered electronically through the Electronic Business Transaction (EBT) system, applied to the requesting party		
Up to twice a year	\$	no charge
More than twice a year, per request (plus incremental delivery costs)	\$	4.17
Notice of switch letter charge, per letter (unless the distributor has opted out of applying the charge as per the Ontario Energy Board's Decision and Order EB-2015-0304, issued on February 14, 2019)	\$	2.08

LOSS FACTORS

If the distributor is not capable of prorating changed loss factors jointly with distribution rates, the revised loss factors will be implemented upon the first subsequent billing for each billing cycle.

Total Loss Factor - Secondary Metered Customer < 5,000 kW	1.0338
Total Loss Factor - Secondary Metered Customer > 5,000 kW	1.0152
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0234
Total Loss Factor - Primary Metered Customer > 5,000 kW	1.0051



Tariff Schedule and Bill Impacts Model (2022 Cost of Service Filers)

Update the following rates if an OEB Decision has been issued at the time of completing this application

Regulatory Charges

Effective Date of Regulatory Charges		January 1, 2021	January 1, 2022
Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0030	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0005	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25	0.25

Time-of-Use RPP Prices

As of	May 1, 2021	
Off-Peak	\$/kWh	0.0820
Mid-Peak	\$/kWh	0.1130
On-Peak	\$/kWh	0.1700

Smart Meter Entity Charge (SME)

Smart Meter Entity Charge (SME)	\$	0.57
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Distribution Rate Protection (DRP) Amount (Applicable to LDCs under the Distribution Rate Protection program):	\$	36.86
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Miscellaneous Service Charges

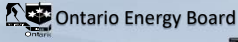
Wireline Pole Attachment Charge	Unit	Current charge	Inflation factor *	Proposed charge ** / ***
Specific charge for access to the power poles - per pole/year	\$	53.00	2.20%	54.17

Retail Service Charges		Current charge	Inflation factor*	Proposed charge***
One-time charge, per retailer, to establish the service agreement between the distributor and the retailer	\$	104.24	2.20%	106.53
Monthly fixed charge, per retailer	\$	41.70	2.20%	42.62
Monthly variable charge, per customer, per retailer	\$/cust.	1.04	2.20%	1.06
Distributor-consolidated billing monthly charge, per customer, per retailer	\$/cust.	0.62	2.20%	0.63
Retailer-consolidated billing monthly credit, per customer, per retailer	\$/cust.	-0.62	2.20%	-0.63
Service Transaction Requests (STR)				0
Request fee, per request, applied to the requesting party	\$	0.52	2.20%	0.53
Processing fee, per request, applied to the requesting party	\$	1.04	2.20%	1.06
Electronic Business Transaction (EBT) system, applied to the requesting party				
up to twice a year		no charge		no charge
more than twice a year, per request (plus incremental delivery costs)	\$	4.17	2.20%	4.26
Notice of switch letter charge, per letter (unless the distributor has opted out of applying the charge as per the Ontario Energy Board's Decision and Order EB-2015-0304, issued on February 14, 2019)	\$	2.08	2.20%	2.13

* inflation factor subject to change pending OEB approved inflation rate effective in 2022

** applicable only to LDCs in which the province-wide pole attachment charge applies

*** subject to change pending OEB order on miscellaneous service charges



Tariff Schedule and Bill Impacts Model (2022 Cost of Service Filers)

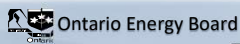
In column A, select the rate rider descriptions from the drop-down list in the blue cells. If the proposed rate rider cannot be found in the drop-down list, enter the rate rider description in the green cell provided in column A. The rate rider description must begin with "Rate Rider for". Please note that the following rates/charges are to be entered in the Final Tariff Schedule tab: Monthly Service Charge, Distribution Volumetric Rate and Retail Transmission Rates.
 In column B, select the associated unit from the drop-down list.
 In column C, enter the rate. All rate riders with a "\$" unit should be rounded to 2 decimal places and all others rounded to 4 decimal places.
 In column E, enter the expiry date (e.g. April 30, 2021) or description of the expiry date in text (e.g. the effective date of the next cost of service-based rate order).
 In column G, choose the sub-total as applicable in the bill impact calculation from the drop-down list for any rate riders entered in the green cells. The sub-total will be populated for the rate riders selected in the blue cells.

RESIDENTIAL SERVICE CLASSIFICATION	UNIT	RATE	DATE (EG: December 31, 2021)	SUB-TOTAL
Rate Rider for Disposition of Deferral/Variance Accounts	\$/kWh	-0.0006	- effective until 12/31/2022	B
Rate Rider for Disposition of Deferral/Variance Accounts	\$/kWh	-0.0011	- effective until 12/31/2022	B
			- effective until	
			- effective until	
			- effective until	
			- effective until	
			- effective until	
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery	\$	0.24	- effective until 12/31/2022	A
Rate Rider for Group 2 Accounts	\$	-0.49	- effective until 12/31/2022	A
Rate Rider for Disposition of Global Adjustment Account (2022) - Applicable only for Non-RPP Cus	\$/kWh	0.0006	- effective until 12/31/2022	B
			- effective until	
			- effective until	
			- effective until	
			- effective until	

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	UNIT	RATE	DATE (EG: December 31, 2021)	SUB-TOTAL
Rate Rider for Disposition of Deferral/Variance Accounts	\$/kWh	-0.0006	- effective until 12/31/2022	B
Rate Rider for Disposition of Deferral/Variance Accounts	\$/kWh	-0.0011	- effective until 12/31/2022	B
			- effective until	
			- effective until	
			- effective until	
			- effective until	
			- effective until	
Rate Rider for Group 2 Accounts	\$/kWh	-0.0007	- effective until 12/31/2022	A
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery	\$/kWh	0.0006	- effective until 12/31/2022	A
Rate Rider for Disposition of Global Adjustment Account (2022) - Applicable only for Non-RPP Cus	\$/kWh	0.0006	- effective until 12/31/2022	B
			- effective until	
			- effective until	
			- effective until	
			- effective until	

GENERAL SERVICE 50 TO 1,499 KW SERVICE CLASSIFICATION	UNIT	RATE	DATE (EG: December 31, 2021)	SUB-TOTAL
Rate Rider for Disposition of Deferral/Variance Accounts	\$/kW	-0.1802	- effective until 12/31/2022	B
Rate Rider for Disposition of Deferral/Variance Accounts	\$/kW	-0.2545	- effective until 12/31/2022	B
			- effective until	
			- effective until	
			- effective until	
			- effective until	
			- effective until	
Rate Rider for Group 2 Accounts	\$/kW	-0.1964	- effective until 12/31/2022	A
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery	\$/kW	-0.0144	- effective until 12/31/2022	A
Rate Rider for Disposition of Global Adjustment Account (2022) - Applicable only for Non-RPP Cus	\$/kWh	0.0006	- effective until 12/31/2022	B
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (ex. Global Adj.) - Applicable on	\$/kW	-0.2069	- effective until 12/31/2022	B
			- effective until	
			- effective until	
			- effective until	
			- effective until	

GENERAL SERVICE 1,500 TO 4,999 KW SERVICE CLASSIFICATION	UNIT	RATE	DATE (EG: December 31, 2021)	SUB-TOTAL
Rate Rider for Disposition of Deferral/Variance Accounts	\$/kW	-0.1962	- effective until 12/31/2022	B
Rate Rider for Disposition of Deferral/Variance Accounts	\$/kW	-0.2771	- effective until 12/31/2022	B
			- effective until	
			- effective until	
			- effective until	
			- effective until	
			- effective until	
Rate Rider for Group 2 Accounts	\$/kW	-0.2148	- effective until 12/31/2022	A
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery	\$/kW	0.0478	- effective until 12/31/2022	A
Rate Rider for Disposition of Global Adjustment Account (2022) - Applicable only for Non-RPP Cus	\$/kWh	0.0006	- effective until 12/31/2022	B
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (ex. Global Adj.) - Applicable on	\$/kW	-0.2307	- effective until 12/31/2022	B
			- effective until	
			- effective until	
			- effective until	
			- effective until	



Tariff Schedule and Bill Impacts Model (2022 Cost of Service Filers)

LARGE USE SERVICE CLASSIFICATION	UNIT	RATE	DATE (EG: December 31, 2021)	SUB-TOTAL
Rate Rider for Disposition of Deferral/Variance Accounts	\$/kW	-0.3078	- effective until 12/31/2022	B
Rate Rider for Disposition of Deferral/Variance Accounts	\$/kW	-0.6074	- effective until 12/31/2022	B
			- effective until	
			- effective until	
			- effective until	
			- effective until	
			- effective until	
Rate Rider for Group 2 Accounts	\$/kW	-0.2410	- effective until 12/31/2022	A
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery	\$/kW	0.0411	- effective until 12/31/2022	A
Rate Rider for Disposition of Global Adjustment Account (2022) - Applicable only for Non-RPP Cus	\$/kWh	0.0006	- effective until 12/31/2022	B
			- effective until	
			- effective until	
			- effective until	
			- effective until	

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	UNIT	RATE	DATE (EG: December 31, 2021)	SUB-TOTAL
Rate Rider for Disposition of Deferral/Variance Accounts	\$/kWh	-0.0006	- effective until 12/31/2022	B
Rate Rider for Disposition of Deferral/Variance Accounts	\$/kWh	-0.0011	- effective until 12/31/2022	B
			- effective until	
			- effective until	
			- effective until	
			- effective until	
			- effective until	
Rate Rider for Group 2 Accounts	\$/kWh	-0.0008	- effective until 12/31/2022	A
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery	\$/kWh	-0.0002	- effective until 12/31/2022	A
			- effective until	
			- effective until	
			- effective until	
			- effective until	

STANDBY POWER SERVICE CLASSIFICATION	UNIT	RATE	DATE (EG: December 31, 2021)	SUB-TOTAL
			- effective until	
			- effective until	
			- effective until	
			- effective until	
			- effective until	
			- effective until	
			- effective until	
			- effective until	
			- effective until	
			- effective until	
			- effective until	
			- effective until	
			- effective until	

SENTINEL LIGHTING SERVICE CLASSIFICATION	UNIT	RATE	DATE (EG: December 31, 2021)	SUB-TOTAL
Rate Rider for Disposition of Deferral/Variance Accounts	\$/kW	-0.2007	- effective until 12/31/2022	B
Rate Rider for Disposition of Deferral/Variance Accounts	\$/kW	-0.3964	- effective until 12/31/2022	B
			- effective until	
			- effective until	
			- effective until	
			- effective until	
			- effective until	
			- effective until	
Rate Rider for Group 2 Accounts	\$/kW	-0.5139	- effective until 12/31/2022	A
			- effective until	
			- effective until	
			- effective until	
			- effective until	

STREET LIGHTING SERVICE CLASSIFICATION	UNIT	RATE	DATE (EG: December 31, 2021)	SUB-TOTAL
Rate Rider for Disposition of Deferral/Variance Accounts	\$/kW	-0.2041	- effective until 12/31/2022	B
Rate Rider for Disposition of Deferral/Variance Accounts	\$/kW	-0.4021	- effective until 12/31/2022	B
			- effective until	
			- effective until	
			- effective until	
			- effective until	
			- effective until	
			- effective until	
Rate Rider for Group 2 Accounts	\$/kW	-0.3022	- effective until 12/31/2022	A
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery	\$/kW	-0.0383	- effective until 12/31/2022	A
Rate Rider for Disposition of Global Adjustment Account (2022) - Applicable only for Non-RPP Cus	\$/kWh	0.0006	- effective until 12/31/2022	B
			- effective until	
			- effective until	
			- effective until	
			- effective until	

Tariff Schedule and Bill Impacts Model (2022 Cost of Service Filers)

FIT SERVICE CLASSIFICATION	UNIT	RATE	DATE (EG: December 31, 2021)	SUB-TOTAL
			- effective until	
			- effective until	
			- effective until	
			- effective until	
			- effective until	
			- effective until	
			- effective until	
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			- effective until	
			- effective until	
			- effective until	

HCI, RESOP, OTHER ENERGY RESOURCE SERVICE CLASSIFICATION	UNIT	RATE	DATE (EG: December 31, 2021)	SUB-TOTAL
			- effective until	
			- effective until	
			- effective until	
			- effective until	
			- effective until	
			- effective until	
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Hydro Ottawa Limited
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2022
This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2021-0035

RESIDENTIAL SERVICE CLASSIFICATION

This classification includes accounts taking electricity at 120/240 volts single phase where the electricity is used exclusively in a separately metered living accommodation. Customers shall be residing in single-dwelling units that consist of a detached house or one unit of a semi-detached, duplex, triple or quadruplex house, with a residential zoning. Separately metered dwellings within a town house complex or apartment building also qualify as residential customers. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	30.59
Rate Rider for Group 2 Accounts - effective until December 31, 2022	\$	(0.49)
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery - effective until December 31, 2022	\$	0.24
Smart Metering Entity Charge - effective until December 31, 2022	\$	0.57
Low Voltage Service Rate	\$/kWh	0.00005
Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2022	\$/kWh	(0.0006)
Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2022	\$/kWh	(0.0011)
Rate Rider for Disposition of Global Adjustment Account (2022) - Applicable only for Non-RPP Customers - effective until December 31, 2022	\$/kWh	0.0006
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0094
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0054

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.003
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Hydro Ottawa Limited
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2022
This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2021-0035

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

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

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	20.72
Smart Metering Entity Charge - effective until December 31, 2022	\$	0.57
Distribution Volumetric Rate	\$/kWh	0.0268
Low Voltage Service Rate	\$/kWh	0.00005
Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2022	\$/kWh	(0.0006)
Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2022	\$/kWh	(0.0011)
Rate Rider for Group 2 Accounts - effective until December 31, 2022	\$/kWh	(0.0007)
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery - effective until December 31, 2022	\$/kWh	0.0006
Rate Rider for Disposition of Global Adjustment Account (2022) - Applicable only for Non-RPP Customers - effective until December 31, 2022	\$/kWh	0.0006
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0088
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0052

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.003
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Hydro Ottawa Limited
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2022
This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2021-0035

GENERAL SERVICE 50 TO 1,499 KW SERVICE CLASSIFICATION

This classification refers to non residential accounts whose monthly average peak demand is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 1,500 kW. Class A and Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

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

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

Note: A Customer shall be billed for Demand based on the greater of the measured kilowatts or ninety percent (90%) of the measured kilovolt-amperes.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	200
Distribution Volumetric Rate	\$/kW	5.6065
Low Voltage Service Rate	\$/kW	0.01989
Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2022	\$/kW	(0.1802)
Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2022	\$/kW	(0.2545)
Rate Rider for Group 2 Accounts - effective until December 31, 2022	\$/kW	(0.1964)
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery - effective until December 31, 2022	\$/kW	(0.0144)
Rate Rider for Disposition of Global Adjustment Account (2022) - Applicable only for Non-RPP Customers - effective until December 31, 2022	\$/kWh	0.0006
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (ex. Global Adj.) - Applicable only for Non-Wholesale Market Participants - effective until December 31, 2022	\$/kW	(0.2069)
Retail Transmission Rate - Network Service Rate	\$/kW	3.5955
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.1118

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.003
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Hydro Ottawa Limited
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2022
This schedule supersedes and replaces all previously
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GENERAL SERVICE 1,500 TO 4,999 KW SERVICE CLASSIFICATION

This classification refers to non residential accounts whose monthly average peak demand is equal to or greater than, or is forecast to be equal to or greater than, 1,500 kW but less than 5,000 kW. Class A and Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

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

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

Note: A Customer shall be billed for Demand based on the greater of the measured kilowatts or ninety percent (90%) of the measured kilovolt-amperes.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	4193.93
Distribution Volumetric Rate	\$/kW	5.1311
Low Voltage Service Rate	\$/kW	0.02126
Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2022	\$/kW	(0.1962)
Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2022	\$/kW	(0.2771)
Rate Rider for Group 2 Accounts - effective until December 31, 2022	\$/kW	(0.2148)
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery - effective until December 31, 2022	\$/kW	0.0478
Rate Rider for Disposition of Global Adjustment Account (2022) - Applicable only for Non-RPP Customers - effective until December 31, 2022	\$/kWh	0.0006
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (ex. Global Adj.) - Applicable only for Non-Wholesale Market Participants - effective until December 31, 2022	\$/kW	(0.2307)
Retail Transmission Rate - Network Service Rate	\$/kW	3.7331
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.2571

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.003
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

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LARGE USE SERVICE CLASSIFICATION

This classification refers to an account whose monthly average peak demand is equal to or greater than, or is forecast to be equal to or greater than 5,000 kW. Class A and Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

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

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

Note: A Customer shall be billed for Demand based on the greater of the measured kilowatts or ninety percent (90%) of the measured kilovolt-amperes.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	15231.32
Distribution Volumetric Rate	\$/kW	5.0407
Low Voltage Service Rate	\$/kW	0.02394
Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2022	\$/kW	(0.3078)
Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2022	\$/kW	(0.6074)
Rate Rider for Group 2 Accounts - effective until December 31, 2022	\$/kW	(0.2410)
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery - effective until December 31, 2022	\$/kW	0.0411
Rate Rider for Disposition of Global Adjustment Account (2022) - Applicable only for Non-RPP Customers - effective until December 31, 2022	\$/kWh	0.0006
Retail Transmission Rate - Network Service Rate	\$/kW	4.1384
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.5417

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.003
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

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UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification includes accounts taking electricity at 120/240 volts single phase whose monthly average peak demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. These connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The customer will provide detailed manufacturer information/documentation with regard to electrical demand/consumption of the proposed unmetered load. Class B consumers are defined in accordance with O. Reg. 429/04. Qualification for this classification is at the discretion of Hydro Ottawa as defined in its Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	5.77
Distribution Volumetric Rate	\$/kWh	0.0274
Low Voltage Service Rate	\$/kWh	0.00005
Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2022	\$/kWh	(0.0006)
Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2022	\$/kWh	(0.0011)
Rate Rider for Group 2 Accounts - effective until December 31, 2022	\$/kWh	(0.0008)
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery - effective until December 31, 2022	\$/kWh	(0.0002)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0088
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0052

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.003
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Hydro Ottawa Limited
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STANDBY POWER SERVICE CLASSIFICATION

This classification refers to an account that has Load Displacement Generation equal to or greater than 500 kW and requires the distributor to provide back-up service. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component - Approved on an Interim Basis

Service Charge	\$	161.61
General Service 50 TO 1,499 kW customer	\$/kW	2.1566
General Service 1,500 TO 4,999 kW customer	\$/kW	1.9782
General Service Large User kW customer	\$/kW	2.1953

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SENTINEL LIGHTING SERVICE CLASSIFICATION

This classification refers to accounts that are an unmetered lighting load supplied to a sentinel light. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	4.6
Distribution Volumetric Rate	\$/kW	21.5536
Low Voltage Service Rate	\$/kW	0.01478
Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2022	\$/kW	(0.2007)
Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2022	\$/kW	(0.3964)
Rate Rider for Group 2 Accounts - effective until December 31, 2022	\$/kW	(0.5139)
Retail Transmission Rate - Network Service Rate	\$/kW	2.6541
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.5689

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.003
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

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STREET LIGHTING SERVICE CLASSIFICATION

This classification refers to an account for roadway lighting with a Municipality, Regional Municipality, Ministry of Transportation and private roadway lighting controlled by photocells. The consumption for these customers is based on the calculated connected load times the required lighting times established in the approved OEB street lighting load shape template. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	1
Distribution Volumetric Rate	\$/kW	6.9909
Low Voltage Service Rate	\$/kW	0.01509
Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2022	\$/kW	(0.2041)
Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2022	\$/kW	(0.4021)
Rate Rider for Group 2 Accounts - effective until December 31, 2022	\$/kW	(0.3022)
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery - effective until December 31, 2022	\$/kW	(0.0383)
Rate Rider for Disposition of Global Adjustment Account (2022) - Applicable only for Non-RPP Customers - effective until December 31, 2022	\$/kWh	0.0006
Retail Transmission Rate - Network Service Rate	\$/kW	2.6676
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.6016

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.003
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

NET-METERING SERVICE CLASSIFICATION

This classification applies to an eligible electricity generation facility as defined in O. Reg. 541/05. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	15
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microFIT SERVICE CLASSIFICATION

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

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge \$ 15

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FIT SERVICE CLASSIFICATION

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

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	78
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HCI, RESOP, OTHER ENERGY RESOURCE SERVICE CLASSIFICATION

This classification applies to an electricity generation facility contracted under the Independent Electricity System Operator's HCI, RESOP and Other Energy Resource programs and connected to the distributor's distribution system. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	322
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ALLOWANCES

Transformer Allowance for Ownership - per kW of billing demand/month	\$/kW	(0.45)
Primary Metering Allowance for Transformer Losses - applied to measured demand & energy	%	-1

SPECIFIC SERVICE CHARGES

APPLICATION

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

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

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Customer Administration

Arrears Certificate	\$	16
Easement Certificate for Unregistered Easements	\$	26
Duplicate invoices for previous billing	\$	6
Special billing service per hour (min 1 hour, 15 min incremental billing thereafter)	\$	125
Credit reference/credit check (plus credit agency costs)	\$	16
Unprocessed payment charge (plus bank charges)	\$	26
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	26
Interval meter - field reading	\$	320
High bill investigation - if billing is correct	\$	241

Non-Payment of Account

Late payment - per month (effective annual rate 19.56% per annum or 0.04896% compounded daily rate)	%	1.5
Reconnection at meter - during regular hours	\$	68
Reconnection at meter - after regular hours	\$	102
Reconnection at pole - during regular hours	\$	255
Reconnection at pole - after regular hours	\$	430

Other

Temporary service - install & remove - overhead - no transformer	\$	896
Temporary service - install & remove - underground - no transformer	\$	1300
Temporary service - install & remove - overhead - with transformer	\$	3196
Specific charge for access to the power poles - \$/pole/year (with the exception of wireless attachments) - Approved on an Interim Basis	\$	46.48
Dry core transformer distribution charge	Per Attached Table	
Energy resource facility administration charge (account set-up charge separately if applicable)	\$	145

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RETAIL SERVICE CHARGES (if applicable)

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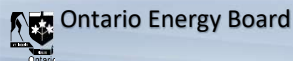
Retail Service Charges refer to services provided by a distributor to retailers or customers related to the supply of competitive electricity.

One-time charge, per retailer, to establish the service agreement between the distributor and the retailer	\$	106.53
Monthly fixed charge, per retailer	\$	42.62
Monthly variable charge, per customer, per retailer	\$/cust.	1.06
Distributor-consolidated billing monthly charge, per customer, per retailer	\$/cust.	0.63
Retailer-consolidated billing monthly credit, per customer, per retailer	\$/cust.	-0.63
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	\$	0.53
Processing fee, per request, applied to the requesting party	\$	1.06
Request for customer information as outlined in Section 10.6.3 and Chapter 11 of the Retail Settlement Code directly to retailers and customers, if not delivered electronically through the Electronic Business Transaction (EBT) system, applied to the requesting party		
Up to twice a year	\$	no charge
More than twice a year, per request (plus incremental delivery costs)	\$	4.26
Notice of switch letter charge, per letter (unless the distributor has opted out of applying the charge as per the Ontario Energy Board's Decision and Order EB-2015-0304, issued on February 14, 2019)	\$	2.13

LOSS FACTORS

If the distributor is not capable of prorating changed loss factors jointly with distribution rates, the revised loss factors will be implemented upon the first subsequent billing for each billing cycle.

Total Loss Factor - Secondary Metered Customer < 5,000 kW	1.0338
Total Loss Factor - Secondary Metered Customer > 5,000 kW	1.0152
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0234
Total Loss Factor - Primary Metered Customer > 5,000 kW	1.0051



Tariff Schedule and Bill Impacts Model (2022 Cost of Service Filers)

The bill comparisons below must be provided for typical customers and consumption levels. Bill impacts must be provided for residential customers consuming 750 kWh per month and general service customers consuming 2,000 kWh per month and having a monthly demand of less than 50 kW. Include bill comparisons for Non-RPP (retailer) as well. **To assess the combined effects of the shift to fixed rates and other bill impacts associated with changes in the cost of distribution service, applicants are to include a total bill impact for a residential customer at the distributor's 10th consumption percentile (in other words, 10% of a distributor's residential customers consume at or less than this level of consumption on a monthly basis). Refer to section 3.2.3 of the Chapter 3 Filing Requirements For Electricity Distribution Rate Applications.**

For certain classes where one or more customers have unique consumption and demand patterns and which may be significantly impacted by the proposed rate changes, the distributor must show a typical comparison, and provide an explanation.

Note:

1. For those classes that are not eligible for the RPP price, the weighted average price including Class B GA through end of May 2017 of \$0.1036/kWh (IESO's Monthly Market Report for May 2017, page 22) has been used to represent the cost of power. For those classes on a retailer contract, applicants should enter the contract price (plus GA) for a more accurate estimate. Changes to the cost of power can be made directly on the bill impact table for the specific class.

2. Please enter the applicable billing determinant (e.g. number of connections or devices) to be applied to the monthly service charge for unmetered rate classes in column N. If the monthly service charge is applied on a per customer basis, enter the number "1". Distributors should provide the number of connections or devices reflective of a typical customer in each class.

 Note that cells with the highlighted color shown to the left indicate quantities that are loss adjusted.

Table 1

RATE CLASSES / CATEGORIES <i>(eg: Residential TOU, Residential Retailer)</i>	Units	RPP? Non-RPP Retailer? Non-RPP Other?	Current Loss Factor (eg: 1.0351)	Proposed Loss Factor	Consumption (kWh)	Demand kW (if applicable)	RTSR Demand or Demand-Interval?	Billing Determinant Applied to Fixed Charge for Unmetered Classes (e.g. # of devices/connections).
RESIDENTIAL SERVICE CLASSIFICATION	kwh	RPP	1.0338	1.0338	750		CONSUMPTION	
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	kwh	RPP	1.0338	1.0338	2,000		CONSUMPTION	
GENERAL SERVICE 50 TO 1,499 KW SERVICE CLASSIFICATION	kw	Non-RPP (Other)	1.0338	1.0338	51,000	50	DEMAND	
GENERAL SERVICE 1,500 TO 4,999 KW SERVICE CLASSIFICATION	kw	Non-RPP (Other)	1.0338	1.0338	1,277,500	2,500	DEMAND	
LARGE USE SERVICE CLASSIFICATION	kw	Non-RPP (Other)	1.0051	1.0051	4,000,000	7,500	DEMAND	
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	kwh	RPP	1.0338	1.0338	470		CONSUMPTION	1
STANDBY POWER SERVICE CLASSIFICATION								
SENTINEL LIGHTING SERVICE CLASSIFICATION	kw	RPP	1.0338	1.0338	94	0	DEMAND	1
STREET LIGHTING SERVICE CLASSIFICATION	kw	RPP	1.0338	1.0338	150	1	DEMAND	1
FIT SERVICE CLASSIFICATION								
HCI, RESOP, OTHER ENERGY RESOURCE SERVICE CLASSIFICATION								
RESIDENTIAL SERVICE CLASSIFICATION	kwh	RPP	1.0338	1.0338	232		CONSUMPTION	
RESIDENTIAL SERVICE CLASSIFICATION	kwh	RPP	1.0338	1.0338	640		CONSUMPTION	
RESIDENTIAL SERVICE CLASSIFICATION	kwh	RPP	1.0338	1.0338	800		CONSUMPTION	
RESIDENTIAL SERVICE CLASSIFICATION	kwh	RPP	1.0338	1.0338	1,000		CONSUMPTION	
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	kwh	RPP	1.0338	1.0338	1,000		CONSUMPTION	
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	kwh	RPP	1.0338	1.0338	15,000		CONSUMPTION	
GENERAL SERVICE 50 TO 1,499 KW SERVICE CLASSIFICATION	kw	Non-RPP (Other)	1.0338	1.0338	127,750	250	DEMAND	
GENERAL SERVICE 1,500 TO 4,999 KW SERVICE CLASSIFICATION	kw	Non-RPP (Other)	1.0338	1.0338	1,277,500	4,000	DEMAND	
LARGE USE SERVICE CLASSIFICATION	kw	Non-RPP (Other)	1.0051	1.0051	4,000,000	10,000	DEMAND	

Table 2

RATE CLASSES / CATEGORIES <i>(eg: Residential TOU, Residential Retailer)</i>	Units	Sub-Total						Total	
		A		B		C		Total Bill	
		\$	%	\$	%	\$	%	\$	%
RESIDENTIAL SERVICE CLASSIFICATION - RPP	kwh	\$ 1.28	4.4%	\$ 0.46	1.4%	\$ 1.77	4.2%	\$ 1.67	1.4%
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION - RPP	kwh	\$ 3.36	4.7%	\$ 1.16	1.5%	\$ 4.47	4.3%	\$ 4.20	1.4%
GENERAL SERVICE 50 TO 1,499 KW SERVICE CLASSIFICATION - Non-RPP (Other)	kw	\$ 15.84	3.5%	\$ (103.95)	-18.1%	\$ (72.10)	-8.7%	\$ (81.48)	-1.1%
GENERAL SERVICE 1,500 TO 4,999 KW SERVICE CLASSIFICATION - Non-RPP (Other)	kw	\$ 803.50	5.1%	\$ (2,725.33)	-14.8%	\$ (1,060.58)	-3.3%	\$ (1,198.45)	-0.6%
LARGE USE SERVICE CLASSIFICATION - Non-RPP (Other)	kw	\$ 2,467.50	5.0%	\$ (10,087.25)	-17.6%	\$ (4,530.50)	-4.4%	\$ (5,119.46)	-0.8%
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION - RPP	kwh	\$ 1.25	7.4%	\$ 0.73	4.0%	\$ 1.51	6.2%	\$ 1.42	2.0%
STANDBY POWER SERVICE CLASSIFICATION -									
SENTINEL LIGHTING SERVICE CLASSIFICATION - RPP	kw	\$ 2.06	18.8%	\$ 1.90	17.0%	\$ 2.09	16.4%	\$ 1.97	9.1%
STREET LIGHTING SERVICE CLASSIFICATION - RPP	kw	\$ 0.36	4.9%	\$ (0.04)	-0.6%	\$ 0.43	3.8%	\$ 0.49	1.6%
FIT SERVICE CLASSIFICATION -									
HCI, RESOP, OTHER ENERGY RESOURCE SERVICE CLASSIFICATION -									
RESIDENTIAL SERVICE CLASSIFICATION - RPP	kwh	\$ 1.28	4.4%	\$ 1.02	3.4%	\$ 1.43	4.3%	\$ 1.35	2.4%
RESIDENTIAL SERVICE CLASSIFICATION - RPP	kwh	\$ 1.28	4.4%	\$ 0.58	1.8%	\$ 1.70	4.2%	\$ 1.60	1.6%
RESIDENTIAL SERVICE CLASSIFICATION - RPP	kwh	\$ 1.28	4.4%	\$ 0.40	1.3%	\$ 1.81	4.2%	\$ 1.70	1.4%
RESIDENTIAL SERVICE CLASSIFICATION - RPP	kwh	\$ 1.28	4.4%	\$ 0.18	0.6%	\$ 1.94	4.2%	\$ 1.82	1.3%
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION - RPP	kwh	\$ 2.16	4.8%	\$ 1.06	2.2%	\$ 2.71	4.4%	\$ 2.55	1.6%
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION - RPP	kwh	\$ 18.96	4.7%	\$ 2.46	0.6%	\$ 27.27	4.6%	\$ 25.66	1.2%
GENERAL SERVICE 50 TO 1,499 KW SERVICE CLASSIFICATION - Non-RPP (Other)	kw	\$ 79.20	5.4%	\$ (265.26)	-15.3%	\$ (106.01)	-3.5%	\$ (119.79)	-0.6%
GENERAL SERVICE 1,500 TO 4,999 KW SERVICE CLASSIFICATION - Non-RPP (Other)	kw	\$ 1,285.60	5.6%	\$ (2,827.52)	-11.3%	\$ (163.92)	-0.4%	\$ (185.23)	-0.1%
LARGE USE SERVICE CLASSIFICATION - Non-RPP (Other)	kw	\$ 3,290.00	5.5%	\$ (10,783.00)	-15.9%	\$ (3,374.00)	-2.7%	\$ (3,812.62)	-0.6%

Customer Class:	RESIDENTIAL SERVICE CLASSIFICATION		
RPP / Non-RPP:	RPP		
Consumption	750	kWh	
Demand	-	kW	
Current Loss Factor	1.0338		
Proposed/Approved Loss Factor	1.0338		

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 29.32	1	\$ 29.32	\$ 30.59	1	\$ 30.59	\$ 1.27	4.33%
Distribution Volumetric Rate	\$ -	750	\$ -	\$ -	750	\$ -	\$ -	
Fixed Rate Riders	\$ (0.26)	1	\$ (0.26)	\$ (0.25)	1	\$ (0.25)	\$ 0.01	-3.85%
Volumetric Rate Riders	\$ -	750	\$ -	\$ -	750	\$ -	\$ -	
Sub-Total A (excluding pass through)			\$ 29.06			\$ 30.34	\$ 1.28	4.40%
Line Losses on Cost of Power	\$ 0.1031	25	\$ 2.61	\$ 0.1031	25	\$ 2.61	\$ -	0.00%
Total Deferral/Variance Account Rate Riders	\$ (0.0006)	750	\$ (0.45)	\$ (0.0017)	750	\$ (1.28)	\$ (0.83)	183.33%
CBR Class B Rate Riders	\$ -	750	\$ -	\$ -	750	\$ -	\$ -	
GA Rate Riders	\$ -	750	\$ -	\$ -	750	\$ -	\$ -	
Low Voltage Service Charge	\$ 0.00005	750	\$ 0.04	\$ 0.00005	750	\$ 0.04	\$ -	0.00%
Smart Meter Entity Charge (if applicable)	\$ 0.57	1	\$ 0.57	\$ 0.57	1	\$ 0.57	\$ -	0.00%
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Additional Volumetric Rate Riders	\$ -	750	\$ -	\$ -	750	\$ -	\$ -	
Sub-Total B - Distribution (includes Sub-Total A)			\$ 31.83			\$ 32.29	\$ 0.46	1.43%
RTSR - Network	\$ 0.0081	775	\$ 6.28	\$ 0.0094	775	\$ 7.29	\$ 1.01	16.05%
RTSR - Connection and/or Line and Transformation Connection	\$ 0.0050	775	\$ 3.88	\$ 0.0054	775	\$ 4.19	\$ 0.31	8.00%
Sub-Total C - Delivery (including Sub-Total B)			\$ 41.99			\$ 43.76	\$ 1.77	4.22%
Wholesale Market Service Charge (WMSC)	\$ 0.0034	775	\$ 2.64	\$ 0.0034	775	\$ 2.64	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	\$ 0.0005	775	\$ 0.39	\$ 0.0005	775	\$ 0.39	\$ -	0.00%
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
TOU - Off Peak	\$ 0.0820	488	\$ 39.98	\$ 0.0820	488	\$ 39.98	\$ -	0.00%
TOU - Mid Peak	\$ 0.1130	128	\$ 14.41	\$ 0.1130	128	\$ 14.41	\$ -	0.00%
TOU - On Peak	\$ 0.1700	135	\$ 22.95	\$ 0.1700	135	\$ 22.95	\$ -	0.00%
Total Bill on TOU (before Taxes)			\$ 122.59			\$ 124.37	\$ 1.77	1.45%
HST 13%			\$ 15.94	13%		\$ 16.17	\$ 0.23	1.45%
Ontario Electricity Rebate 18.9%			\$ (23.17)	18.9%		\$ (23.51)	\$ (0.34)	
Total Bill on TOU			\$ 115.36			\$ 117.03	\$ 1.67	1.45%

In the manager's summary, discuss the reason for the change in the distribution sub-total B.

In the manager's summary, discuss the reason for the change in the distribution sub-total C.

Customer Class:	GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	
RPP / Non-RPP:	RPP	
Consumption	2,000	kWh
Demand	-	kW
Current Loss Factor	1.0338	
Proposed/Approved Loss Factor	1.0338	

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 19.76	1	\$ 19.76	\$ 20.72	1	\$ 20.72	\$ 0.96	4.86%
Distribution Volumetric Rate	\$ 0.0256	2000	\$ 51.20	\$ 0.0268	2000	\$ 53.60	\$ 2.40	4.69%
Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Volumetric Rate Riders	\$ (0.0001)	2000	\$ (0.20)	\$ (0.0001)	2000	\$ (0.20)	\$ -	0.00%
Sub-Total A (excluding pass through)			\$ 70.76			\$ 74.12	\$ 3.36	4.75%
Line Losses on Cost of Power	\$ 0.1031	68	\$ 6.97	\$ 0.1031	68	\$ 6.97	\$ -	0.00%
Total Deferral/Variance Account Rate Riders	\$ (0.0006)	2,000	\$ (1.20)	\$ (0.0017)	2,000	\$ (3.40)	\$ (2.20)	183.33%
CBR Class B Rate Riders	\$ -	2,000	\$ -	\$ -	2,000	\$ -	\$ -	
GA Rate Riders	\$ -	2,000	\$ -	\$ -	2,000	\$ -	\$ -	
Low Voltage Service Charge	\$ 0.00005	2,000	\$ 0.10	\$ 0.00005	2,000	\$ 0.10	\$ -	0.00%
Smart Meter Entity Charge (if applicable)	\$ 0.57	1	\$ 0.57	\$ 0.57	1	\$ 0.57	\$ -	0.00%
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Additional Volumetric Rate Riders	\$ -	2,000	\$ -	\$ -	2,000	\$ -	\$ -	
Sub-Total B - Distribution (includes Sub-Total A)			\$ 77.20			\$ 78.36	\$ 1.16	1.50%
RTSR - Network	\$ 0.0076	2,068	\$ 15.71	\$ 0.0088	2,068	\$ 18.19	\$ 2.48	15.79%
RTSR - Connection and/or Line and Transformation Connection	\$ 0.0048	2,068	\$ 9.92	\$ 0.0052	2,068	\$ 10.75	\$ 0.83	8.33%
Sub-Total C - Delivery (including Sub-Total B)			\$ 102.84			\$ 107.31	\$ 4.47	4.34%
Wholesale Market Service Charge (WMSC)	\$ 0.0034	2,068	\$ 7.03	\$ 0.0034	2,068	\$ 7.03	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	\$ 0.0005	2,068	\$ 1.03	\$ 0.0005	2,068	\$ 1.03	\$ -	0.00%
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
TOU - Off Peak	\$ 0.0820	1,300	\$ 106.60	\$ 0.0820	1,300	\$ 106.60	\$ -	0.00%
TOU - Mid Peak	\$ 0.1130	340	\$ 38.42	\$ 0.1130	340	\$ 38.42	\$ -	0.00%
TOU - On Peak	\$ 0.1700	360	\$ 61.20	\$ 0.1700	360	\$ 61.20	\$ -	0.00%
Total Bill on TOU (before Taxes)			\$ 317.37			\$ 321.84	\$ 4.47	1.41%
HST	13%		\$ 41.26	13%		\$ 41.84	\$ 0.58	1.41%
Ontario Electricity Rebate	18.9%		\$ (59.98)	18.9%		\$ (60.83)	\$ (0.84)	
Total Bill on TOU			\$ 298.65			\$ 302.85	\$ 4.20	1.41%

In the manager's summary, discuss the reason for the change in the distribution sub-total B and sub-total C.

Customer Class:	GENERAL SERVICE 50 TO 1,499 KW SERVICE CLASSIFICATION	
RPP / Non-RPP:	Non-RPP (Other)	
Consumption	51,000	kWh
Demand	50	kW
Current Loss Factor	1.0338	
Proposed/Approved Loss Factor	1.0338	

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 200.00	1	\$ 200.00	\$ 200.00	1	\$ 200.00	\$ -	0.00%
Distribution Volumetric Rate	\$ 5.2905	50	\$ 264.53	\$ 5.6065	50	\$ 280.33	\$ 15.80	5.97%
Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-
Volumetric Rate Riders	\$ (0.2116)	50	\$ (10.58)	\$ (0.2108)	50	\$ (10.54)	\$ 0.04	-0.38%
Sub-Total A (excluding pass through)			\$ 453.95			\$ 469.79	\$ 15.84	3.49%
Line Losses on Cost of Power	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	-
Total Deferral/Variance Account Rate Riders	\$ (0.2855)	50	\$ (14.28)	\$ (0.6416)	50	\$ (32.08)	\$ (17.81)	124.73%
CBR Class B Rate Riders	\$ -	50	\$ -	\$ -	50	\$ -	\$ -	-
GA Rate Riders	\$ 0.0026	51,000	\$ 132.60	\$ 0.0006	51,000	\$ 30.60	\$ (102.00)	-76.92%
Low Voltage Service Charge	\$ 0.01964	50	\$ 0.98	\$ 0.01989	50	\$ 0.99	\$ 0.01	1.27%
Smart Meter Entity Charge (if applicable)	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-
Additional Volumetric Rate Riders	\$ -	50	\$ -	\$ -	50	\$ -	\$ -	-
Sub-Total B - Distribution (includes Sub-Total A)			\$ 573.25			\$ 469.30	\$ (103.95)	-18.13%
RTSR - Network	\$ 3.1059	50	\$ 155.30	\$ 3.5955	50	\$ 179.78	\$ 24.48	15.76%
RTSR - Connection and/or Line and Transformation Connection	\$ 1.9644	50	\$ 98.22	\$ 2.1118	50	\$ 105.59	\$ 7.37	7.50%
Sub-Total C - Delivery (including Sub-Total B)			\$ 826.77			\$ 754.66	\$ (72.10)	-8.72%
Wholesale Market Service Charge (WMSC)	\$ 0.0034	52,724	\$ 179.26	\$ 0.0034	52,724	\$ 179.26	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	\$ 0.0005	52,724	\$ 26.36	\$ 0.0005	52,724	\$ 26.36	\$ -	0.00%
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
Average IESO Wholesale Market Price	\$ 0.1036	52,724	\$ 5,462.19	\$ 0.1036	52,724	\$ 5,462.19	\$ -	0.00%
Total Bill on Average IESO Wholesale Market Price			\$ 6,494.83			\$ 6,422.72	\$ (72.10)	-1.11%
HST	13%		\$ 844.33	13%		\$ 834.95	\$ (9.37)	-1.11%
Ontario Electricity Rebate	18.9%		\$ -	18.9%		\$ -	\$ -	-
Total Bill on Average IESO Wholesale Market Price			\$ 7,339.15			\$ 7,257.68	\$ (81.48)	-1.11%

In the manager's summary, discuss the reason for the change in the RTSR - Network and RTSR - Connection and/or Line and Transformation Connection rows.

Customer Class:	GENERAL SERVICE 1,500 TO 4,999 KW SERVICE CLASSIFICATION	
RPP / Non-RPP:	Non-RPP (Other)	
Consumption	1,277,500	kWh
Demand	2,500	kW
Current Loss Factor	1.0338	
Proposed/Approved Loss Factor	1.0338	

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 4,193.93	1	\$ 4,193.93	\$ 4,193.93	1	\$ 4,193.93	\$ -	0.00%
Distribution Volumetric Rate	\$ 4.8106	2500	\$ 12,026.50	\$ 5.1311	2500	\$ 12,827.75	\$ 801.25	6.66%
Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Volumetric Rate Riders	\$ (0.1679)	2500	\$ (419.75)	\$ (0.1670)	2500	\$ (417.50)	\$ 2.25	-0.54%
Sub-Total A (excluding pass through)			\$ 15,800.68			\$ 16,604.18	\$ 803.50	5.09%
Line Losses on Cost of Power	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	
Total Deferral/Variance Account Rate Riders	\$ (0.3142)	2,500	\$ (785.50)	\$ (0.7040)	2,500	\$ (1,760.00)	\$ (974.50)	124.06%
CBR Class B Rate Riders	\$ -	2,500	\$ -	\$ -	2,500	\$ -	\$ -	
GA Rate Riders	\$ 0.0026	1,277,500	\$ 3,321.50	\$ 0.0006	1,277,500	\$ 766.50	\$ (2,555.00)	-76.92%
Low Voltage Service Charge	\$ 0.02099	2,500	\$ 52.48	\$ 0.02126	2,500	\$ 53.15	\$ 0.68	1.29%
Smart Meter Entity Charge (if applicable)	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Additional Volumetric Rate Riders	\$ -	2,500	\$ -	\$ -	2,500	\$ -	\$ -	
Sub-Total B - Distribution (includes Sub-Total A)			\$ 18,389.16			\$ 15,663.83	\$ (2,725.33)	-14.82%
RTSR - Network	\$ 3.2248	2,500	\$ 8,062.00	\$ 3.7331	2,500	\$ 9,332.75	\$ 1,270.75	15.76%
RTSR - Connection and/or Line and Transformation Connection	\$ 2.0995	2,500	\$ 5,248.75	\$ 2.2571	2,500	\$ 5,642.75	\$ 394.00	7.51%
Sub-Total C - Delivery (including Sub-Total B)			\$ 31,699.91			\$ 30,639.33	\$ (1,060.58)	-3.35%
Wholesale Market Service Charge (WMSC)	\$ 0.0034	1,320,680	\$ 4,490.31	\$ 0.0034	1,320,680	\$ 4,490.31	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	\$ 0.0005	1,320,680	\$ 660.34	\$ 0.0005	1,320,680	\$ 660.34	\$ -	0.00%
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
Average IESO Wholesale Market Price	\$ 0.1036	1,320,680	\$ 136,822.40	\$ 0.1036	1,320,680	\$ 136,822.40	\$ -	0.00%
Total Bill on Average IESO Wholesale Market Price			\$ 173,673.20			\$ 172,612.63	\$ (1,060.57)	-0.61%
HST	13%		\$ 22,577.52	13%		\$ 22,439.64	\$ (137.87)	-0.61%
Ontario Electricity Rebate	18.9%		\$ -	18.9%		\$ -	\$ -	
Total Bill on Average IESO Wholesale Market Price			\$ 196,250.72			\$ 195,052.27	\$ (1,198.45)	-0.61%

In the manager's summary, discuss the reason for the change in the RTSR - Network and RTSR - Connection and/or Line and Transformation Connection rows.

Customer Class:	LARGE USE SERVICE CLASSIFICATION	
RPP / Non-RPP:	Non-RPP (Other)	
Consumption	4,000,000	kWh
Demand	7,500	kW
Current Loss Factor	1.0051	
Proposed/Approved Loss Factor	1.0051	

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 15,231.32	1	\$ 15,231.32	\$ 15,231.32	1	\$ 15,231.32	\$ -	0.00%
Distribution Volumetric Rate	\$ 4.7117	7500	\$ 35,337.75	\$ 5.0407	7500	\$ 37,805.25	\$ 2,467.50	6.98%
Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-
Volumetric Rate Riders	\$ (0.1999)	7500	\$ (1,499.25)	\$ (0.1999)	7500	\$ (1,499.25)	\$ -	0.00%
Sub-Total A (excluding pass through)			\$ 49,069.82			\$ 51,537.32	\$ 2,467.50	5.03%
Line Losses on Cost of Power	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	-
Total Deferral/Variance Account Rate Riders	\$ (0.3076)	7,500	\$ (2,307.00)	\$ (0.9152)	7,500	\$ (6,864.00)	\$ (4,557.00)	197.53%
CBR Class B Rate Riders	\$ -	7,500	\$ -	\$ -	7,500	\$ -	\$ -	-
GA Rate Riders	\$ 0.0026	4,000,000	\$ 10,400.00	\$ 0.0006	4,000,000	\$ 2,400.00	\$ (8,000.00)	-76.92%
Low Voltage Service Charge	\$ 0.02364	7,500	\$ 177.30	\$ 0.02394	7,500	\$ 179.55	\$ 2.25	1.27%
Smart Meter Entity Charge (if applicable)	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-
Additional Volumetric Rate Riders	\$ -	7,500	\$ -	\$ -	7,500	\$ -	\$ -	-
Sub-Total B - Distribution (includes Sub-Total A)			\$ 57,340.12			\$ 47,252.87	\$ (10,087.25)	-17.59%
RTSR - Network	\$ 3.5749	7,500	\$ 26,811.75	\$ 4.1384	7,500	\$ 31,038.00	\$ 4,226.25	15.76%
RTSR - Connection and/or Line and Transformation Connection	\$ 2.3643	7,500	\$ 17,732.25	\$ 2.5417	7,500	\$ 19,062.75	\$ 1,330.50	7.50%
Sub-Total C - Delivery (including Sub-Total B)			\$ 101,884.12			\$ 97,353.62	\$ (4,530.50)	-4.45%
Wholesale Market Service Charge (WMSC)	\$ 0.0034	4,020,400	\$ 13,669.36	\$ 0.0034	4,020,400	\$ 13,669.36	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	\$ 0.0005	4,020,400	\$ 2,010.20	\$ 0.0005	4,020,400	\$ 2,010.20	\$ -	0.00%
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
Average IESO Wholesale Market Price	\$ 0.1036	4,020,400	\$ 416,513.44	\$ 0.1036	4,020,400	\$ 416,513.44	\$ -	0.00%
Total Bill on Average IESO Wholesale Market Price			\$ 534,077.37			\$ 529,546.87	\$ (4,530.50)	-0.85%
HST	13%		\$ 69,430.06	13%		\$ 68,841.09	\$ (588.97)	-0.85%
Ontario Electricity Rebate	18.9%		\$ -	18.9%		\$ -	\$ -	-
Total Bill on Average IESO Wholesale Market Price			\$ 603,507.43			\$ 598,387.96	\$ (5,119.46)	-0.85%

In the manager's summary, discuss the reason for the change in the RTSR - Network and RTSR - Connection and/or Line and Transformation Connection rows.

Customer Class:	UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	
RPP / Non-RPP:	RPP	
Consumption	470	kWh
Demand	-	kW
Current Loss Factor	1.0338	
Proposed/Approved Loss Factor	1.0338	

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 5.37	1	\$ 5.37	\$ 5.77	1	\$ 5.77	\$ 0.40	7.45%
Distribution Volumetric Rate	\$ 0.0255	470	\$ 11.99	\$ 0.0274	470	\$ 12.88	\$ 0.89	7.45%
Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-
Volumetric Rate Riders	\$ (0.0009)	470	\$ (0.42)	\$ (0.0010)	470	\$ (0.47)	\$ (0.05)	11.11%
Sub-Total A (excluding pass through)			\$ 16.93			\$ 18.18	\$ 1.25	7.36%
Line Losses on Cost of Power	\$ 0.1031	16	\$ 1.64	\$ 0.1031	16	\$ 1.64	\$ -	0.00%
Total Deferral/Variance Account Rate Riders	\$ (0.0006)	470	\$ (0.28)	\$ (0.0017)	470	\$ (0.80)	\$ (0.52)	183.33%
CBR Class B Rate Riders	\$ -	470	\$ -	\$ -	470	\$ -	\$ -	-
GA Rate Riders	\$ -	470	\$ -	\$ -	470	\$ -	\$ -	-
Low Voltage Service Charge	\$ 0.00005	470	\$ 0.02	\$ 0.00005	470	\$ 0.02	\$ -	0.00%
Smart Meter Entity Charge (if applicable)	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-
Additional Volumetric Rate Riders	\$ -	470	\$ -	\$ -	470	\$ -	\$ -	-
Sub-Total B - Distribution (includes Sub-Total A)			\$ 18.31			\$ 19.04	\$ 0.73	3.98%
RTSR - Network	\$ 0.0076	486	\$ 3.69	\$ 0.0088	486	\$ 4.28	\$ 0.58	15.79%
RTSR - Connection and/or Line and Transformation Connection	\$ 0.0048	486	\$ 2.33	\$ 0.0052	486	\$ 2.53	\$ 0.19	8.33%
Sub-Total C - Delivery (including Sub-Total B)			\$ 24.34			\$ 25.84	\$ 1.51	6.19%
Wholesale Market Service Charge (WMSC)	\$ 0.0034	486	\$ 1.65	\$ 0.0034	486	\$ 1.65	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	\$ 0.0005	486	\$ 0.24	\$ 0.0005	486	\$ 0.24	\$ -	0.00%
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
TOU - Off Peak	\$ 0.0820	306	\$ 25.05	\$ 0.0820	306	\$ 25.05	\$ -	0.00%
TOU - Mid Peak	\$ 0.1130	80	\$ 9.03	\$ 0.1130	80	\$ 9.03	\$ -	0.00%
TOU - On Peak	\$ 0.1700	85	\$ 14.38	\$ 0.1700	85	\$ 14.38	\$ -	0.00%
Total Bill on TOU (before Taxes)			\$ 74.94			\$ 76.45	\$ 1.51	2.01%
HST	13%		\$ 9.74	13%		\$ 9.94	\$ 0.20	2.01%
Ontario Electricity Rebate	18.9%		\$ (14.16)	18.9%		\$ (14.45)	\$ (0.28)	-
Total Bill on TOU			\$ 70.52			\$ 71.94	\$ 1.42	2.01%

In the manager's summary, discuss the reason for the change in the RTSR - Network and RTSR - Connection and/or Line and Transformation Connection rows.

Customer Class:	SENTINEL LIGHTING SERVICE CLASSIFICATION	
RPP / Non-RPP:	RPP	
Consumption	94	kWh
Demand	0	kW
Current Loss Factor	1.0338	
Proposed/Approved Loss Factor	1.0338	

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 3.88	1	\$ 3.88	\$ 4.60	1	\$ 4.60	\$ 0.72	18.56%
Distribution Volumetric Rate	\$ 18.2019	0.4	\$ 7.28	\$ 21.5536	0.4	\$ 8.62	\$ 1.34	18.41%
Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-
Volumetric Rate Riders	\$ (0.5139)	0.4	\$ (0.21)	\$ (0.5139)	0.4	\$ (0.21)	\$ -	0.00%
Sub-Total A (excluding pass through)			\$ 10.96			\$ 13.02	\$ 2.06	18.81%
Line Losses on Cost of Power	\$ 0.1031	3	\$ 0.33	\$ 0.1031	3	\$ 0.33	\$ -	0.00%
Total Deferral/Variance Account Rate Riders	\$ (0.2007)	0	\$ (0.08)	\$ (0.5971)	0	\$ (0.24)	\$ (0.16)	197.51%
CBR Class B Rate Riders	\$ -	0	\$ -	\$ -	0	\$ -	\$ -	-
GA Rate Riders	\$ -	94	\$ -	\$ -	94	\$ -	\$ -	-
Low Voltage Service Charge	\$ 0.01459	0	\$ 0.01	\$ 0.01478	0	\$ 0.01	\$ 0.00	1.30%
Smart Meter Entity Charge (if applicable)	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-
Additional Volumetric Rate Riders	\$ -	0	\$ -	\$ -	0	\$ -	\$ -	-
Sub-Total B - Distribution (includes Sub-Total A)			\$ 11.21			\$ 13.11	\$ 1.90	16.97%
RTSR - Network	\$ 2.2927	0	\$ 0.92	\$ 2.6541	0	\$ 1.06	\$ 0.14	15.76%
RTSR - Connection and/or Line and Transformation Connection	\$ 1.4594	0	\$ 0.58	\$ 1.5689	0	\$ 0.63	\$ 0.04	7.50%
Sub-Total C - Delivery (including Sub-Total B)			\$ 12.71			\$ 14.80	\$ 2.09	16.45%
Wholesale Market Service Charge (WMSC)	\$ 0.0034	97	\$ 0.33	\$ 0.0034	97	\$ 0.33	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	\$ 0.0005	97	\$ 0.05	\$ 0.0005	97	\$ 0.05	\$ -	0.00%
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
TOU - Off Peak	\$ 0.0820	61	\$ 5.01	\$ 0.0820	61	\$ 5.01	\$ -	0.00%
TOU - Mid Peak	\$ 0.1130	16	\$ 1.81	\$ 0.1130	16	\$ 1.81	\$ -	0.00%
TOU - On Peak	\$ 0.1700	17	\$ 2.88	\$ 0.1700	17	\$ 2.88	\$ -	0.00%
Total Bill on TOU (before Taxes)			\$ 23.03			\$ 25.12	\$ 2.09	9.08%
HST	13%		\$ 2.99	13%		\$ 3.27	\$ 0.27	9.08%
Ontario Electricity Rebate	18.9%		\$ (4.35)	18.9%		\$ (4.75)	\$ (0.40)	-
Total Bill on TOU			\$ 21.67			\$ 23.64	\$ 1.97	9.08%

In the manager's summary, discuss the reason for the change in the distribution sub-total B and sub-total C.

Customer Class:	STREET LIGHTING SERVICE CLASSIFICATION	
RPP / Non-RPP:	RPP	
Consumption	150	kWh
Demand	1	kW
Current Loss Factor	1.0338	
Proposed/Approved Loss Factor	1.0338	

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 0.96	1	\$ 0.96	\$ 1.00	1	\$ 1.00	\$ 0.04	4.17%
Distribution Volumetric Rate	\$ 6.6705	1	\$ 6.67	\$ 6.9909	1	\$ 6.99	\$ 0.32	4.80%
Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-
Volumetric Rate Riders	\$ (0.3385)	1	\$ (0.34)	\$ (0.3405)	1	\$ (0.34)	\$ (0.00)	0.59%
Sub-Total A (excluding pass through)			\$ 7.29			\$ 7.65	\$ 0.36	4.91%
Line Losses on Cost of Power	\$ 0.1031	5	\$ 0.52	\$ 0.1031	5	\$ 0.52	\$ -	0.00%
Total Deferral/Variance Account Rate Riders	\$ (0.2029)	1	\$ (0.20)	\$ (0.6062)	1	\$ (0.61)	\$ (0.40)	198.77%
CBR Class B Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-
GA Rate Riders	\$ -	150	\$ -	\$ -	150	\$ -	\$ -	-
Low Voltage Service Charge	\$ 0.0149	1	\$ 0.01	\$ 0.01509	1	\$ 0.02	\$ 0.00	1.28%
Smart Meter Entity Charge (if applicable)	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-
Additional Volumetric Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-
Sub-Total B - Distribution (includes Sub-Total A)			\$ 7.63			\$ 7.58	\$ (0.04)	-0.59%
RTSR - Network	\$ 2.3044	1	\$ 2.30	\$ 2.6676	1	\$ 2.67	\$ 0.36	15.76%
RTSR - Connection and/or Line and Transformation Connection	\$ 1.4898	1	\$ 1.49	\$ 1.6016	1	\$ 1.60	\$ 0.11	7.50%
Sub-Total C - Delivery (including Sub-Total B)			\$ 11.42			\$ 11.85	\$ 0.43	3.77%
Wholesale Market Service Charge (WMSC)	\$ 0.0034	155	\$ 0.53	\$ 0.0034	155	\$ 0.53	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	\$ 0.0005	155	\$ 0.08	\$ 0.0005	155	\$ 0.08	\$ -	0.00%
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
TOU - Off Peak	\$ 0.0820	98	\$ 8.00	\$ 0.0820	98	\$ 8.00	\$ -	0.00%
TOU - Mid Peak	\$ 0.1130	26	\$ 2.88	\$ 0.1130	26	\$ 2.88	\$ -	0.00%
TOU - On Peak	\$ 0.1700	27	\$ 4.59	\$ 0.1700	27	\$ 4.59	\$ -	0.00%
Total Bill on TOU (before Taxes)			\$ 27.74			\$ 28.17	\$ 0.43	1.55%
HST 13%			\$ 3.61	13%		\$ 3.66	\$ 0.06	1.55%
Ontario Electricity Rebate 18.9%			\$ -	18.9%		\$ -	\$ -	-
Total Bill on TOU			\$ 31.35			\$ 31.83	\$ 0.49	1.55%

In the manager's summary, discuss the reason for the change in the distribution sub-total B and sub-total C.

Customer Class:	RESIDENTIAL SERVICE CLASSIFICATION	
RPP / Non-RPP:	RPP	
Consumption	232	kWh
Demand	-	kW
Current Loss Factor	1.0338	
Proposed/Approved Loss Factor	1.0338	

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 29.32	1	\$ 29.32	\$ 30.59	1	\$ 30.59	\$ 1.27	4.33%
Distribution Volumetric Rate	\$ -	232	\$ -	\$ -	232	\$ -	\$ -	
Fixed Rate Riders	\$ (0.26)	1	\$ (0.26)	\$ (0.25)	1	\$ (0.25)	\$ 0.01	-3.85%
Volumetric Rate Riders	\$ -	232	\$ -	\$ -	232	\$ -	\$ -	
Sub-Total A (excluding pass through)			\$ 29.06			\$ 30.34	\$ 1.28	4.40%
Line Losses on Cost of Power	\$ 0.1031	8	\$ 0.81	\$ 0.1031	8	\$ 0.81	\$ -	0.00%
Total Deferral/Variance Account Rate Riders	\$ (0.0006)	232	\$ (0.14)	\$ (0.0017)	232	\$ (0.39)	\$ (0.26)	183.33%
CBR Class B Rate Riders	\$ -	232	\$ -	\$ -	232	\$ -	\$ -	
GA Rate Riders	\$ -	232	\$ -	\$ -	232	\$ -	\$ -	
Low Voltage Service Charge	\$ 0.00005	232	\$ 0.01	\$ 0.00005	232	\$ 0.01	\$ -	0.00%
Smart Meter Entity Charge (if applicable)	\$ 0.57	1	\$ 0.57	\$ 0.57	1	\$ 0.57	\$ -	0.00%
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Additional Volumetric Rate Riders	\$ -	232	\$ -	\$ -	232	\$ -	\$ -	
Sub-Total B - Distribution (includes Sub-Total A)			\$ 30.31			\$ 31.34	\$ 1.02	3.38%
RTSR - Network	\$ 0.0081	240	\$ 1.94	\$ 0.0094	240	\$ 2.25	\$ 0.31	16.05%
RTSR - Connection and/or Line and Transformation Connection	\$ 0.0050	240	\$ 1.20	\$ 0.0054	240	\$ 1.30	\$ 0.10	8.00%
Sub-Total C - Delivery (including Sub-Total B)			\$ 33.45			\$ 34.89	\$ 1.43	4.28%
Wholesale Market Service Charge (WMSC)	\$ 0.0034	240	\$ 0.82	\$ 0.0034	240	\$ 0.82	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	\$ 0.0005	240	\$ 0.12	\$ 0.0005	240	\$ 0.12	\$ -	0.00%
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
TOU - Off Peak	\$ 0.0820	151	\$ 12.37	\$ 0.0820	151	\$ 12.37	\$ -	0.00%
TOU - Mid Peak	\$ 0.1130	39	\$ 4.46	\$ 0.1130	39	\$ 4.46	\$ -	0.00%
TOU - On Peak	\$ 0.1700	42	\$ 7.10	\$ 0.1700	42	\$ 7.10	\$ -	0.00%
Total Bill on TOU (before Taxes)			\$ 58.56			\$ 59.99	\$ 1.43	2.45%
HST 13%			\$ 7.61	13%		\$ 7.80	\$ 0.19	2.45%
Ontario Electricity Rebate 18.9%			\$ (11.07)	18.9%		\$ (11.34)	\$ (0.27)	
Total Bill on TOU			\$ 55.10			\$ 56.45	\$ 1.35	2.45%

In the manager's summary, discuss the reason for the change in the distribution sub-total B and sub-total C.

Customer Class:	RESIDENTIAL SERVICE CLASSIFICATION	
RPP / Non-RPP:	RPP	
Consumption	640	kWh
Demand	-	kW
Current Loss Factor	1.0338	
Proposed/Approved Loss Factor	1.0338	

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 29.32	1	\$ 29.32	\$ 30.59	1	\$ 30.59	\$ 1.27	4.33%
Distribution Volumetric Rate	\$ -	640	\$ -	\$ -	640	\$ -	\$ -	-
Fixed Rate Riders	\$ (0.26)	1	\$ (0.26)	\$ (0.25)	1	\$ (0.25)	\$ 0.01	-3.85%
Volumetric Rate Riders	\$ -	640	\$ -	\$ -	640	\$ -	\$ -	-
Sub-Total A (excluding pass through)			\$ 29.06			\$ 30.34	\$ 1.28	4.40%
Line Losses on Cost of Power	\$ 0.1031	22	\$ 2.23	\$ 0.1031	22	\$ 2.23	\$ -	0.00%
Total Deferral/Variance Account Rate Riders	\$ (0.0006)	640	\$ (0.38)	\$ (0.0017)	640	\$ (1.09)	\$ (0.70)	183.33%
CBR Class B Rate Riders	\$ -	640	\$ -	\$ -	640	\$ -	\$ -	-
GA Rate Riders	\$ -	640	\$ -	\$ -	640	\$ -	\$ -	-
Low Voltage Service Charge	\$ 0.00005	640	\$ 0.03	\$ 0.00005	640	\$ 0.03	\$ -	0.00%
Smart Meter Entity Charge (if applicable)	\$ 0.57	1	\$ 0.57	\$ 0.57	1	\$ 0.57	\$ -	0.00%
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-
Additional Volumetric Rate Riders	\$ -	640	\$ -	\$ -	640	\$ -	\$ -	-
Sub-Total B - Distribution (includes Sub-Total A)			\$ 31.51			\$ 32.08	\$ 0.58	1.83%
RTSR - Network	\$ 0.0081	662	\$ 5.36	\$ 0.0094	662	\$ 6.22	\$ 0.86	16.05%
RTSR - Connection and/or Line and Transformation Connection	\$ 0.0050	662	\$ 3.31	\$ 0.0054	662	\$ 3.57	\$ 0.26	8.00%
Sub-Total C - Delivery (including Sub-Total B)			\$ 40.18			\$ 41.88	\$ 1.70	4.23%
Wholesale Market Service Charge (WMSC)	\$ 0.0034	662	\$ 2.25	\$ 0.0034	662	\$ 2.25	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	\$ 0.0005	662	\$ 0.33	\$ 0.0005	662	\$ 0.33	\$ -	0.00%
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
TOU - Off Peak	\$ 0.0820	416	\$ 34.11	\$ 0.0820	416	\$ 34.11	\$ -	0.00%
TOU - Mid Peak	\$ 0.1130	109	\$ 12.29	\$ 0.1130	109	\$ 12.29	\$ -	0.00%
TOU - On Peak	\$ 0.1700	115	\$ 19.58	\$ 0.1700	115	\$ 19.58	\$ -	0.00%
Total Bill on TOU (before Taxes)			\$ 109.00			\$ 110.70	\$ 1.70	1.56%
HST	13%		\$ 14.17	13%		\$ 14.39	\$ 0.22	1.56%
Ontario Electricity Rebate	18.9%		\$ (20.60)	18.9%		\$ (20.92)	\$ (0.32)	-
Total Bill on TOU			\$ 102.57			\$ 104.17	\$ 1.60	1.56%

In the manager's summary, discuss the reason for the change in the distribution sub-total B and sub-total C.

Customer Class:	RESIDENTIAL SERVICE CLASSIFICATION	
RPP / Non-RPP:	RPP	
Consumption	800	kWh
Demand	-	kW
Current Loss Factor	1.0338	
Proposed/Approved Loss Factor	1.0338	

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 29.32	1	\$ 29.32	\$ 30.59	1	\$ 30.59	\$ 1.27	4.33%
Distribution Volumetric Rate	\$ -	800	\$ -	\$ -	800	\$ -	\$ -	-
Fixed Rate Riders	\$ (0.26)	1	\$ (0.26)	\$ (0.25)	1	\$ (0.25)	\$ 0.01	-3.85%
Volumetric Rate Riders	\$ -	800	\$ -	\$ -	800	\$ -	\$ -	-
Sub-Total A (excluding pass through)			\$ 29.06			\$ 30.34	\$ 1.28	4.40%
Line Losses on Cost of Power	\$ 0.1031	27	\$ 2.79	\$ 0.1031	27	\$ 2.79	\$ -	0.00%
Total Deferral/Variance Account Rate Riders	\$ (0.0006)	800	\$ (0.48)	\$ (0.0017)	800	\$ (1.36)	\$ (0.88)	183.33%
CBR Class B Rate Riders	\$ -	800	\$ -	\$ -	800	\$ -	\$ -	-
GA Rate Riders	\$ -	800	\$ -	\$ -	800	\$ -	\$ -	-
Low Voltage Service Charge	\$ 0.00005	800	\$ 0.04	\$ 0.00005	800	\$ 0.04	\$ -	0.00%
Smart Meter Entity Charge (if applicable)	\$ 0.57	1	\$ 0.57	\$ 0.57	1	\$ 0.57	\$ -	0.00%
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-
Additional Volumetric Rate Riders	\$ -	800	\$ -	\$ -	800	\$ -	\$ -	-
Sub-Total B - Distribution (includes Sub-Total A)			\$ 31.98			\$ 32.38	\$ 0.40	1.25%
RTSR - Network	\$ 0.0081	827	\$ 6.70	\$ 0.0094	827	\$ 7.77	\$ 1.08	16.05%
RTSR - Connection and/or Line and Transformation Connection	\$ 0.0050	827	\$ 4.14	\$ 0.0054	827	\$ 4.47	\$ 0.33	8.00%
Sub-Total C - Delivery (including Sub-Total B)			\$ 42.81			\$ 44.62	\$ 1.81	4.22%
Wholesale Market Service Charge (WMSC)	\$ 0.0034	827	\$ 2.81	\$ 0.0034	827	\$ 2.81	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	\$ 0.0005	827	\$ 0.41	\$ 0.0005	827	\$ 0.41	\$ -	0.00%
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
TOU - Off Peak	\$ 0.0820	520	\$ 42.64	\$ 0.0820	520	\$ 42.64	\$ -	0.00%
TOU - Mid Peak	\$ 0.1130	136	\$ 15.37	\$ 0.1130	136	\$ 15.37	\$ -	0.00%
TOU - On Peak	\$ 0.1700	144	\$ 24.48	\$ 0.1700	144	\$ 24.48	\$ -	0.00%
Total Bill on TOU (before Taxes)			\$ 128.78			\$ 130.58	\$ 1.81	1.40%
HST 13%			\$ 16.74	13%		\$ 16.98	\$ 0.23	1.40%
Ontario Electricity Rebate 18.9%			\$ (24.34)	18.9%		\$ (24.68)	\$ (0.34)	-
Total Bill on TOU			\$ 121.18			\$ 122.88	\$ 1.70	1.40%

In the manager's summary, discuss the reason for the change in the distribution sub-total B and delivery sub-total C.

Customer Class:	RESIDENTIAL SERVICE CLASSIFICATION	
RPP / Non-RPP:	RPP	
Consumption	1,000	kWh
Demand	-	kW
Current Loss Factor	1.0338	
Proposed/Approved Loss Factor	1.0338	

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 29.32	1	\$ 29.32	\$ 30.59	1	\$ 30.59	\$ 1.27	4.33%
Distribution Volumetric Rate	\$ -	1000	\$ -	\$ -	1000	\$ -	\$ -	-
Fixed Rate Riders	\$ (0.26)	1	\$ (0.26)	\$ (0.25)	1	\$ (0.25)	\$ 0.01	-3.85%
Volumetric Rate Riders	\$ -	1000	\$ -	\$ -	1000	\$ -	\$ -	-
Sub-Total A (excluding pass through)			\$ 29.06			\$ 30.34	\$ 1.28	4.40%
Line Losses on Cost of Power	\$ 0.1031	34	\$ 3.49	\$ 0.1031	34	\$ 3.49	\$ -	0.00%
Total Deferral/Variance Account Rate Riders	\$ (0.0006)	1,000	\$ (0.60)	\$ (0.0017)	1,000	\$ (1.70)	\$ (1.10)	183.33%
CBR Class B Rate Riders	\$ -	1,000	\$ -	\$ -	1,000	\$ -	\$ -	-
GA Rate Riders	\$ -	1,000	\$ -	\$ -	1,000	\$ -	\$ -	-
Low Voltage Service Charge	\$ 0.00005	1,000	\$ 0.05	\$ 0.00005	1,000	\$ 0.05	\$ -	0.00%
Smart Meter Entity Charge (if applicable)	\$ 0.57	1	\$ 0.57	\$ 0.57	1	\$ 0.57	\$ -	0.00%
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-
Additional Volumetric Rate Riders	\$ -	1,000	\$ -	\$ -	1,000	\$ -	\$ -	-
Sub-Total B - Distribution (includes Sub-Total A)			\$ 32.57			\$ 32.75	\$ 0.18	0.55%
RTSR - Network	\$ 0.0081	1,034	\$ 8.37	\$ 0.0094	1,034	\$ 9.72	\$ 1.34	16.05%
RTSR - Connection and/or Line and Transformation Connection	\$ 0.0050	1,034	\$ 5.17	\$ 0.0054	1,034	\$ 5.58	\$ 0.41	8.00%
Sub-Total C - Delivery (including Sub-Total B)			\$ 46.11			\$ 48.05	\$ 1.94	4.20%
Wholesale Market Service Charge (WMSC)	\$ 0.0034	1,034	\$ 3.51	\$ 0.0034	1,034	\$ 3.51	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	\$ 0.0005	1,034	\$ 0.52	\$ 0.0005	1,034	\$ 0.52	\$ -	0.00%
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
TOU - Off Peak	\$ 0.0820	650	\$ 53.30	\$ 0.0820	650	\$ 53.30	\$ -	0.00%
TOU - Mid Peak	\$ 0.1130	170	\$ 19.21	\$ 0.1130	170	\$ 19.21	\$ -	0.00%
TOU - On Peak	\$ 0.1700	180	\$ 30.60	\$ 0.1700	180	\$ 30.60	\$ -	0.00%
Total Bill on TOU (before Taxes)			\$ 153.50			\$ 155.44	\$ 1.94	1.26%
HST 13%			\$ 19.95	13%		\$ 20.21	\$ 0.25	1.26%
Ontario Electricity Rebate 18.9%			\$ (29.01)	18.9%		\$ (29.38)	\$ (0.37)	-
Total Bill on TOU			\$ 144.44			\$ 146.27	\$ 1.82	1.26%

In the manager's summary, discuss the reason for the change in the distribution sub-total B and sub-total C.

Customer Class:	GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	
RPP / Non-RPP:	RPP	
Consumption	1,000	kWh
Demand	-	kW
Current Loss Factor	1.0338	
Proposed/Approved Loss Factor	1.0338	

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 19.76	1	\$ 19.76	\$ 20.72	1	\$ 20.72	\$ 0.96	4.86%
Distribution Volumetric Rate	\$ 0.0256	1000	\$ 25.60	\$ 0.0268	1000	\$ 26.80	\$ 1.20	4.69%
Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-
Volumetric Rate Riders	\$ (0.0001)	1000	\$ (0.10)	\$ (0.0001)	1000	\$ (0.10)	\$ -	0.00%
Sub-Total A (excluding pass through)			\$ 45.26			\$ 47.42	\$ 2.16	4.77%
Line Losses on Cost of Power	\$ 0.1031	34	\$ 3.49	\$ 0.1031	34	\$ 3.49	\$ -	0.00%
Total Deferral/Variance Account Rate Riders	\$ (0.0006)	1,000	\$ (0.60)	\$ (0.0017)	1,000	\$ (1.70)	\$ (1.10)	183.33%
CBR Class B Rate Riders	\$ -	1,000	\$ -	\$ -	1,000	\$ -	\$ -	-
GA Rate Riders	\$ -	1,000	\$ -	\$ -	1,000	\$ -	\$ -	-
Low Voltage Service Charge	\$ 0.00005	1,000	\$ 0.05	\$ 0.00005	1,000	\$ 0.05	\$ -	0.00%
Smart Meter Entity Charge (if applicable)	\$ 0.57	1	\$ 0.57	\$ 0.57	1	\$ 0.57	\$ -	0.00%
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-
Additional Volumetric Rate Riders	\$ -	1,000	\$ -	\$ -	1,000	\$ -	\$ -	-
Sub-Total B - Distribution (includes Sub-Total A)			\$ 48.77			\$ 49.83	\$ 1.06	2.17%
RTSR - Network	\$ 0.0076	1,034	\$ 7.86	\$ 0.0088	1,034	\$ 9.10	\$ 1.24	15.79%
RTSR - Connection and/or Line and Transformation Connection	\$ 0.0048	1,034	\$ 4.96	\$ 0.0052	1,034	\$ 5.38	\$ 0.41	8.33%
Sub-Total C - Delivery (including Sub-Total B)			\$ 61.58			\$ 64.30	\$ 2.71	4.41%
Wholesale Market Service Charge (WMSC)	\$ 0.0034	1,034	\$ 3.51	\$ 0.0034	1,034	\$ 3.51	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	\$ 0.0005	1,034	\$ 0.52	\$ 0.0005	1,034	\$ 0.52	\$ -	0.00%
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
TOU - Off Peak	\$ 0.0820	650	\$ 53.30	\$ 0.0820	650	\$ 53.30	\$ -	0.00%
TOU - Mid Peak	\$ 0.1130	170	\$ 19.21	\$ 0.1130	170	\$ 19.21	\$ -	0.00%
TOU - On Peak	\$ 0.1700	180	\$ 30.60	\$ 0.1700	180	\$ 30.60	\$ -	0.00%
Total Bill on TOU (before Taxes)			\$ 168.98			\$ 171.69	\$ 2.71	1.61%
HST	13%		\$ 21.97	13%		\$ 22.32	\$ 0.35	1.61%
Ontario Electricity Rebate	18.9%		\$ (31.94)	18.9%		\$ (32.45)	\$ (0.51)	-
Total Bill on TOU			\$ 159.01			\$ 161.56	\$ 2.55	1.61%

In the manager's summary, discuss the reason for the change in the RTSR - Network and RTSR - Connection and/or Line and Transformation Connection rows.

Customer Class:	GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	
RPP / Non-RPP:	RPP	
Consumption	15,000	kWh
Demand	-	kW
Current Loss Factor	1.0338	
Proposed/Approved Loss Factor	1.0338	

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 19.76	1	\$ 19.76	\$ 20.72	1	\$ 20.72	\$ 0.96	4.86%
Distribution Volumetric Rate	\$ 0.0256	15000	\$ 384.00	\$ 0.0268	15000	\$ 402.00	\$ 18.00	4.69%
Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-
Volumetric Rate Riders	\$ (0.0001)	15000	\$ (1.50)	\$ (0.0001)	15000	\$ (1.50)	\$ -	0.00%
Sub-Total A (excluding pass through)			\$ 402.26			\$ 421.22	\$ 18.96	4.71%
Line Losses on Cost of Power	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	-
Total Deferral/Variance Account Rate Riders	\$ (0.0006)	15,000	\$ (9.00)	\$ (0.0017)	15,000	\$ (25.50)	\$ (16.50)	183.33%
CBR Class B Rate Riders	\$ -	15,000	\$ -	\$ -	15,000	\$ -	\$ -	-
GA Rate Riders	\$ -	15,000	\$ -	\$ -	15,000	\$ -	\$ -	-
Low Voltage Service Charge	\$ 0.00005	15,000	\$ 0.75	\$ 0.00005	15,000	\$ 0.75	\$ -	0.00%
Smart Meter Entity Charge (if applicable)	\$ 0.57	1	\$ 0.57	\$ 0.57	1	\$ 0.57	\$ -	0.00%
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-
Additional Volumetric Rate Riders	\$ -	15,000	\$ -	\$ -	15,000	\$ -	\$ -	-
Sub-Total B - Distribution (includes Sub-Total A)			\$ 394.58			\$ 397.04	\$ 2.46	0.62%
RTSR - Network	\$ 0.0076	15,507	\$ 117.85	\$ 0.0088	15,507	\$ 136.46	\$ 18.61	15.79%
RTSR - Connection and/or Line and Transformation Connection	\$ 0.0048	15,507	\$ 74.43	\$ 0.0052	15,507	\$ 80.64	\$ 6.20	8.33%
Sub-Total C - Delivery (including Sub-Total B)			\$ 586.87			\$ 614.14	\$ 27.27	4.65%
Wholesale Market Service Charge (WMSC)	\$ 0.0034	15,507	\$ 52.72	\$ 0.0034	15,507	\$ 52.72	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	\$ 0.0005	15,507	\$ 7.75	\$ 0.0005	15,507	\$ 7.75	\$ -	0.00%
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
TOU - Off Peak	\$ 0.0820	10,080	\$ 826.52	\$ 0.0820	10,080	\$ 826.52	\$ -	0.00%
TOU - Mid Peak	\$ 0.1130	2,636	\$ 297.89	\$ 0.1130	2,636	\$ 297.89	\$ -	0.00%
TOU - On Peak	\$ 0.1700	2,791	\$ 474.51	\$ 0.1700	2,791	\$ 474.51	\$ -	0.00%
Total Bill on TOU (before Taxes)			\$ 2,246.52			\$ 2,273.79	\$ 27.27	1.21%
HST 13%			\$ 292.05	13%		\$ 295.59	\$ 3.55	1.21%
Ontario Electricity Rebate 18.9%			\$ (424.59)	18.9%		\$ (429.75)	\$ (5.15)	-
Total Bill on TOU			\$ 2,113.98			\$ 2,139.64	\$ 25.66	1.21%

In the manager's summary, discuss the reason for the change in the distribution sub-total B and sub-total C.

Customer Class:	GENERAL SERVICE 50 TO 1,499 KW SERVICE CLASSIFICATION	
RPP / Non-RPP:	Non-RPP (Other)	
Consumption	127,750	kWh
Demand	250	kW
Current Loss Factor	1.0338	
Proposed/Approved Loss Factor	1.0338	

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 200.00	1	\$ 200.00	\$ 200.00	1	\$ 200.00	\$ -	0.00%
Distribution Volumetric Rate	\$ 5.2905	250	\$ 1,322.63	\$ 5.6065	250	\$ 1,401.63	\$ 79.00	5.97%
Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-
Volumetric Rate Riders	\$ (0.2116)	250	\$ (52.90)	\$ (0.2108)	250	\$ (52.70)	\$ 0.20	-0.38%
Sub-Total A (excluding pass through)			\$ 1,469.73			\$ 1,548.93	\$ 79.20	5.39%
Line Losses on Cost of Power	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	-
Total Deferral/Variance Account Rate Riders	\$ (0.2855)	250	\$ (71.38)	\$ (0.6416)	250	\$ (160.40)	\$ (89.03)	124.73%
CBR Class B Rate Riders	\$ -	250	\$ -	\$ -	250	\$ -	\$ -	-
GA Rate Riders	\$ 0.0026	127,750	\$ 332.15	\$ 0.0006	127,750	\$ 76.65	\$ (255.50)	-76.92%
Low Voltage Service Charge	\$ 0.01964	250	\$ 4.91	\$ 0.01989	250	\$ 4.97	\$ 0.06	1.27%
Smart Meter Entity Charge (if applicable)	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-
Additional Volumetric Rate Riders	\$ -	250	\$ -	\$ -	250	\$ -	\$ -	-
Sub-Total B - Distribution (includes Sub-Total A)			\$ 1,735.41			\$ 1,470.15	\$ (265.26)	-15.29%
RTSR - Network	\$ 3.1059	250	\$ 776.48	\$ 3.5955	250	\$ 898.88	\$ 122.40	15.76%
RTSR - Connection and/or Line and Transformation Connection	\$ 1.9644	250	\$ 491.10	\$ 2.1118	250	\$ 527.95	\$ 36.85	7.50%
Sub-Total C - Delivery (including Sub-Total B)			\$ 3,002.99			\$ 2,896.97	\$ (106.01)	-3.53%
Wholesale Market Service Charge (WMSC)	\$ 0.0034	132,068	\$ 449.03	\$ 0.0034	132,068	\$ 449.03	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	\$ 0.0005	132,068	\$ 66.03	\$ 0.0005	132,068	\$ 66.03	\$ -	0.00%
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
Average IESO Wholesale Market Price	\$ 0.1036	132,068	\$ 13,682.24	\$ 0.1036	132,068	\$ 13,682.24	\$ -	0.00%
Total Bill on Average IESO Wholesale Market Price			\$ 17,200.54			\$ 17,094.53	\$ (106.01)	-0.62%
HST	13%		\$ 2,236.07	13%		\$ 2,222.29	\$ (13.78)	-0.62%
Ontario Electricity Rebate	18.9%		\$ -	18.9%		\$ -	\$ -	-
Total Bill on Average IESO Wholesale Market Price			\$ 19,436.61			\$ 19,316.82	\$ (119.79)	-0.62%

In the manager's summary, discuss the reason for the change in the RTSR - Network and RTSR - Connection and/or Line and Transformation Connection rows.

Customer Class:	GENERAL SERVICE 1,500 TO 4,999 KW SERVICE CLASSIFICATION	
RPP / Non-RPP:	Non-RPP (Other)	
Consumption	1,277,500	kWh
Demand	4,000	kW
Current Loss Factor	1.0338	
Proposed/Approved Loss Factor	1.0338	

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 4,193.93	1	\$ 4,193.93	\$ 4,193.93	1	\$ 4,193.93	\$ -	0.00%
Distribution Volumetric Rate	\$ 4.8106	4000	\$ 19,242.40	\$ 5.1311	4000	\$ 20,524.40	\$ 1,282.00	6.66%
Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Volumetric Rate Riders	\$ (0.1679)	4000	\$ (671.60)	\$ (0.1670)	4000	\$ (668.00)	\$ 3.60	-0.54%
Sub-Total A (excluding pass through)			\$ 22,764.73			\$ 24,050.33	\$ 1,285.60	5.65%
Line Losses on Cost of Power	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	
Total Deferral/Variance Account Rate Riders	\$ (0.3142)	4,000	\$ (1,256.80)	\$ (0.7040)	4,000	\$ (2,816.00)	\$ (1,559.20)	124.06%
CBR Class B Rate Riders	\$ -	4,000	\$ -	\$ -	4,000	\$ -	\$ -	
GA Rate Riders	\$ 0.0026	1,277,500	\$ 3,321.50	\$ 0.0006	1,277,500	\$ 766.50	\$ (2,555.00)	-76.92%
Low Voltage Service Charge	\$ 0.02099	4,000	\$ 83.96	\$ 0.02126	4,000	\$ 85.04	\$ 1.08	1.29%
Smart Meter Entity Charge (if applicable)	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Additional Volumetric Rate Riders	\$ -	4,000	\$ -	\$ -	4,000	\$ -	\$ -	
Sub-Total B - Distribution (includes Sub-Total A)			\$ 24,913.39			\$ 22,085.87	\$ (2,827.52)	-11.35%
RTSR - Network	\$ 3.2248	4,000	\$ 12,899.20	\$ 3.7331	4,000	\$ 14,932.40	\$ 2,033.20	15.76%
RTSR - Connection and/or Line and Transformation Connection	\$ 2.0995	4,000	\$ 8,398.00	\$ 2.2571	4,000	\$ 9,028.40	\$ 630.40	7.51%
Sub-Total C - Delivery (including Sub-Total B)			\$ 46,210.59			\$ 46,046.67	\$ (163.92)	-0.35%
Wholesale Market Service Charge (WMSC)	\$ 0.0034	1,320,680	\$ 4,490.31	\$ 0.0034	1,320,680	\$ 4,490.31	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	\$ 0.0005	1,320,680	\$ 660.34	\$ 0.0005	1,320,680	\$ 660.34	\$ -	0.00%
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
Average IESO Wholesale Market Price	\$ 0.1036	1,320,680	\$ 136,822.40	\$ 0.1036	1,320,680	\$ 136,822.40	\$ -	0.00%
Total Bill on Average IESO Wholesale Market Price			\$ 188,183.89			\$ 188,019.97	\$ (163.92)	-0.09%
HST	13%		\$ 24,463.91	13%		\$ 24,442.60	\$ (21.31)	-0.09%
Ontario Electricity Rebate	18.9%		\$ -	18.9%		\$ -	\$ -	
Total Bill on Average IESO Wholesale Market Price			\$ 212,647.79			\$ 212,462.56	\$ (185.23)	-0.09%

In the manager's summary, discuss the reason for the change in the RTSR - Network and RTSR - Connection and/or Line and Transformation Connection rows.

Customer Class:	LARGE USE SERVICE CLASSIFICATION
RPP / Non-RPP:	Non-RPP (Other)
Consumption	4,000,000 kWh
Demand	10,000 kW
Current Loss Factor	1.0051
Proposed/Approved Loss Factor	1.0051

	Current OEB-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 15,231.32	1	\$ 15,231.32	\$ 15,231.32	1	\$ 15,231.32	\$ -	0.00%
Distribution Volumetric Rate	\$ 4.7117	10000	\$ 47,117.00	\$ 5.0407	10000	\$ 50,407.00	\$ 3,290.00	6.98%
Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-
Volumetric Rate Riders	\$ (0.1999)	10000	\$ (1,999.00)	\$ (0.1999)	10000	\$ (1,999.00)	\$ -	0.00%
Sub-Total A (excluding pass through)			\$ 60,349.32			\$ 63,639.32	\$ 3,290.00	5.45%
Line Losses on Cost of Power	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	-
Total Deferral/Variance Account Rate Riders	\$ (0.3076)	10,000	\$ (3,076.00)	\$ (0.9152)	10,000	\$ (9,152.00)	\$ (6,076.00)	197.53%
CBR Class B Rate Riders	\$ -	10,000	\$ -	\$ -	10,000	\$ -	\$ -	-
GA Rate Riders	\$ 0.0026	4,000,000	\$ 10,400.00	\$ 0.0006	4,000,000	\$ 2,400.00	\$ (8,000.00)	-76.92%
Low Voltage Service Charge	\$ 0.02364	10,000	\$ 236.40	\$ 0.02394	10,000	\$ 239.40	\$ 3.00	1.27%
Smart Meter Entity Charge (if applicable)	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-
Additional Volumetric Rate Riders	\$ -	10,000	\$ -	\$ -	10,000	\$ -	\$ -	-
Sub-Total B - Distribution (includes Sub-Total A)			\$ 67,909.72			\$ 57,126.72	\$ (10,783.00)	-15.88%
RTSR - Network	\$ 3.5749	10,000	\$ 35,749.00	\$ 4.1384	10,000	\$ 41,384.00	\$ 5,635.00	15.76%
RTSR - Connection and/or Line and Transformation Connection	\$ 2.3643	10,000	\$ 23,643.00	\$ 2.5417	10,000	\$ 25,417.00	\$ 1,774.00	7.50%
Sub-Total C - Delivery (including Sub-Total B)			\$ 127,301.72			\$ 123,927.72	\$ (3,374.00)	-2.65%
Wholesale Market Service Charge (WMSC)	\$ 0.0034	4,020,400	\$ 13,669.36	\$ 0.0034	4,020,400	\$ 13,669.36	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	\$ 0.0005	4,020,400	\$ 2,010.20	\$ 0.0005	4,020,400	\$ 2,010.20	\$ -	0.00%
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
Average IESO Wholesale Market Price	\$ 0.1036	4,020,400	\$ 416,513.44	\$ 0.1036	4,020,400	\$ 416,513.44	\$ -	0.00%
Total Bill on Average IESO Wholesale Market Price			\$ 559,494.97			\$ 556,120.97	\$ (3,374.00)	-0.60%
HST	13%		\$ 72,734.35	13%		\$ 72,295.73	\$ (438.62)	-0.60%
Ontario Electricity Rebate	18.9%		\$ -	18.9%		\$ -	\$ -	-
Total Bill on Average IESO Wholesale Market Price			\$ 632,229.32			\$ 628,416.70	\$ (3,812.62)	-0.60%

In the manager's summary, discuss the reason for the change in the RTSR - Network and RTSR - Connection and/or Line and Transformation Connection rows.

1 **REVENUE PER RATE CLASS UNDER CURRENT AND PROPOSED RATES**

2

3 **1. INTRODUCTION**

4 This Schedule outlines Hydro Ottawa’s revenue per rate class under current and proposed rates.
5 Please see Table 1 below for detailed calculations of revenue per rate class under 2020 rates, and a
6 reconciliation of rate class revenue at 2020 rates and other revenue to total revenue requirement.

7

8 The revenue deficiency/sufficiency was determined by calculating what the revenue would have been
9 using 2020 rates, and the forecasted 2022 load and customer/connection numbers. This produces the
10 amount of revenue Hydro Ottawa would collect at 2020 rates with an updated load forecast. The 2022
11 Transformer Ownership Credit (“TOC”) is used to adjust the revenue at 2020 rates to produce Hydro
12 Ottawa’s revenue requirement after other revenues. Rather than updating for 2021 rates, Hydro Ottawa
13 compiled the analysis in this manner as the 2020 rates offer a stable base of comparisons to its
14 2021-2025 Custom Incentive Rate-setting (“Custom IR”) Application.

15

16 Detailed calculations of revenue requirement at proposed rates can be found in Sheet 13: Rate Design
17 of Attachment 6-1-1(A): OEB Workform - 2022 Revenue Requirement Workform.

Revenue per Rate Class and Reconciliation to 2022 Revenue Requirement¹

Rate Class	Average # Customers / Connections	2022 Consumption		2020 Rates		Revenues at 2020 Rates (\$'000s)	2022 TOC (\$'000s)	Difference (\$'000s)
		MWh	KW	Monthly SC	Vol. R (kWh/KW)			
Residential	319,510	2,280,182	n/a	\$27.79	n/a	\$106,550	n/a	\$106,550
GS < 50kW	25,554	710,222	n/a	\$19.32	\$0.0250	\$23,680	n/a	\$23,680
GS > 50 to 1,499 kW	3,087	2,862,639	6,898,741	\$200.00	\$4.8760	\$41,047	\$347	\$40,700
GS > 1,500 to 4,999 kW	68	698,365	1,545,513	\$4,193.93	\$4.4562	\$10,309	\$402	\$9,908
Large Use	11	575,413	1,054,605	\$15,231.32	\$4.2422	\$6,484	\$320	\$6,165
Standby Power	3	n/a	7,440	\$145.13	1.7766	\$18	n/a	\$18
Unmetered Scattered Load	3,321	13,188	n/a	\$5.09	\$0.0242	\$522	n/a	\$522
Sentinel Lighting	55	47	132	\$3.17	\$14.8502	\$4	n/a	\$4
Street Lighting	63,725	23,893	66,152	\$0.91	\$6.3414	\$1,115	n/a	\$1,115
Total Revenue at 2020 Rates						\$189,731	\$1,069	\$188,662
						Other Revenue		\$9,536
						Total Revenue		\$198,198
						2022 Revenue Requirement		\$217,764
						2022 Revenue Deficiency		\$19,566

¹ Totals may not sum due to rounding.

1

BILL IMPACT INFORMATION

2

3 **1. INTRODUCTION**

4 This Schedule describes bill impacts for typical customers in each rate class arising from Hydro
5 Ottawa's revenue requirement adjusted for cost allocation.

6

7 Details of the impacts of the proposed rates are provided in Attachment 8-10-1(A): OEB Workform -
8 2021 Current and 2022 Proposed Tariff of Rates and Charges. Attachment 8-10-1(A) illustrates
9 individual and combined impacts of the distribution component of the rate transmission and network
10 charges, as well as the total bill impact, as based upon the typical consumption level used for each rate
11 class.

12

13 **2. SUMMARY OF RATE IMPACTS**

14 Table 1 below provides a summary of bill impacts per rate class including the total change in monthly
15 bill, as expressed in both monetary and percentage terms. The summary is inclusive of variance
16 accounts. Additional bill impacts are provided in Attachment 8-10-1(A): OEB Workform - 2021 Current
17 and 2022 Proposed Tariff of Rates and Charges which are not shown in Table 1.

1

Table 1 – Summary of Rate Impacts

Rate Class		Approved	Proposed
		2021	2022
Residential (750 kWh)	Distribution Charge	\$29.06	\$30.34
	Change in Distribution Charge		\$1.28
	% Distribution Increase		4.40%
	% Increase of Total Bill		1.45%
Residential (232 kWh)	Distribution Charge	\$29.06	\$30.34
	Change in Distribution Charge		\$1.28
	% Distribution Increase		4.40%
	% Increase of Total Bill		2.45%
General Service <50 kW (2000 kWh)	Distribution Charge	\$70.76	\$74.12
	Change in Distribution Charge		\$3.36
	% Distribution Increase		4.75%
	% Increase of Total Bill		1.41%
General Service 50 kW - 1,499 kW (250 kW)	Distribution Charge	\$1,469.73	\$1,548.93
	Change in Distribution Charge		\$79.20
	% Distribution Increase		5.39%
	% Increase of Total Bill		(0.62)%
General Service 1,500 kW - 4,999 kW (2,500 kW)	Distribution Charge	\$15,800.68	\$16,604.18
	Change in Distribution Charge		\$803.50
	% Distribution Increase		5.09%
	% Increase of Total Bill		(0.61)%
Large Use (7,500 kW)	Distribution Charge	\$49,069.82	\$51,537.32
	Change in Distribution Charge		\$2,467.50
	% Distribution Increase		5.03%
	% Increase of Total Bill		(0.85)%
Sentinel Lighting (0.4 kW)	Distribution Charge	\$10.96	\$13.02
	Change in Distribution Charge		\$2.06
	% Distribution Increase		18.81%
	% Increase of Total Bill		9.08%
Street Lighting (1 kW)	Distribution Charge	\$7.29	\$7.65
	Change in Distribution Charge		\$0.36
	% Distribution Increase		4.91%
	% Increase of Total Bill		1.55%
Unmetered Scattered Load (470 kWh)	Distribution Charge	\$16.93	\$18.18
	Change in Distribution Charge		\$1.25
	% Distribution Increase		7.36%
	% Increase of Total Bill		2.01%

2

SUMMARY OF CURRENT DEFERRAL AND VARIANCE ACCOUNTS

1. INTRODUCTION

This Schedule provides a summary of currently held deferral and variance accounts (“DVAs”), as of December 31, 2020. A continuity schedule for current DVAs can be found in Attachment 9-1-1(A): OEB Workform - Deferral and Variance Account (Continuity Schedule).

Details of new accounts for which approval is being sought as part of this Application are included in Exhibit 9-2-1: New Deferral and Variance Accounts. Details of the accounts for which Hydro Ottawa is seeking disposition are discussed in Exhibit 9-3-1: Disposition of Deferral and Variance Accounts.

2. DETAILS OF DVAs

Tables 1 and 2 below present a complete list of Hydro Ottawa’s active DVAs. The DVAs are categorized based on the OEB’s report on the *Electricity Distributors’ Deferral and Variance Account Review Initiative*¹ (“EDDVAR Report”), which categorizes the DVAs into Group 1 and Group 2 Accounts. In Table 1, Uniform System of Accounts (“USofA”) Account 1595 will have a Sub-Account for each year from 2016-2021. In Hydro Ottawa’s 2021-2025 Approved Settlement Agreement,² the Sub-Accounts for 2016 and 2017 were cleared on a final basis.

In ‘Tab 2b. Continuity Schedule’ of Attachment 9-1-1(A): OEB Workform - Deferral and Variance Account (Continuity Schedule) in Accounts USofA 1522 and 1568, Hydro Ottawa made the following adjustments to the model:

- in columns BF and BK, adjustments were made for the opening balances for 2020 interest, as cells in 2019 adjustments for principle and interest were locked;
- adjustment amounts were entered in column BK, so the total claim for these accounts would be \$0 and not propose disposition, as cells in column BU did not have an option to state this in the model.

¹ Ontario Energy Board, *Report of the Board on Electricity Distributors’ Deferral and Variance Account Review Initiative (EDDVAR)*, EB-2008-0046 (July 31, 2009).

² Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261 (September 18, 2020), pp. 33,41 & 65.

- 1 Hydro Ottawa confirms that DVAs are being used as prescribed in the OEB's *Accounting Procedures*
- 2 *Handbook* ("APH"). Please refer to Exhibit 9-1-2: Group 1 Accounts and Exhibit 9-1-3: Group 2
- 3 Accounts for additional information on these Accounts.

4

1

Table 1 – Group 1 DVAs

Group 1 Account – Description	Account
Low Voltage (“LV”) Variance Account	1550
Smart Meter Entity Charge Variance Account	1551
Retail Settlement Variance Account (“RSVA”) – Wholesale Market Service Charge	1580
RSVA – Retail Transmission Network Charge	1584
RSVA – Retail Transmission Connection Charge	1586
RSVA – Power (excluding Global Adjustment)	1588
RSVA – Global Adjustment	1589
Disposition and Recovery/Refund of Regulatory Balances (2016-2021)	1595

2

3

Table 2 – Group 2 DVAs

Group 2 Account – Description	Account
Other Regulatory Assets ³	1508
Impacts Arising from the COVID-19 Emergency	1509
Pension & Other Post-Employment Benefits (“OPEB”) Forecast Accrual versus Actual Cash Payment Differential Carrying Charges	1522
Renewable Generation Connection Funding Adder Deferral Account	1533
Lost Revenue Adjustment Mechanism (“LRAM”) Variance Account	1568
PILS and Tax Variance	1592

4

5 3. CONTINUITY SCHEDULE

6 A complete continuity schedule for all DVAs, including Sub-Accounts, can be found in Attachment
 7 9-1-1(A): OEB Workform - Deferral and Variance Account (Continuity Schedule). Hydro Ottawa is using
 8 the DVA Workform provided by the OEB via email on August 17, 2021. The utility has completed the
 9 model using audited balances to the end of 2020.

10

11

12

13 ³ This Account has multiple Sub-Accounts. Please see Table 4 below for a complete list.

1 For more details on Hydro Ottawa’s proposed disposition of DVAs, please see Exhibit 9-3-1: Disposition
 2 of Deferral and Variance Accounts.

3

4 **4. CARRYING CHARGES**

5 The interest rate used for the calculation of all carrying charges to applicable Accounts is prescribed by
 6 the OEB and published quarterly on its website. Table 3 includes the interest rates up to Q3 2021.
 7 Hydro Ottawa confirms that it uses these interest rates, where applicable.

8

9 **Table 3 – 2020 ACTUALS – Interest Rates for Carrying Charges on DVAs**

Prescribed Interest Rate		
Period Used	Approved for Deferral and Variance Accounts	CWIP Account - Prescribed Interest Rate
Q2 2021 to Q3 2021	0.57%	2.29%
Q4 2020 to Q1 2021	0.57%	2.03%
Q3 2020	0.57%	2.48%
Q2 2020	2.18%	2.48%
Q3 2019 to Q1 2020	2.18%	2.88%
Q2 2019	2.18%	3.39%
Q1 2019	2.45%	3.82%
Q4 2018	2.17%	3.35%
Q2 2018 to Q3 2018	1.89%	3.35%
Q4 2017 to Q1 2018	1.50%	2.99%
Q3 2017	1.10%	2.53%
Q1 2017 to Q2 2017	1.10%	2.81%

10

11

12 **5. RECONCILIATION OF CONTINUITY SCHEDULE VS. REPORTING AND RECORD KEEPING**
 13 **REQUIREMENTS**

14 Attachment 9-1-1(A): OEB Workform - Deferral and Variance Account (Continuity Schedule) only has
 15 immaterial differences in the Account balances as of December 31, 2020 between the continuity
 16 schedule and 2.1.7 of the OEB’s RRR. Account 1588 and Account 1589 are different from the RRR
 17 balances, as the balances in the continuity schedule reflect OEB Filing Requirement true-ups in 2019
 18 and 2020, details are provided in the following piece of evidence: sheet “3. Appendix A” within
 19 Attachment 9-1-1(A): OEB Workform - Deferral and Variance Account (Continuity Schedule).

1 **6. NEW DVAs AND SUB-ACCOUNTS**

2 Please see Exhibit 9-2-1: New Deferral and Variance Accounts for information on new DVAs and
3 Sub-Accounts.

4

5 **7. ADJUSTMENTS TO DVAs**

6 Hydro Ottawa confirms that it has not made any adjustments to DVA balances that were previously
7 approved by the OEB on a final basis.

8

9 As per its letter submitted to the OEB on March 18, 2021,⁴ Hydro Ottawa has completed the adjustment
10 related to the discrepancy found for the Global Adjustment monthly equal payments applied to
11 customers that transitioned between Class A and Class B during the period from January to December
12 2019 in the DVA continuity schedule. Please refer to Cell BM40 in Tab 2a for details. Continuity
13 Schedule in Attachment 9-1-1(A): OEB Workform - Deferral and Variance Account Continuity Schedule.
14 Account 1595 has been credited \$65K and any future disposition will not request the revenue shortage
15 due to the discrepancy.

16

17 **8. STATUS OF GROUP 2 ACCOUNTS**

18 Hydro Ottawa identified active Group 2 Accounts in Table 2 above. Table 4 below outlines how the
19 utility has planned action for the Group 2 Accounts in 2022 (i.e. continue or discontinue). For
20 information on those Accounts for which Hydro Ottawa is continuing, please see Exhibit 9-1-3: Group 2
21 Accounts. Please note Group 2 Accounts that were discontinued per Hydro Ottawa's 2021-2025
22 Approved Settlement Agreement have been removed from these Tables.⁵

23

24 ⁴ Hydro Ottawa Limited, Letter: *Global Adjustment Transitioning Adjustments*, EB-2019-0261 (March 18, 2021).

25 ⁵ Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261 (September
26 18, 2020), p. 65.

1

2

Table 4 – Proposed Action on Group 2 Accounts for 2022

Group 2 Account - Description	Account	Continue/Discontinue
Other Regulatory Assets - Sub-Accounts		
Incremental Capital Charges	1508	Continue
Capital Charges	1508	Continue
Pension & OPEB	1508	Continue
Gains and Loss on Disposal of Fixed Assets Variance Account	1508	Continue
Earnings Sharing Mechanism (“ESM”) Variance Account	1508	Continue
Connection Cost Recovery Agreement Payment	1508	Continue
Efficiency Adjustment Mechanism Deferral Account	1508	Continue
OEB Cost Assessment Variance	1508	Continue ⁶
CCRA Payments	1508	Continue
Capital Variance Account	1508	Continue
Impacts Arising from COVID-19 Emergency ⁷	1509	Continue
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential Carrying Charges	1522	Continue
Renewable Generation Connection Funding Adder Deferral Account	1533	Continue
LRAM Variance Account	1568	Continue
PILS and Tax Variances - Sub-Account: CCA Changes	1592	Continue

3

⁶ Hydro Ottawa recorded amounts into the OEB Cost Assessment Variance Account until December 31, 2020, prior to the rebasing of rates in 2021. This Account will therefore not have additional principal balances recorded during the 2021-2025 period. However, it will be cleared and discontinued after December 31, 2020.

⁷ Please refer to section 4.4 of Exhibit 9-1-3: Group 2 Accounts for further details on the COVID-19 Sub-Accounts.

2022 Deferral/Variance Account Workform

Utility Name	Hydro Ottawa Limited
Service Territory	
Assigned EB Number	EB-2021-0035
Name of Contact and Title	April Barrie, Director, Regulatory Affairs
Phone Number	613-738-5499 ext. 2106
Email Address	RegulatoryAffairs@HydroOttawa.com

To determine the first year the continuity schedules in tabs 2a and 2b will be generated for input, answer the following questions:

For all the the responses below, when selecting a year, select the year relating to the account balance. For example, if the 2019 balances that were reviewed in the 2021 rate application were to be selected, select 2019.

Question 1

For Accounts 1588 and 1589,

Please indicate the year the account balances were last disposed on a final basis for information purposes.

Year Selected

2021

Determine whether scenario a or b below applies, then select the appropriate year.

- a) If the accounts balances were last approved on a final basis, select the year of the year-end balances that were last approved on a final basis.
- b) If the accounts balances were last approved on an interim basis, and
 - i) there are no changes to the previously approved interim balances, select the year of the year-end balances that were last approved for disposition on an interim basis.
 - ii) there are changes to the previously approved interim balaces, select the year of the year-end balances that were last approved for disposition on a final basis.

2019

Question 2

For the remaining Group 1 DVAs,

Please indicate the year of the account balances were last disposed on a final basis for information purposes.

2021

Determine whether scenario a or b below applies, then select the appropriate year.

- a) If the accounts balances were last approved on a final basis, select the year of the year-end balances that were last approved on a final basis.
- b) If the accounts were last approved on an interim basis, and
 - i) there are no changes to the previously approved interim balances, select the year of the year-end balances that were last approved for disposition on an interim basis.
 - ii) there are changes to the previously approved interim balaces, select the year of the year-end balances that were last approved for disposition on a final basis.

2019

Question 3

Select the earliest account balance vintage year in which there is a balance in Account 1595
(e.g. If 2016 is the earliest vintage year in which there is a balance in a 1595 sub-account, select 2016)

2017

Question 4

Select the earlier of i) the year of the year-end balances in which Group 2 DVAs were last disposed and ii) the earliest year of the year-end balances in which Group 2 DVAs started to accumulate.

2019

To determine whether tabs 6 and 6.2 will be generated, answer the following questions:

Question 5

Did you have any Class A customers at any point during the period that the Account 1589 balance accumulated (i.e. from the year the balance selected in #1 above to the year requested for disposition) or forecasted in the test year?

Yes

Question 6

Did you have any Class A customers at any point during the period where the balance in Account 1580, Sub-account CBR Class B accumulated (i.e. from the year selected in #2 above to the year requested for disposition) or the forecasted in the test year?

Yes

General Notes

Notes

Pale green cells represent input cells.

Pale blue cells represent drop-down lists. The applicant should select the appropriate item from the drop-down list.

White cells contain fixed values, automatically generated values or formulae.

Pale grey cell represent auto-populated RRR data

This Workbook Model is protected by copyright and is being made available to you solely for the purpose of preparing your rate application. You may use and copy this model for that purpose, and provide a copy of this model to any person that is advising or assisting you in that regard. Except as indicated above, any copying, reproduction, publication, sale, adaptation, translation, modification, reverse engineering or other use or dissemination of this model without the express written consent of the Ontario Energy Board is prohibited. If you provide a copy of this model to a person that is advising or assisting you in preparing or reviewing your draft rate order, you must ensure that the person understands and agrees to the restrictions noted above.

2022 Deferral/Variance Account Workform

Report on the activities of the 2022 Deferral/Variance Account Workform as of December 31, 2022.

- Account Descriptions
- Account Numbers
- Account Balances
- Account Changes
- Account Reversals
- Account Transfers
- Account Closures
- Account Suspensions
- Account Resumptions
- Account Reactivations
- Account Deactivations
- Account Terminations
- Account Cancellations
- Account Expirations
- Account Renewals
- Account Upgrades
- Account Downgrades
- Account Migrations
- Account Consolidations
- Account Splits
- Account Mergers
- Account Acquisitions
- Account Divisions
- Account Transfers
- Account Closures
- Account Suspensions
- Account Resumptions
- Account Reactivations
- Account Deactivations
- Account Terminations
- Account Cancellations
- Account Expirations
- Account Renewals
- Account Upgrades
- Account Downgrades
- Account Migrations
- Account Consolidations
- Account Splits
- Account Mergers
- Account Acquisitions
- Account Divisions

Account Descriptions	2020				2021				2022				Projected Interest on Dec 31, 2022 Balances		2022 P&L	
	Balance	Change	Balance	Change	Balance	Change	Balance	Change	Balance	Change	Balance	Change	Balance	Change	Balance	Change
Group 1 Accounts																
Account 1	1000	500	1500	200	1700	300	2000	100	2100	50	2150	100	2250	100	2350	100
Account 2	2000	1000	3000	500	3500	1000	4500	200	4700	100	4800	200	5000	100	5100	100
Account 3	3000	1500	4500	1000	5500	2000	7500	500	8000	200	8200	300	8500	100	8600	100
Account 4	4000	2000	6000	1500	7500	3000	10500	1000	11500	500	12000	200	12200	100	12300	100
Account 5	5000	2500	7500	2000	9500	4000	13500	1500	15000	600	15600	300	15900	100	16000	100
Account 6	6000	3000	9000	2500	11500	5000	16500	2000	18500	800	19300	400	19700	100	19800	100
Account 7	7000	3500	10500	3000	13500	6000	19500	2500	22000	1000	23000	500	23500	100	23600	100
Account 8	8000	4000	12000	3500	15500	7000	22500	3000	25500	1200	26700	600	27300	100	27400	100
Account 9	9000	4500	13500	4000	17500	8000	25500	3500	29000	1400	30400	700	31100	100	31200	100
Account 10	10000	5000	15000	4500	19500	9000	28500	4000	32500	1600	34100	800	34900	100	35000	100
Group 2 Accounts																
Account 11	11000	5500	16500	5000	21500	10000	31500	4500	36000	1800	37800	900	38700	100	38800	100
Account 12	12000	6000	18000	5500	23500	11000	34500	5000	39500	2000	41500	1000	42500	100	42600	100
Account 13	13000	6500	19500	6000	25500	12000	37500	5500	43000	2200	45200	1100	46300	100	46400	100
Account 14	14000	7000	21000	6500	27500	13000	40500	6000	46500	2400	48900	1200	50100	100	50200	100
Account 15	15000	7500	22500	7000	29500	14000	43500	6500	50000	2600	52600	1300	53900	100	54000	100
Account 16	16000	8000	24000	7500	31500	15000	46500	7000	53500	2800	56300	1400	57700	100	57800	100
Account 17	17000	8500	25500	8000	33500	16000	49500	7500	57000	3000	60000	1500	61500	100	61600	100
Account 18	18000	9000	27000	8500	35500	17000	52500	8000	60500	3200	63700	1600	65300	100	65400	100
Account 19	19000	9500	28500	9000	37500	18000	55500	8500	64000	3400	67400	1700	69100	100	69200	100
Account 20	20000	10000	30000	9500	39500	19000	58500	9000	67500	3600	71100	1800	72900	100	73000	100

Page 4 of 14



2022 Deferral/Variance Account Workform

Accounts that produced a variance on the continuity schedule are listed below.
 Please provide a detailed explanation for each variance below.

Account Descriptions	Account Number	Variance RRR vs. 2020 Balance (Principal + Interest)	Explanation
Variance WMS – Sub-account CBR Class B5	1580	\$ -	
RSVA - Power (excluding Global Adjustment) ⁴	1588	\$ 33,636.43	2020 True-up adjustments for amounts recorded in 2021.
RSVA - Global Adjustment 4	1589	\$ 734,363.81	2020 True-up adjustments for amounts recorded in 2021.
Other Regulatory Assets - Sub-Account - P & OPEB	1508	\$ (2,255,300.00)	RRR Balances from December 31, 2020 were not pulled into the DVA Workform model, therefore a variance exists.
Other Regulatory Assets - Sub-Account - East Energy Cost Defer Cost	1508	\$ (55,423.79)	RRR Balances from December 31, 2020 were not pulled into the DVA Workform model, therefore a variance exists.
Other Regulatory Assets - Sub-Account - Y-Factor Variance Account	1508	\$ (320,332.00)	RRR Balances from December 31, 2020 were not pulled into the DVA Workform model, therefore a variance exists.
Other Regulatory Assets - Sub-Account - Gains/Losses from Sale of Existing Facilities Deferral Account	1508	\$ 2,151,860.92	RRR Balances from December 31, 2020 were not pulled into the DVA Workform model, therefore a variance exists.
Other Regulatory Assets - Sub-Account - New Facilities Deferral Account	1508	\$ (4,317,427.00)	RRR Balances from December 31, 2020 were not pulled into the DVA Workform model, therefore a variance exists.
Other Regulatory Assets - Sub-Account - Gains and Loss on disposal of Fixed Assets Variance Account ^{dispo}	1508	\$ (3,933,533.52)	RRR Balances from December 31, 2020 were not pulled into the DVA Workform model, therefore a variance exists.
Other Regulatory Assets - Sub-Account - Earnings Sharing Mechanism (ESM) Variance Account	1508	\$ 5,510,416.83	RRR Balances from December 31, 2020 were not pulled into the DVA Workform model, therefore a variance exists.
Other Regulatory Assets - Sub-Account - Connection Cost Recovery Agreement (CCRA) Payments Deferral /	1508	\$ (1,943,375.31)	RRR Balances from December 31, 2020 were not pulled into the DVA Workform model, therefore a variance exists.
Other Regulatory Assets - Sub-Account - Efficiency Adjustment Mechanism Deferral Account	1508	\$ 1,186,250.31	RRR Balances from December 31, 2020 were not pulled into the DVA Workform model, therefore a variance exists.
Other Regulatory Assets - Sub-Account - OEB Cost Assessment Variance	1508	\$ (2,407,996.30)	RRR Balances from December 31, 2020 were not pulled into the DVA Workform model, therefore a variance exists.
Other Regulatory Assets - Sub-Account - RCVA Retail Incremental Revenue	1508	\$ (9,798.13)	RRR Balances from December 31, 2020 were not pulled into the DVA Workform model, therefore a variance exists.
Other Regulatory Assets - Sub-Account - STR Incremental Revenue	1508	\$ (476.31)	RRR Balances from December 31, 2020 were not pulled into the DVA Workform model, therefore a variance exists.
Other Regulatory Assets - Sub-Account - OEB Rate Application Deferral Account	1508	\$ (2,311,990.00)	RRR Balances from December 31, 2020 were not pulled into the DVA Workform model, therefore a variance exists.
Retail Cost Variance Account - Retail ⁶	1518	\$ 319.61	Variance is difference between forecasted interest and actual interest for 2020, Hydro Ottawa has written-off the difference as this account was disposed of on a final basis in the previous rate application
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential Carrying Charges ⁸	1522	\$ (4,827.67)	Variance was intentional so the Claim column would be \$0 as this account is not proposed to be disposed of in this rate application.
Retail Cost Variance Account - STR ⁶	1548	\$ (2,541.57)	Variance is difference between forecasted interest and actual interest for 2020, Hydro Ottawa has written-off the difference as this account was disposed of on a final basis in the previous rate application
PILs and Tax Variance for 2006 and Subsequent Years (excl.)	1592	\$ (6,358,695.24)	Variance was intentional so the Claim column would be \$0 as this account is not proposed to be disposed of in this rate application.
PILs and Tax Variance for 2006 and Subsequent Years- Sub-account CCA Changes	1592	\$ 7,477,887.33	Variance was intentional so the Claim column would be \$0 as this account is not proposed to be disposed of in this rate application.
LRAM Variance Account ⁴	1568	\$ 849,426.96	Variance was intentional so the Claim column would be \$0 as this account is not proposed to be disposed of in this rate application.

2022 Deferral/Variance Account Workform

In the green shaded cells, enter the data related to the proposed load forecast. Do not enter data for the MicroFIT class.

Rate Class <small>(Enter Rate Classes in cells below as they appear on your current tariff of rates and charges)</small>	Units	# of Customers	A		B		Distribution Revenue	C		D=A-C		E		F=B-C-E (deduct E if applicable)	1595 Recovery Share Proportion (2018) ¹	1568 LRAM Variance Account Class Allocation ³ (\$ amounts)	Number of Customers for Residential and GS-50 classes ²
			Total Metered kWh	Total Metered kW	Metered kWh for Non-RPP Customers ⁴	Metered kW for Non-RPP Customers ⁴		Metered kWh for Wholesale Market Participants (WMP)	Metered kW for Wholesale Market Participants (WMP)	Total Metered kWh less WMP consumption (if applicable)	Total Metered kW less WMP consumption (if applicable)	Forecast Total Metered kWh for Full Year Class A Customers	Forecast Total Metered kWh for Transition Customers	Non-RPP Metered Consumption for Current Class B Customers (Non-RPP Consumption excluding WMP, Class A and Transition Customers' Consumption)			
RESIDENTIAL	kWh	319,510	2,280,182,000		34,399,652		117,269,634			2,280,182,000	-	-	-	34,399,652	32%	0	319,510
GENERAL SERVICE LESS THAN 50 KW	kWh	25,554	710,222,000		109,821,125		25,416,978			710,222,000	-	-	-	109,821,125	10%	0	25,554
GENERAL SERVICE 50 TO 1,499 KW	kW	3,087	2,862,639,000	6,898,741	2,431,790,431	5,889,670	46,086,294	31,382,095	59,787	2,831,256,905	6,838,954	264,755,076	91,203,004	2,044,450,255	40%	0	
GENERAL SERVICE 1,500 TO 4,999 KW	kW	68	698,365,000	1,545,513	695,021,021	1,479,472	11,352,451	1,022,224	34,389	697,342,776	1,511,124	473,610,753	71,670,137	148,717,907	10%	0	
LARGE USER	kW	11	575,413,000	1,054,605	575,413,000	1,054,605	7,326,434			575,413,000	1,054,605	-	-	575,413,000	8%	0	
UNMETERED SCATTERED LOAD	kWh	3,321	13,188,000				591,232			13,188,000	-	-	-	-	0%	0	
STANDBY POWER GENERAL SERVICE 50 TO 1,499 KW	kW									-	-	-	-	-	0%	0	
STANDBY POWER GENERAL SERVICE 1,500 TO 4,999 KW	kW	3		7,440						-	7,440	-	-	-	0%	0	
STANDBY POWER GENERAL SERVICE LARGE USE	kW									-	-	-	-	-	0%	0	
SENTINEL LIGHTING	kW	55	47,000	132	23,893,000	66,152	5,881			47,000	132	-	-	-	0%	0	
STREET LIGHTING	kW	63,725	23,893,000	66,152	23,893,000	66,152	1,227,164			23,893,000	66,152	-	-	23,893,000	0%	0	
MICROFIT AND MICRO-NET METERING										-	-	-	-	-			
FIT										-	-	-	-	-			
HCI, RESOP, OTHER ENERGY RESOURCE										-	-	-	-	-			
										-	-	-	-	-			
										-	-	-	-	-			
										-	-	-	-	-			
										-	-	-	-	-			
										-	-	-	-	-			
										-	-	-	-	-			
Total		415,334	7,163,949,000	9,572,583	3,870,338,228	8,489,899	\$ 209,276,067	32,404,319	94,176	7,131,544,681	9,478,407	736,365,830	162,873,141	2,936,694,939	100%	\$ -	

¹ Account 1595 sub-accounts are to be allocated to rate classes in proportion to the recovery share as established when rate riders were implemented.

² The proportion of customers for the Residential and GS-50 Classes will be used to allocate Account 1551.

³ Input the allocation as determined in the LRAMVA model. The associated rate riders will be calculated in the EDDVAR model.

⁴ If a distributor uses the actual GA price to bill non-RPP Class B customers for an entire rate class, it must exclude these customers from the allocation of the GA balance and the calculation of the resulting rate riders. These rate classes are not to be charged/refunded the general GA rate rider as they did not contribute to the GA balance. If this is the case, this must be noted in the evidence and the proposed allocation methodology must be explained.

Ontario Energy Board
2022 Deferral/Variance Account Workform

1a The year Account 1589 GA was last disposed

1b The year Account 1580 CBR Class B was last disposed Note that the sub-account was established in 2015.

2a Did you have any customers who transitioned between Class A and Class B (transition customers) during the period the Account 1589 GA balance accumulated (i.e. from the year after the balance was last disposed (regardless of if the disposition was interim or final) to the current year requested for disposition)? (e.g. If you received approval to dispose of the GA variance account balance as at December 31, 2015, the period the GA variance accumulated would be 2016 to 2018.)

2b Did you have any customers who transitioned between Class A and Class B (transition customers) during the period the Account 1580, sub-account CBR Class B balance accumulated (i.e. from the year after the balance was last disposed (regardless of if the disposition was interim or final) to the current year requested for disposition)? (e.g. If you received approval to dispose of the CBR Class B balance as at December 31, 2016, the period the CBR Class B variance accumulated would be 2017 to 2018.)

3a Enter the number of transition customer you had during the period the Account 1589 GA or Account 1580 CBR B balance accumulated

Transition Customers - Non-loss Adjusted Billing Determinants by Customer			2020	
Customer	Rate Class		July to December	January to June
Customer 1	General Service 1,500 to 4,999 kW	kWh	4,041,421	3,031,429
		kW	8,235	7,853
Customer 2	General Service 50 to 1,499 kW	kWh	2,224,251	2,228,129
		kW	8,484	7,773
Customer 3	General Service 1,500 to 4,999 kW	kWh	12,897,679	11,672,699
		kW	26,486	22,402
Customer 4	General Service 50 to 1,499 kW	kWh	1,019,779	956,648
		kW	1,928	1,839
Customer 5	General Service 50 to 1,499 kW	kWh	3,081,508	2,667,816
		kW	6,545	6,181
Customer 6	General Service 1,500 to 4,999 kW	kWh	5,671,455	6,173,681
		kW	11,459	11,448
Customer 7	General Service 50 to 1,499 kW	kWh	3,428,315	3,422,912
		kW	7,058	6,905
Customer 8	General Service 50 to 1,499 kW	kWh	406,181	430,901
		kW	2,880	2,803
Customer 9	General Service 50 to 1,499 kW	kWh	834,584	1,182,876
		kW	7,757	7,687
Customer 10	General Service 50 to 1,499 kW	kWh	1,022,385	1,114,718
		kW	2,741	2,510
Customer 11	General Service 50 to 1,499 kW	kWh	2,873,678	2,695,275
		kW	5,198	5,437
Customer 12	General Service 1,500 to 4,999 kW	kWh	3,583,092	3,515,810
		kW	8,267	7,686
Customer 13	General Service 50 to 1,499 kW	kWh	3,153,627	2,937,631
		kW	6,572	6,372
Customer 14	General Service 50 to 1,499 kW	kWh	2,937,910	2,585,875
		kW	6,330	5,949
Customer 15	General Service 50 to 1,499 kW	kWh	2,845,600	3,786,878
		kW	6,016	11,817
Customer 16	General Service 50 to 1,499 kW	kWh	3,885,635	3,824,904
		kW	10,162	9,906
Customer 17	General Service 50 to 1,499 kW	kWh	2,889,850	3,183,816
		kW	5,588	6,703
Customer 18	General Service 50 to 1,499 kW	kWh	2,772,686	2,846,222
		kW	8,247	8,994
Customer 19	General Service 50 to 1,499 kW	kWh	1,470,424	1,568,317
		kW	6,361	6,285
Customer 20	General Service 50 to 1,499 kW	kWh	3,222,887	2,954,234
		kW	7,616	8,295
Customer 21	General Service 50 to 1,499 kW	kWh	1,816,976	2,419,736
		kW	3,096	4,155
Customer 22	General Service 50 to 1,499 kW	kWh	1,822,620	2,002,404
		kW	5,707	6,943
Customer 23	General Service 50 to 1,499 kW	kWh	2,741,059	2,599,822
		kW	4,879	4,662
Customer 24	General Service 1,500 to 4,999 kW	kWh	3,452,468	2,907,185
		kW	12,792	11,661
Customer 25	General Service 50 to 1,499 kW	kWh	1,891,392	2,308,314
		kW	6,330	6,740
Customer 26	General Service 50 to 1,499 kW	kWh	1,342,178	1,242,126
		kW	3,809	3,900
Customer 27	General Service 50 to 1,499 kW	kWh	2,320,851	1,911,696
		kW	3,660	3,516
Customer 28	General Service 50 to 1,499 kW	kWh	2,879,009	2,083,164
		kW	4,808	4,455

3b Enter the number of rate classes in which there were customers who were Class A for the full year during the period the Account 1589 GA or Account 1580 CBR B balance accumulated (i.e. from the year after the balance was last disposed (regardless of if the disposition was interim or final) to the current year requested for disposition).

i) the total Class A consumption for full year Class A customers in each rate class for each year, including any transition customer's consumption identified in table 3a above that were Class A customers for the full year before/after the transition year (E.g. if a customer transitioned from Class B to A in 2019, exclude this customer's consumption for 2019 but include this customer's consumption in 2020 as the customer was a Class A customer for the full year); and
 ii) the total forecast Class A and Class B consumption for transition customers and full year Class A customers in each rate class for the test year.

Rate Class	Billing Determinants by Rate Class	Transition Customers (Total Class A and B Consumption)		Class A Customer for Full Year (Total Class A Consumption)	
		Test Year Forecast	2020	Test Year Forecast	2020
General Service 50 to 1,499 kW	kWh	91,203,004	264,765,078	260,750,754	264,755,078
	kW	233,910	280,754	280,754	280,754
General Service 1,500 to 4,999 kW	kWh	71,870,137	473,610,753	473,610,753	473,610,753
	kW	166,190	842,918	842,918	842,918
Large Use	kWh	-	577,706,260	577,706,260	577,706,260
	kW	-	1,024,958	1,024,958	1,024,958



2022 Deferral/Variance Account Workform

This tab allocates the GA balance to transition customers (i.e Class A customers who were former Class B customers and Class B customers who were former Class A customers) who contributed to the current GA balance. The tables below calculate specific amounts for each customer who made the change. The general GA rate rider to non-RPP customers is not to be charged to the transition customers that are allocated amounts in the table below. Consistent with prior decisions, distributors are generally expected to settle the amount through 12 equal adjustments to bills.

Year Account 1589 GA Balance Last Disposed

2019

Allocation of total Non-RPP Consumption (kWh) between Current Class B and Class A/B Transition Customers

		Total	2020
Non-RPP Consumption Less WMP Consumption	A	3,709,322,515	3,709,322,515
Less Class A Consumption for Partial Year Class A Customers	B	81,428,017	81,428,017
Less Consumption for Full Year Class A Customers	C	1,316,072,089	1,316,072,089
Total Class B Consumption for Years During Balance Accumulation	D = A-B-C	2,311,822,409	2,311,822,409
All Class B Consumption for Transition Customers	E	81,445,123	81,445,123
Transition Customers' Portion of Total Consumption	F = E/D	3.52%	

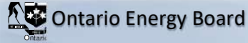
Allocation of Total GA Balance \$

Total GA Balance	G	\$	1,789,111
Transition Customers Portion of GA Balance	H=F*G	\$	63,030
GA Balance to be disposed to Current Class B Customers through Rate Rider	I=G-H	\$	1,726,081

Allocation of GA Balances to Class A/B Transition Customers

# of Class A/B Transition Customers	28			
Customer	Total Metered Consumption (kWh) for Transition Customers During the Period When They Were Class B Customers	Metered Consumption (kWh) for Transition Customers During the Period When They Were Class B Customers in 2020	% of kWh	Customer Specific GA Allocation for the Period When They Were a Class B customer
Customer 1	4,041,421	4,041,421	4.96%	\$ 3,128
Customer 2	2,226,129	2,226,129	2.73%	\$ 1,723
Customer 3	11,672,699	11,672,699	14.33%	\$ 9,033
Customer 4	1,019,779	1,019,779	1.25%	\$ 789
Customer 5	3,081,508	3,081,508	3.78%	\$ 2,385
Customer 6	6,173,681	6,173,681	7.58%	\$ 4,778
Customer 7	3,422,912	3,422,912	4.20%	\$ 2,649
Customer 8	456,181	456,181	0.56%	\$ 353
Customer 9	1,182,876	1,182,876	1.45%	\$ 915
Customer 10	1,022,385	1,022,385	1.26%	\$ 791
Customer 11	2,935,275	2,935,275	3.60%	\$ 2,272
Customer 12	3,515,810	3,515,810	4.32%	\$ 2,721
Customer 13	3,153,527	3,153,527	3.87%	\$ 2,441
Customer 14	2,595,875	2,595,875	3.19%	\$ 2,009
Customer 15	2,645,600	2,645,600	3.25%	\$ 2,047
Customer 16	3,824,904	3,824,904	4.70%	\$ 2,960
Customer 17	3,183,816	3,183,816	3.91%	\$ 2,464
Customer 18	2,846,222	2,846,222	3.49%	\$ 2,203
Customer 19	1,568,317	1,568,317	1.93%	\$ 1,214
Customer 20	2,954,234	2,954,234	3.63%	\$ 2,286
Customer 21	1,616,976	1,616,976	1.99%	\$ 1,251
Customer 22	2,002,404	2,002,404	2.46%	\$ 1,550
Customer 23	2,599,822	2,599,822	3.19%	\$ 2,012
Customer 24	3,452,468	3,452,468	4.24%	\$ 2,672
Customer 25	2,308,314	2,308,314	2.83%	\$ 1,786
Customer 26	1,242,126	1,242,126	1.53%	\$ 961
Customer 27	2,020,851	2,020,851	2.48%	\$ 1,564
Customer 28	2,679,009	2,679,009	3.29%	\$ 2,073
Total	81,445,123	81,445,123	100.00%	\$ 63,030

Monthly Equal Payments
\$ 261
\$ 144
\$ 753
\$ 66
\$ 199
\$ 398
\$ 221
\$ 29
\$ 76
\$ 66
\$ 189
\$ 227
\$ 203
\$ 167
\$ 171
\$ 247
\$ 205
\$ 184
\$ 101
\$ 191
\$ 104
\$ 129
\$ 168
\$ 223
\$ 149
\$ 80
\$ 130
\$ 173



2022 Deferral/Variance Account Workform

This tab allocates the CBR Class B balance to transition customers (i.e Class A customers who were former Class B customers and Class B customers who were former Class A customers) who contributed to the current CBR Class B balance. The tables below calculate specific amounts for each customer who made the change. The general CBR Class B rate rider is not to be charged to the transition customers that are allocated amounts in the table below. Consistent with prior decisions, distributors are generally expected to settle the amount through 12 equal adjustments to bills.

Year Account 1580 CBR Class B was Last Disposed 2019

Allocation of Total Consumption (kWh) between Current Class B and Class A/B Transition Customers

		Total	2020
Total Consumption Less WMP Consumption	A	-	81,428,017
Less Class A Consumption for Partial Year Class A Customers	B	81,428,017	81,428,017
Less Consumption for Full Year Class A Customers	C	1,316,072,089	1,316,072,089
Total Class B Consumption for Years During Balance Accumulation	D = A-B-C	-	1,397,500,106
All Class B Consumption for Transition Customers	E	81,445,123	81,445,123
Transition Customers' Portion of Total Consumption	F = E/D	-5.83%	

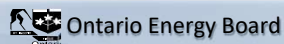
Allocation of Total CBR Class B Balance \$

Total CBR Class B Balance	G	-\$	220,081
Transition Customers Portion of CBR Class B Balance	H=F*G	\$	12,826
CBR Class B Balance to be disposed to Current Class B Customers through Rate Rider	I=G-H	-\$	232,907

Allocation of CBR Class B Balances to Transition Customers

Customer	# of Class A/B transition Customers	28		% of kWh	Customer Specific CBR Class B Allocation for the Period When They Were a Class B Customer	Monthly Equal Payments	Revised Monthly Payment
		Total Metered Class B Consumption (kWh) for Transition Customers During the Period When They were Class B Customers	Metered Class B Consumption (kWh) for Transition Customers During the Period When They were Class B Customers in 2020				
Customer 1		4,041,421	4,041,421	4.96%	\$ 636	\$ 53	\$ -
Customer 2		2,226,129	2,226,129	2.73%	\$ 351	\$ 29	\$ -
Customer 3		11,672,699	11,672,699	14.33%	\$ 1,838	\$ 153	\$ -
Customer 4		1,019,779	1,019,779	1.25%	\$ 161	\$ 13	\$ -
Customer 5		3,081,508	3,081,508	3.78%	\$ 485	\$ 40	\$ -
Customer 6		6,173,681	6,173,681	7.58%	\$ 972	\$ 81	\$ -
Customer 7		3,422,912	3,422,912	4.20%	\$ 539	\$ 45	\$ -
Customer 8		456,181	456,181	0.56%	\$ 72	\$ 6	\$ -
Customer 9		1,182,876	1,182,876	1.45%	\$ 186	\$ 16	\$ -
Customer 10		1,022,385	1,022,385	1.26%	\$ 161	\$ 13	\$ -
Customer 11		2,935,275	2,935,275	3.60%	\$ 462	\$ 39	\$ -
Customer 12		3,515,810	3,515,810	4.32%	\$ 554	\$ 46	\$ -
Customer 13		3,153,527	3,153,527	3.87%	\$ 497	\$ 41	\$ -
Customer 14		2,595,875	2,595,875	3.19%	\$ 409	\$ 34	\$ -
Customer 15		2,645,600	2,645,600	3.25%	\$ 417	\$ 35	\$ -
Customer 16		3,824,904	3,824,904	4.70%	\$ 602	\$ 50	\$ -
Customer 17		3,183,816	3,183,816	3.91%	\$ 501	\$ 42	\$ -
Customer 18		2,846,222	2,846,222	3.49%	\$ 448	\$ 37	\$ -
Customer 19		1,568,317	1,568,317	1.93%	\$ 247	\$ 21	\$ -
Customer 20		2,954,234	2,954,234	3.63%	\$ 465	\$ 39	\$ -
Customer 21		1,616,976	1,616,976	1.99%	\$ 255	\$ 21	\$ -
Customer 22		2,002,404	2,002,404	2.46%	\$ 315	\$ 26	\$ -
Customer 23		2,599,822	2,599,822	3.19%	\$ 409	\$ 34	\$ -
Customer 24		3,452,468	3,452,468	4.24%	\$ 544	\$ 45	\$ -
Customer 25		2,308,314	2,308,314	2.83%	\$ 364	\$ 30	\$ -
Customer 26		1,242,126	1,242,126	1.53%	\$ 196	\$ 16	\$ -
Customer 27		2,020,851	2,020,851	2.48%	\$ 318	\$ 27	\$ -
Customer 28		2,679,009	2,679,009	3.29%	\$ 422	\$ 35	\$ -
Total		81,445,123	81,445,123	100.00%	\$ 12,826	\$ 1,069	\$ -

If the CBR Class B rate rider calculated in tab 7 rounds to zero at the fourth decimal place for one or more rate classes, the entire balance in Account 1580 CBR Class B, including the amount allocated to transition customers will be transferred to Account 1580 WMS and disposed through the general purpose Group 1 rate riders



2022 Deferral/Variance Account Workform

No Input Required in this tab. The purpose of this tab is to calculate the billing determinants for CBR rate riders for all current Class B customers who did not transition between Class A and B in the period since the Account 1580, sub-account CBR Class B balance accumulated.

The Year the Account 1580 CBR Class B was Last Disposed.

2019

	Total Metered Forecast Consumption Minus WMP		Forecast Total Metered Test Year kWh for Full Year Class A Customers		Forecast Total Metered Test Year kWh for Transition Customers		Metered Consumption for Current Class B Customers (Total Consumption LESS WMP, Class A and Transition Customers' Consumption)		% of total kWh
	kWh	kW	kWh	kW	kWh	kW	kWh	kW	
	RESIDENTIAL	2,280,182,000	-	0	0	0	0	2,280,182,000	
GENERAL SERVICE LESS THAN 50 KW	710,222,000	-	0	0	0	0	710,222,000	-	11%
GENERAL SERVICE 50 TO 1,499 KW	2,831,256,905	6,838,954	264,755,076	580,754	91,203,004	233,910	2,475,298,825	6,024,290	40%
GENERAL SERVICE 1,500 TO 4,999 KW	697,342,776	1,511,124	473,610,753	942,818	71,670,137	166,190	152,061,886	402,116	2%
LARGE USER	575,413,000	1,054,605	0	0	0	0	575,413,000	1,054,605	9%
UNMETERED SCATTERED LOAD	13,188,000	-	0	0	0	0	13,188,000	-	0%
STANDBY POWER GENERAL SERVICE 50 TO 1,499 KW	-	-	0	0	0	0	-	-	0%
STANDBY POWER GENERAL SERVICE 1,500 TO 4,999 KW	-	7,440	0	0	0	0	-	7,440	0%
STANDBY POWER GENERAL SERVICE LARGE USE	-	-	0	0	0	0	-	-	0%
SENTINEL LIGHTING	47,000	132	0	0	0	0	47,000	132	0%
STREET LIGHTING	23,893,000	66,152	0	0	0	0	23,893,000	66,152	0%
MICROFIT AND MICRO-NET METERING	-	-	0	0	0	0	-	-	0%
FIT	-	-	0	0	0	0	-	-	0%
HCI, RESOP, OTHER ENERGY RESOURCE	-	-	0	0	0	0	-	-	0%
-	-	-	0	0	0	0	-	-	0%
-	-	-	0	0	0	0	-	-	0%
-	-	-	0	0	0	0	-	-	0%
-	-	-	0	0	0	0	-	-	0%
-	-	-	0	0	0	0	-	-	0%
Total	7,131,544,681	9,478,407	738,365,830	1,523,572	162,873,141	400,100	6,230,305,711	7,554,735	100%

Rate Rider Calculation for RSVA - Power - Global Adjustment

Balance of Account 1589 Allocated to Non-WMPs

Rate Class (Enter Rate Classes in cells below)	Units	kWh	Allocated Global Adjustment Balance	Rate Rider for RSVA - Power - Global Adjustment
RESIDENTIAL	kWh	34,399,652	\$ 20,219	0.0006
GENERAL SERVICE LESS THAN 50 KW	kWh	109,821,125	\$ 64,549	0.0006
GENERAL SERVICE 50 TO 1,499 KW	kWh	2,044,450,255	\$ 1,201,652	0.0006
GENERAL SERVICE 1,500 TO 4,999 KW	kWh	148,717,907	\$ 87,411	0.0006
LARGE USER	kWh	575,413,000	\$ 338,206	0.0006
UNMETERED SCATTERED LOAD	kWh	-	\$ -	-
STANDBY POWER GENERAL SERVICE 50 TO 1,499 KW	kWh	-	\$ -	-
STANDBY POWER GENERAL SERVICE 1,500 TO 4,999 KW	kWh	-	\$ -	-
STANDBY POWER GENERAL SERVICE LARGE USE	kWh	-	\$ -	-
SENTINEL LIGHTING	kWh	-	\$ -	-
STREET LIGHTING	kWh	23,893,000	\$ 14,043	0.0006
MICROFIT AND MICRO-NET METERING	kWh	-	\$ -	-
FIT	kWh	-	\$ -	-
HCI, RESOP, OTHER ENERGY RESOURCE	kWh	-	\$ -	-
	kWh	-	\$ -	-
	kWh	-	\$ -	-
	kWh	-	\$ -	-
	kWh	-	\$ -	-
	kWh	-	\$ -	-
Total			\$ 1,726,081	

Rate riders for Global Adjustment is to be calculated on the basis of kWh for all classes.

Rate Rider Calculation for Group 2 Accounts

Rate Class (Enter Rate Classes in cells below)	Units	# of Customers	Allocated Group 2 Balance	Rate Rider for Group 2 Accounts
RESIDENTIAL	# of Customers	319,510	\$ 0	\$ 0.00
GENERAL SERVICE LESS THAN 50 KW		-	\$ -	\$ -
GENERAL SERVICE 50 TO 1,499 KW		-	\$ -	\$ -
GENERAL SERVICE 1,500 TO 4,999 KW		-	\$ -	\$ -
LARGE USER		-	\$ -	\$ -
UNMETERED SCATTERED LOAD		-	\$ -	\$ -
STANDBY POWER GENERAL SERVICE 50 TO 1,499 KW		-	\$ -	\$ -
STANDBY POWER GENERAL SERVICE 1,500 TO 4,999 KW		-	\$ -	\$ -
STANDBY POWER GENERAL SERVICE LARGE USE		-	\$ -	\$ -
SENTINEL LIGHTING		-	\$ 0	\$ -
STREET LIGHTING		-	\$ 0	\$ -
MICROFIT AND MICRO-NET METERING		-	\$ -	\$ -
FIT		-	\$ -	\$ -
HCI, RESOP, OTHER ENERGY RESOURCE		-	\$ -	\$ -
		-	\$ -	\$ -
		-	\$ -	\$ -
		-	\$ -	\$ -
		-	\$ -	\$ -
		-	\$ -	\$ -
Total			\$ 0	

As per the Board's letter issued July 16, 2015 outlining details regarding the implementation of the transition to fully fixed distribution charges for residential customers, Residential rates for group 2 accounts are to be on a per customer basis. Please choose "# of customers" for the Residential class.

Rate Rider Calculation for Accounts 1575 and 1576

Please indicate the Rate Rider Recovery Period (in months)

12

Rate Class (Enter Rate Classes in cells below)	Units	# of Customers	Allocated Accounts 1575 and 1576 Balances	Rate Rider for Accounts 1575 and 1576
RESIDENTIAL	# of Customers	319,510	\$ -	-
GENERAL SERVICE LESS THAN 50 KW		-	\$ -	-
GENERAL SERVICE 50 TO 1,499 KW		-	\$ -	-
GENERAL SERVICE 1,500 TO 4,999 KW		-	\$ -	-
LARGE USER		-	\$ -	-
UNMETERED SCATTERED LOAD		-	\$ -	-
STANDBY POWER GENERAL SERVICE 50 TO 1,499 KW		-	\$ -	-
STANDBY POWER GENERAL SERVICE 1,500 TO 4,999 KW		-	\$ -	-
STANDBY POWER GENERAL SERVICE LARGE USE		-	\$ -	-
SENTINEL LIGHTING		-	\$ -	-
STREET LIGHTING		-	\$ -	-
MICROFIT AND MICRO-NET METERING		-	\$ -	-
FIT		-	\$ -	-
HCI, RESOP, OTHER ENERGY RESOURCE		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
Total			\$ -	

As per the Board's letter issued July 16, 2015 outlining details regarding the implementation of the transition to fully fixed distribution charges for residential customers, Residential rates for group 2 accounts, including Accounts 1575 and 1576 are to be on a per customer basis. Please choose "# of customers" for the Residential class.

Rate Rider Calculation for Accounts 1568

Please indicate the Rate Rider Recovery Period (in months)

12

Rate Class (Enter Rate Classes in cells below)	Units	kWh / kWh / # of Customers	Allocated Account 1568 Balance	Rate Rider for Account 1568
RESIDENTIAL		-	\$ -	-
GENERAL SERVICE LESS THAN 50 KW		-	\$ -	-
GENERAL SERVICE 50 TO 1,499 KW		-	\$ -	-
GENERAL SERVICE 1,500 TO 4,999 KW		-	\$ -	-
LARGE USER		-	\$ -	-
UNMETERED SCATTERED LOAD		-	\$ -	-
STANDBY POWER GENERAL SERVICE 50 TO 1,499 KW		-	\$ -	-
STANDBY POWER GENERAL SERVICE 1,500 TO 4,999 KW		-	\$ -	-
STANDBY POWER GENERAL SERVICE LARGE USE		-	\$ -	-
SENTINEL LIGHTING		-	\$ -	-
STREET LIGHTING		-	\$ -	-
MICROFIT AND MICRO-NET METERING		-	\$ -	-
FIT		-	\$ -	-
HCI, RESOP, OTHER ENERGY RESOURCE		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
Total			\$ -	

GROUP 1 ACCOUNTS

1

2

3 1. INTRODUCTION

4 As per the OEB's report on the *Electricity Distributors' Deferral and Variance Account Review Initiative*
5 ("EDDVAR Report"), Group 1 accounts include account balances that are cost pass-through and
6 accounts whose original balances were approved by the OEB in a previous proceeding.¹ Please see
7 Table 1 in Exhibit 9-1-1: Summary of Current Deferral and Variance Accounts for a list of Hydro
8 Ottawa's active Group 1 deferral and variance accounts ("DVAs").

9

10 2. ENERGY SALES AND COST OF POWER EXPENSE BALANCES

11 The sale of energy and the purchase of power are pass-through transactions. Hydro Ottawa records
12 monthly retail settlement variance entries related to any difference between the Power Recovery
13 revenue and Purchased Power expense. Under International Financial Reporting Standards (and
14 specifically, of IFRS 14 - Regulatory Deferrals Accounts ["IFRS 14"]), the impact of regulatory deferral
15 account balances, including retail settlement variance accounts, are presented as "Net movements in
16 regulatory balances, net of tax" on Hydro Ottawa's statements of profit and loss.

17

18 Totals for Energy Sales (Power Recovery Revenue) and Cost of Power (Purchased Power), per the
19 Uniform System of Accounts ("USofA"), are reconciled to the audited financial statements in Table 1
20 below.

21 ¹ Ontario Energy Board, *Report of the Board on Electricity Distributors' Deferral and Variance Account Review Initiative*
22 (EDDVAR), EB-2008-0046 (July 31, 2009).

1 **Table 1 – Power Recovery Revenue and Purchased Power Reconciliation to Audited Financial**
 2 **Statements(\$)**

	2020
Total Power Recovery as per Audited Financial Statements	\$(994,193,497)
Revenue Adjustment – Net Movement	\$170,066
RSVA - General Energy Sales	\$0
RSVA – Wholesale Market Service Charge – Net Movement	\$4,484,638
RSVA - Retail Transmission Network Charge - Net Movement	\$0
RSVA – Retail Transmission Connection Charge – Net Movement	\$3,355,441
LV Variance Account – Net Movement	\$567,724
IFRS Regulatory Balance Adjustment (IFRS 14)	\$1,722,897
Total Power Recovery as per RRR	\$(983,892,731)
Total Purchased Power as per Audited Financial Statements	\$993,585,954
RSVA – Power (excluding Global Adjustment) – Net Movement	\$0
RSVA – Global Adjustment – Net Movement	\$(2,339,132)
RSVA – Retail Transmission Network Charge – Net Movement	\$(231,333)
IFRS Regulatory Balance Adjustment (IFRS 14)	\$(7,122,758)
Total Purchased Power as per RRR	\$983,892,731
NET POWER RECOVERY REVENUE AND PURCHASED POWER as per RRR	\$(0)

3
 4 Totals for Power Recovery Revenue and Purchased Power by USofA are presented in Table 2 below.

1 **Table 2 – Power Recovery Revenue and Purchased Power (\$)**

Account and Description	2020
4006 Residential Energy Sales	\$(313,060,122)
4020 Energy Sales to Large Users	\$(56,246,174)
4025 Street Lighting Energy Sales	\$(2,859,207)
4030 Sentinel Lighting Energy Sales	\$0
4035 General Energy Sales	\$(500,078,092)
4050 Revenue Adjustment	\$170,066
4062 Billed – WMS	\$(23,617,585)
4066 Billed – NW	\$(50,384,499)
4068 Billed – CN	\$(35,690,476)
4075 Billed – LV	\$147,135
4076 Billed – Smart Metering Entity Charge	\$(2,273,777)
Total Power Recovery Revenue	\$(983,892,731)
4705 Power Purchased	\$479,451,464
4707 Charges - Global Adjustment	\$392,622,065
4708 Charges – WMS	\$23,617,585
4714 Charges – NW	\$50,384,499
4716 Charges – CN	\$35,690,476
4750 Charges – LV	\$(147,135)
4751 Charges – Smart Metering Entity Charge	\$2,273,777
Total Purchased Power	\$983,892,731
NET POWER RECOVERY REVENUE AND PURCHASED POWER	\$0

2
 3 **3. CLASS A & CLASS B GLOBAL ADJUSTMENT AND COMMODITY**

4 Total wholesale purchases include purchases from the Independent Electricity System Operator
 5 (“IESO”), Hydro One Networks Inc. (“Hydro One”) and various embedded generators. On a monthly
 6 basis, Hydro Ottawa accrues purchased power cost, which includes cost for CT 148 - Class B Global
 7 Adjustment (“GA”) and CT 101 - Commodity. Hydro Ottawa records such amounts into pass-through
 8 Class B GA expense and Commodity expense accounts, respectively. Hydro Ottawa also accrues

1 unbilled Power Recovery Revenue, which includes revenue for Class B GA and Commodity. The utility
2 records amounts into pass-through Class B GA revenue and Commodity revenue accounts,
3 respectively.

4
5 Hydro Ottawa bills all Class B non-Regulated Price Plan (“RPP”) customers on the first GA rate posted
6 on the IESO’s website. For Commodity, Hydro Ottawa bills RPP customers the Time of Use (“TOU”) or
7 Tiered prices (“Tiered”). Non-RPP customers are billed the weighted average hourly spot price
8 (“WAHSP”). The RPP portion of the CT 148 GA Charge is recorded into the Commodity expense
9 account. Hydro Ottawa confirms that journal entries are recorded as instructed in the OEB’s accounting
10 guidance related to commodity pass-through Accounts 1588 and 1589.²

11
12 The estimates for unbilled Power Recovery Revenue are based on preliminary metered data. An
13 interval class customer’s unbilled estimate is based on preliminary metered hourly data, while a
14 non-interval class customer’s unbilled data is based on preliminary smart metered data. Where meter
15 data is missing, a class average is used as an estimate.

16
17 By the fourth business day of the following month, Hydro Ottawa submits to the IESO the difference
18 between fixed price for TOU and Tiered purchases, the estimated weighted average price for RPP
19 customers, and the RPP portion of the GA Charge which is based upon the second GA rate multiplied
20 by the estimated TOU and Tiered kWh (billed and unbilled). The RPP portion of the GA Charge is
21 recorded into Account 1588. The RPP proration is based on billed and estimated unbilled kWh. This is
22 requested through CT 142.

23
24 RPP settlement CT 142 first true-up is completed the month following the initial settlement claim and
25 consists of updating the GA second rate to actual GA rate paid. At the same time, the updates are
26 made to the wholesale purchased power cost (price and volume) to actual price and quantity. Additional
27 true-ups are completed when actual kWh sales for RPP customers vs. non-RPP customers are known.
28 All changes are recorded in the general ledger.

29 ² Ontario Energy Board, *Accounting Procedures Handbook Update - Accounting Guidance Related to Commodity*
30 *Pass-Through Accounts 1588 & 1589* (February 21, 2019), p. 33.

1 Final true-up between 1588 and 1589 will be completed up to and as at May 31 of each subsequent
2 year for the previous calendar year. Final reviews for 2020 were completed and are reported as part of
3 this Application. Hydro Ottawa bills its Class A customers the amount the utility pays for Class A global
4 adjustment.

5

6 Hydro Ottawa has no embedded distributors in its service territory. Wholesale metered customers are
7 billed directly from the IESO. Hydro Ottawa submits kWh to the IESO for embedded generation within
8 its service territory.

9

10 Hydro Ottawa calculates and maintains both GA Retail Settlement Variance Accounts (“RSVAs”) for
11 Class A and Class B separately in Sub-Accounts of Account 1589.

12

13 **4. CERTIFICATION OF EVIDENCE**

14 As per the *Chapter 2 Filing Requirements for Electricity Distribution Rate Applications*, as updated on
15 June 24, 2021,³ Hydro Ottawa’s Chief Financial Officer hereby certifies that the utility maintains robust
16 processes and internal controls for the preparation, review, verification, and oversight of Account 1588
17 RSVA – Power and Account 1589 RSVA – Global Adjustment.

18 ³ Ontario Energy Board, *Chapter 2 Filing Requirements for Electricity Distributor Rate Applications*, (June 24, 2021), p. 68.

GROUP 2 ACCOUNTS

1

2

3 1. INTRODUCTION

4 As per the OEB's report on the *Electricity Distributors' Deferral and Variance Account Review Initiative*
5 ("EDDVAR Report"),¹ Group 2 Accounts include deferral and variance accounts ("DVAs") that require a
6 prudence review by the OEB. Please see Table 2 in Exhibit 9-1-1: Summary of Current Deferral and
7 Variance Accounts for a list of Hydro Ottawa's active Group 2 DVAs.

8

9 This Schedule discusses Group 2 Accounts, with the exception of the following:

10

- 11 • Account 1592 (for details on this Account, please see Exhibit 9-1-4: Account 1592 PILS and Tax
12 Variance);
- 13 • 1568 Lost Revenue Adjustment Mechanism ("LRAM") Variance Account (for details, please see
14 Exhibit 4-4-2: LRAM Variance Account).

15

16 More information on the disposition of these accounts is available in Exhibit 9-3-1: Disposition of
17 Deferral and Variance Accounts.

18

19 2. DVAs EFFECTIVE PRIOR TO JANUARY 1, 2016

20 This section provides an overview of Group 2 Accounts that were effective prior to the effective date of
21 the OEB's Decision and Order on Hydro Ottawa's 2016-2020 Custom IR Application² (i.e. prior to
22 January 1, 2016).

23

24 2.1. ENERGY EAST – TRANS CANADA PIPELINE

25 A Sub-Account to Uniform System of Accounts ("USofA") 1508 was added for the Energy East
26 TransCanada Pipeline in Hydro Ottawa's 2016 rebasing application.³ This deferral Account was set-up

27 ¹ Ontario Energy Board, *Report of the Board on Electricity Distributors' Deferral and Variance Account Review Initiative*
28 (*EDDVAR*), EB-2008-0046 (July 31, 2009).

29 ² Ontario Energy Board, *Decision and Order*, EB-2015-0004 (December 22, 2015), pp. 12-14.

30 ³ Hydro Ottawa Limited, *2016-2020 Custom Incentive Rate-Setting Distribution Rate Application*, EB-2015-0004 (April 29,
31 2015, Updated June 29, 2015).

1 to capture costs associated with consultations regarding TransCanada Pipeline Limited's proposed
2 Energy East pipeline project. In a letter dated April 15, 2014, the OEB advised that a portion of the
3 costs associated with consultations regarding TransCanada's Energy East project would be recovered
4 from all entities which are subject to the OEB's cost assessment under section 26 of the *Ontario Energy*
5 *Board Act, 1998*.⁴

6
7 Hydro Ottawa set-up the deferral Account, as per the instructions set forth in a separate OEB letter
8 issued June 13, 2014.⁵ As part of the 2021-2025 Approved Settlement Agreement,⁶ this Sub-Account
9 was approved for disposal. Hydro Ottawa confirms this sub-account is closed.

10

11 **2.2. P&OPEB DEFERRAL ACCOUNT**

12 Sub-Account 1508 - Other Regulatory Assets - Other Post-Employment Benefits ("OPEB") Deferral
13 Account is used to record cumulative actuarial gains or losses in Hydro Ottawa's post-retirement
14 benefits. This Account was originally approved in Hydro Ottawa's 2012 rate application.⁷ This
15 Sub-Account is still active.

16

17 **3. UTILITY SPECIFIC DVAs EFFECTIVE AFTER JANUARY 1, 2016**

18 As part of the Approved 2016-2020 Settlement Agreement and the Approved 2021-2025 Settlement
19 Agreement a number of new DVAs were established. Each of the Accounts is recorded into a
20 Sub-Account of 1508. As per the 2021-2025 Approved Settlement Agreement,⁸ many of these
21 Sub-Accounts have been fully disposed of. The status of these Accounts are stated below.

22

23 The DVAs established effective January 1, 2016 (some of which were modified) are as follows:

24 ⁴ Ontario Energy Board, Letter re: *Board Costs Associated with Consultations on TransCanada Pipelines Limited's Proposed*
25 *Energy East Pipeline Project*, EB-2013-0398 (April 15, 2014), pp. 1-2.

26 ⁵ *Ibid.*, pp. 1-2.

27 ⁶ Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261 (September
28 18, 2020).

29 ⁷ Ontario Energy Board, *Decision and Order*, EB-2011-0054 (December 28, 2011).

30 ⁸ Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261 (September
31 18, 2020).

32

- 1 • Sub-Account 1508 - Other Regulatory Assets - Y-Factor Variance Account, to record the
2 revenue requirement associated with the construction of new administrative and operations
3 facilities and related land up to \$66.0M. This Sub-Account is now closed;
- 4 • Sub-Account 1508 - Other Regulatory Assets - Gains/Losses from Sale of Existing Facilities
5 Deferral Account, to record the after tax gains/losses from the sale of existing facilities. This
6 Sub-Account is now closed;
- 7 • Sub-Account 1508 - Other Regulatory Assets - New Facilities Deferral Account, to record the
8 revenue requirement impacts arising from costs of the new facilities and land that is above the
9 \$66.0M captured in the Y-Factor Variance Account. This Sub-Account is now closed;
- 10 • Sub-Account 1508 - Other Regulatory Assets - Gains and Losses on disposal of Fixed Assets
11 Variance Account, to record the difference between the forecast and actual loss on the disposal
12 of fixed assets, related to retirement of assets or damage to plant. This Sub-Account is still
13 active;
- 14 • Sub-Account 1508 - Other Regulatory Assets - Earnings Sharing Mechanism (“ESM”) Variance
15 Account, to record amounts related to any earnings above Hydro Ottawa’s approved Return on
16 Equity (“ROE”) to be shared on a 50/50 basis between Hydro Ottawa and its ratepayers with no
17 deadband. This Sub-Account is still active, see further details below in section 3.4;
- 18 • Sub-Account 1508 - Other Regulatory Assets - Connection Cost Recovery Agreement (“CCRA”)
19 Payments Deferral Account, to record the revenue requirement impact of CCRA payments
20 made to Hydro One Networks Inc. (“Hydro One”). This Sub-Account is still active, see further
21 details below in section 3.5;
- 22 • Sub-Account 1508 - Other Regulatory Assets - Revenue Requirement Differential Variance
23 Account related to Capital Additions, to record the revenue requirement impact of
24 underspending on Hydro Ottawa’s capital plan by specific categories. This Sub-Account is still
25 active, see further details below in section 3.7;
- 26 • Sub-Account 1508 - Other Regulatory Assets - Efficiency Adjustment Mechanism (“EAM”)
27 Deferral Account, to record the proxy stretch factor related to any Hydro Ottawa efficiency
28 ranking declines during the Custom Incentive Rate-setting (“Custom IR”) term for 2016-2020.
29 This Sub-Account was active until December 31, 2020. For further detail, refer to section 3.8
30 below;

- 1 ● Sub-Account 1508 - Other Regulatory Assets - Wireless Attachment Revenues Deferral
2 Account, to record revenues earned, if any, from wireless attachments during the 2016-2020
3 period. This Sub-Account is now closed; and
- 4 ● Sub-Account 1508 - Other Regulatory Assets - Pole Attachment Charge Revenues Variance
5 Account, to record the difference between revenue based on the pole attachment charge of
6 \$57.00 per attachment per year and revenue based on the final charge approved by the OEB
7 for 2016 of \$53.00. This Sub-Account is now closed.

9 **3.1. Y FACTOR VARIANCE ACCOUNT**

10 The Y Factor Accounts for new facilities and removal of revenue requirement for existing facilities was
11 approved for disposal as part of the 2021-2025 Approved Settlement Agreement.⁹ Hydro Ottawa
12 confirms this 1508 Sub-Account is closed.

14 **3.2. NEW FACILITIES DEFERRAL ACCOUNT**

15 The New Facilities Account was established to record the revenue requirement impacts of the costs of
16 the New Facilities and related land that are above \$66.0M. As per the 2021-2025 Approved Settlement
17 Agreement,¹⁰ this Sub-Account was approved for disposal as part of the 2021 rates. Hydro Ottawa
18 confirms this Sub-Account is closed.

20 **3.2.1. GAINS/LOSSES FROM SALE OF EXISTING FACILITIES DEFERRAL ACCOUNT**

21 In this Account, 100% of the after-tax gain/loss from the sale of land and buildings associated with the
22 Existing Facilities is captured. As per the 2021-2025 Approved Settlement Agreement,¹¹ this
23 Sub-Account was approved for disposal. Hydro Ottawa confirms this Sub-Account is closed.

25 **3.3. GAINS AND LOSSES ON DISPOSAL OF FIXED ASSETS VARIANCE ACCOUNT**

26 The purpose of this Account is to record the difference between the forecast and actual gain or loss on
27 the disposal of fixed assets related to retirement of assets or damage to plant (including storm-related

28 ⁹ Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261 (September
29 18, 2020).

30 ¹⁰ Ibid..

31 ¹¹ Ibid.

1 costs). Examples include losses on meters, station equipment, poles, and vehicles. As part of the
2 2021-2025 Approved Settlement Agreement, the Parties¹² agreed to the continuation of this
3 Sub-Account. In addition, balances accumulated up until December 31, 2019 were approved for
4 disposal.

5

6 For the 2016-2020 Custom IR term, there was an annual estimate of \$198K gain per year, with a total
7 five-year estimate of \$1.0M. The forecast for 2021-2025 Custom IR term fluctuates annually and is an
8 overall estimated loss of \$2,243M.¹³

9

10 Damage costs related to storms are unpredictable, as climate change is causing extreme weather
11 events with increased frequency which are outside of Hydro Ottawa's control. These events (e.g.
12 freezing rain, high wind, temperature and precipitation extremes, tornadoes, etc.) have the ability to
13 cause extensive damage to assets of various life spans. Accordingly, this Account includes the
14 difference between the original estimate of damage to plant and the actual cost of damage to plant as a
15 result of severe weather events.

16

17 Balances related to this Account can be viewed in Tables 1 and 2 below, as well as in Attachment
18 9-1-1(A): OEB Workform - Deferral and Variance Account (Continuity Schedule).

19

20 Table 1 provides Hydro Ottawa's estimated and actual 2020 costs related to the gain or loss on the
21 disposal of fixed assets in relation to retirement of assets or damage to plant (including storm-related
22 costs).

23 ¹² Hydro Ottawa and the following intervenor groups: Building Owners and Managers Association, Consumers Council of
24 Canada, Distributed Resource Coalition, Environmental Defence, Energy Probe Research Foundation, Pollution Probe, School
25 Energy Coalition, Vulnerable Energy Consumers Coalition.

26 ¹³ Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Distribution Rate Application*, EB-2019-0261 (February 10,
27 2020, Updated May 29, 2020).

Table 1 – 2020 Loss from Retirement of Utility and Other Property (\$'000s)

Net (Gain)/Loss	2020 Historical
USofA 4362 OEB-Approved	\$(198)
Actual	87
USofA 1508 ¹⁴ Variance ¹⁵	(285)

Table 2 provides Hydro Ottawa’s 2021-2025 estimated costs related to the gain or loss on the disposal of fixed assets in relation to retirement of assets or damage to plant (including storm-related costs).

Table 2 – Estimated 2021-2025 Loss from Retirement of Utility and Other Property (\$'000s)

Net (Gain)/Loss	2021 Approved	2022 Approved	2023 Approved	2024 Approved	2025 Approved	TOTAL
Estimate ¹⁶	\$389	\$751	\$323	\$336	\$445	\$2,243

3.4. EARNINGS SHARING MECHANISM VARIANCE ACCOUNT

The ESM Account credits ratepayers for 50% of any earnings above Hydro Ottawa’s approved regulatory ROE, with no dead band. The ratepayer share of the earnings shall be grossed up for any tax impacts and credited to this Account. The Account is asymmetrical, meaning if Hydro Ottawa underearns, no amount will be collected from ratepayers.

The regulatory net income for the purpose of earnings sharing is to be calculated in the same manner as net income for regulatory purposes under the Reporting and Record Keeping Requirements (“RRR”) filings. This will exclude revenue and expenses that are not otherwise included for regulatory purposes, such as settlement of any regulatory assets or regulatory liabilities, including the LRAM and changes in taxes/Payments in Lieu of Taxes (“PILS”) to which the USofA 1592 – PILS and Tax Variance for 2006 and Subsequent Years applies.

In addition, the ESM calculation may require adjustments to ensure there is an appropriate treatment of amounts recorded and/or recovered by way of DVAs.

¹⁴ This refers to USofA 1508 Sub Account Gains and Loss on Disposal of Fixed Assets Variance Account.

¹⁵ Totals may not sum due to rounding.

¹⁶ Totals may not sum due to rounding.

1 As part of the 2016-2020 Approved Settlement Agreement,¹⁷ the ESM was calculated on an individual
2 yearly basis. As per the 2021-2025 Approved Settlement Agreement,¹⁸ the Account has been modified
3 such that, starting in 2021 the ESM will function as a cumulative account. The balance (if any) will be
4 cleared and credited on a final basis to customers at the end of the five-year rate term. Other
5 components of the previous ESM will remain the same.

6

7 Balances related to this Account are included in Attachment 9-1-1(A): OEB Workform - Deferral and
8 Variance Account (Continuity Schedule). Amounts related to 2016-2018 were approved for disposition
9 as part of the 2021-2025 Approved Settlement Agreement. Hydro Ottawa is not seeking to clear the
10 2019-2020 balance as part of this Application.

11

12 **3.5. CONNECTION COST RECOVERY AGREEMENT PAYMENTS DEFERRAL ACCOUNT**

13 As part of Hydro Ottawa's 2016-2020 Custom IR Application, \$5.0M of unidentified CCRA payments to
14 Hydro One were estimated per year. As part of the 2016-2020 Approved Settlement Agreement, it was
15 agreed to move the unidentified payments out of the proposed revenue requirement and establish the
16 CCRA Regulatory Account. The CCRA Regulatory Account allows Hydro Ottawa to record (and later
17 recover from customers) the annual revenue requirement of CCRA payments that commence in the
18 year in which the facilities (to which each CCRA payment relates) provide services to Hydro Ottawa
19 customers.

20

21 Hydro Ottawa recorded the revenue requirement related to eligible projects 2017 through 2020. No
22 revenue requirement was recorded in 2016. The 2017-2019 balance was disposed of as part of the
23 2021-2025 Approved Settlement Agreement. The 2020 balance can be viewed in Attachment 9-1-1(A):
24 OEB Workform - Deferral and Variance Account (Continuity Schedule). Hydro Ottawa is not seeking to
25 clear the 2020 balance as part of this Application.

26 Hydro Ottawa has used the Capital Cost Allowance ("CCA") Class 14.1 rules for eligible capital property
27 effective January 1, 2017 for the PILS calculation. As per OEB guidance, any impact of Bill C-97 is

28 ¹⁷ Hydro Ottawa Limited, *2016-2020 Custom Incentive Rate-Setting Distribution Rate Application*, EB-2015-0004 (April 29,
29 2015, Updated June 29, 2015)

30 ¹⁸Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261 (September
31 18, 2020), pp. 34-35.

1 being recorded into a Sub-Account of 1592. Please see Exhibit 9-1-4: Account 1592 PILs and Tax
2 Variance for further details.

3

4 **3.6. CONNECTION COST RECOVERY AGREEMENT PAYMENTS DIFFERENTIAL VARIANCE**
5 **ACCOUNT**

6 This Account is to recover the difference between the forecasted new (known and unknown) and
7 true-up CCRA payments made to Hydro One. The Account is symmetrical and effective January 1,
8 2021 replaces the existing Sub-Account 1508 - Other Regulatory Assets - Connection Cost Recovery
9 Agreement (“CCRA”) Payments Deferral Account.

10

11 **3.7. REVENUE REQUIREMENT VARIANCE ACCOUNT RELATED TO CAPITAL ADDITIONS**

12 The purpose of this Account is to track revenue requirement impacts resulting from any underspending
13 in Hydro Ottawa’s three capital spending categories: System Renewal/System Service, System Access,
14 and General Plant.¹⁹ The Account is computed and tracked on an annual basis and calculated on a
15 cumulative basis. If overspending occurs, no amount will be recorded into this Account.

16

17 For the years 2016-2020, Hydro Ottawa spent more than planned in each of the five spending
18 categories. As a result, no amount has been recorded into this variance account.

19

20 As per 2021-2025 Approved Settlement Agreement,²⁰ for the years 2021-2025, the System
21 Renewal/System Service, System Access (excluding the subset of System Access related to plant
22 relocation requested by third parties and residential expansion) and General Plant the Capital Additions
23 Revenue Requirement Differential Variance Accounts will be asymmetrical, in that overspending will not
24 result in recording amounts to be recovered from customers during this period. For the sub-set of
25 System Access Capital Additions that consist of third party-driven plant relocation and residential
26 expansion capital additions, the Revenue Requirement Variance Accounts will be symmetrical and

27 ¹⁹ The System Renewal and System Service categories have been merged into one category to reflect Hydro Ottawa’s
28 standard operating practice to shift funds between the two categories, as warranted by customer and operational
29 requirements.

30 ²⁰Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261 (September
31 18, 2020), Attachment 6, pp. 5-8.

1 Hydro Ottawa will record the revenue requirement difference to overspending or underspending in the
 2 utility’s capital plan.

3

4 **3.8. EFFICIENCY ADJUSTMENT MECHANISM DEFERRAL ACCOUNT**

5 This Account was established to provide ratepayers a credit should Hydro Ottawa’s efficiency ranking
 6 decline during any year of the Custom IR term. The year 2014 is the starting efficiency ranking point.
 7 Hydro Ottawa will not benefit from moving into a more efficient cohort except to mitigate future
 8 adjustments.

9

10 2020 was the fourth (and last) year for which the efficiency adjustment mechanism (“EAM”) assessment
 11 was to be performed. As per the 2016-2020 Approved Settlement Agreement,²¹ Hydro Ottawa was to
 12 calculate the efficiency adjustment based on the “current year ending point stretch factor.” As such,
 13 Hydro Ottawa used the efficiency ranking as determined by the OEB for 2021 rates, which was released
 14 on August 31, 2020, for purposes of calculating the impact on its 2020 Revenue Requirement.²² Table 5
 15 below provides the EAM calculation.

16

17

Table 5 – EAM Calculation

	2020
2014 Starting Point - Cohort 3	(0.30%)
Ending Point - Cohort 4	(0.45%) ²³
% Change	0.15%
Service Revenue Requirement	\$200,544,060
EAM	\$300,8169

18

19

20 ²¹ Hydro Ottawa Limited, *2016-2020 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2015-0004 (December
 21 7, 2015).

22 ²² Ontario Energy Board, *Incentive Rate Setting: 2018 Benchmarking Update for Determination of 2019 Stretch Factor
 23 Rankings*, EB-2010-0379 (August 15, 2019), pp. 1-2.

24 ²³ Ontario Energy Board, *Incentive Rate Setting: 2019 Benchmarking Update for Determination of 2020 Stretch Factor
 25 Rankings*, EB-2010-0379 (August 31, 2020), pp. 1-2.

1 **3.9. PERFORMANCE OUTCOMES ACCOUNTABILITY MECHANISM DEFERRAL ACCOUNT**

2 As part of the Approved 2021-2025 Approved Settlement Agreement, the Parties agreed to the
3 establishment of a Performance Outcomes Accountability Mechanism (“POAM”) Deferral Account. The
4 Deferral Account is based on specific performance-based outcomes and targets over the five-year Test
5 period. The Account relies on outcomes of certain aspects of Hydro Ottawa’s 2021-2025 Distribution
6 System Plan (“DSP”).

7
8 There are five performance metrics which have an annual target. If the target is not met in any year of
9 the five year term Hydro Ottawa will credit the deferral account up to \$200K. The maximum amount that
10 can be credited in any year is \$1.0M for all five targets. If all targets are met, no credit will be recorded
11 into this account.

12
13 These metrics will use a “Green-Yellow-Red” indicator system to determine if Hydro Ottawa has
14 achieved its designated target. The five performance metrics that will be measured over the five-year
15 term are:

- 16 ● Number of Interruptions Caused by Defective Equipment (Overhead System) - Excluding Major
17 Event Days;
- 18 ● Number of Interruptions Caused by Defective Equipment (Underground System) - Excluding
19 Major Event Days and Leaking Padmount Transformers;
- 20 ● System Average Interruption Duration Index (“SAIDI”)²⁴ - Excluding Major Event Days and Loss
21 of Supply;
- 22 ● Wood Pole Replacement Unit Cost; and
- 23 ● Underground Cable Replacement Unit Cost.

24 ²⁴ The target for this metric is sourced from Table B in the response to interrogatory CCC-38, from Hydro Ottawa’s 2021-2025
25 Custom IR Application. In addition, it is acknowledged that this approach deviates from the OEB’s use of five-year averages to
26 calculate a distributor’s SAIDI target. However, the Parties agree to the use of a three-year average so as to maintain
27 consistency across the three reliability-related performance metrics that are utilized under this accountability mechanism.

1 **4. NEW GENERIC DVAs EFFECTIVE AFTER JANUARY 1, 2016**

2 This section discusses the DVAs that were (i) established by the OEB, (ii) made effective after January 1,
3 2016, and (iii) not part of either the 2016-2020 Approved Settlement Agreement²⁵ or the 2021-2025
4 Approved Settlement Agreement.²⁶

5

6 **4.1. OEB COST ASSESSMENT VARIANCE**

7 As per the OEB's revisions to the Cost Assessment Model, the OEB established Account 1508 Other
8 Regulatory Assets - Sub-Account - OEB Cost Assessment Variance for electricity distributors to record
9 any material differences between OEB cost assessments that were built into rates at the time of the
10 issuance of the OEB's revisions, and cost assessments that would result from the application of the new
11 Cost Assessment Model effective April 1, 2016.²⁷ Per the 2021-2025 Approved Settlement Agreement,²⁸
12 Hydro Ottawa cleared balances in this account until the end of December 31, 2019. Hydro Ottawa
13 continued to use this Sub-Account to record amounts until December 31, 2020.

14

15 **4.2. REGULATORY TREATMENT OF PENSION AND OTHER POST-EMPLOYMENT BENEFITS**

16 On September 14, 2017, the OEB issued its final report on the regulatory treatment of pension and
17 OPEB costs establishing the use of accrual accounting as the default method on which to set rates for
18 pension and OPEB amounts in cost-based applications.²⁹ Moreover, this report also provides for the
19 establishment of a variance account (Account 1522) to track the difference between the forecasted
20 accrual amount in rates and actual cash payment(s) made, with an asymmetric carrying charge in
21 favour of ratepayers applied to the differential.

22

23 Hydro Ottawa provides pension benefits for its employees through the Ontario Municipal Employees
24 Retirement System ("OMERS") Fund (the "Fund"). Although the plan is a defined benefit plan, sufficient

25 ²⁵ Hydro Ottawa Limited, *2016-2020 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2015-0004 (December
26 7, 2015).

27 ²⁶ Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261
28 (September 18, 2020).

29 ²⁷ Ontario Energy Board, Letter re: *Revisions to the Ontario Energy Board Cost Assessment Model* (February 9, 2016).

30 ²⁸ Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261
31 (September 18, 2020).

32 ²⁹ Ontario Energy Board, *Report of the Ontario Energy Board - Regulatory Treatment of Pension and Other Post-Employment*
33 *Benefits Costs*, EB-2015-0040 (September 14, 2017).

1 information is not available to Hydro Ottawa to account for it as such, because it is not possible to
2 attribute the Fund assets and liabilities between the various employers who contribute to the Fund. As a
3 result, Hydro Ottawa accounts for the plan as a defined contribution plan. Contributions payable as a
4 result of employee service are expensed as incurred similar to short-term employee benefits.

5

6 Hydro Ottawa also provides other post-employment benefits such as life insurance and a retirement
7 grant. These plans provide benefits to certain employees when they are no longer providing active
8 service to the utility. Other post-employment benefits are recorded on an accrual basis. The accrued
9 benefit obligation and current service costs are calculated using the projected benefit method prorated
10 on service and based on assumptions that reflect Hydro Ottawa's best estimates. The utility tracks the
11 difference between the forecast accrual amount in rates and actual cash payments in a variance
12 account, as set out in the OEB's final report on the regulatory treatment of pension and OPEB costs.

13

14 Hydro Ottawa confirms that it is recording amounts into the tracking account for the purpose of recording
15 carrying charges. The utility further confirms that carrying charges are being calculated using the
16 OEB-prescribed Construction Work in Progress ("CWIP") rate.

17

18 **4.3. REGULATORY ASSETS FOR RETAIL SERVICE CHARGES INCREMENTAL REVENUE**

19 As part of the 2021-2025 Approved Settlement Agreement, Hydro Ottawa received approval for
20 utility-specific Retail Service Charges ("RSCs"). Subsequently, on November 29, 2018, the OEB issued a
21 Report on Energy Retailer Services Charges, which stated that updated RSCs would be established and
22 applied to all electricity distributors.³⁰ The report specifically indicated that the updated RSCs would apply
23 to Hydro Ottawa. The Decision and Rate Order for the new RSCs had an effective date of May 1, 2019.³¹
24 The OEB issued a Decision and Rate Order on November 28, 2019 with updated rates for RSCs effective
25 January 1, 2020.³²

26

27 ³⁰ Ontario Energy Board, *Report of the Ontario Energy Board - Energy Retailer Service Charges*, EB-2015-0304 (November
28 29, 2018), p. 20.

29 ³¹ Ontario Energy Board, *Decision and Rate Order*, EB-2015-0304 (February 14, 2019).

30 ³² Ontario Energy Board, *Decision and Rate Order*, EB-2019-0280 (November 28, 2019), Schedule A.

1 As per the OEB's Decision and Order regarding energy retailer service charges, Hydro Ottawa is
2 recording the difference between revenues collected at the previously approved charges and the revenue
3 collected based on the charges established pursuant to the OEB report.³³ As Hydro Ottawa has
4 discontinued recording amounts into the Retail Cost and Variance Accounts ("RCVAs") 1518 and 1548,
5 consistent with OEB direction, the utility has set up a sub-account under 1508 Other Regulatory Assets
6 for Retail Service Charges Incremental Revenue. Per the 2016-2020 Approved Settlement Agreement,
7 Hydro Ottawa cleared balances in this Account until the end of December 31, 2019. Hydro Ottawa
8 continued to use this Sub-Account to record amounts until December 31, 2020. Balances in these 1508
9 Incremental Sub-Accounts will be proposed to dispose of in a future rate application.

10

11 **4.4. REGULATORY ASSET FOR ACCOUNT 1509 - IMPACTS ARISING FROM THE COVID-19**
12 **EMERGENCY**

13 On March 25, 2020 and April 29, 2020, the OEB issued accounting orders for the establishment of
14 deferral accounts to record impacts arising from the COVID-19 Emergency.³⁴ The OEB established
15 Account 1509 - Impacts Arising from the COVID-19 Emergency, which included three Sub-Accounts.
16 These Sub-Accounts are for costs associated with billing and system changes related to the Government
17 of Ontario's emergency order regarding time-of-use pricing, lost revenue, and other incremental costs.³⁵

18

19 During the month of August 2020, through the issuance of two separate accounting orders, the OEB
20 confirmed the establishment of two additional Sub-Accounts under Account 1509.³⁶ Their names and
21 descriptions are as follows:

22 ³³ Ontario Energy Board, *Decision and Order - In the matter of energy retailer service charges effective May 1, 2019 -*
23 *Schedule B - Accounting Order*, EB-2015-0304 (February 14, 2019), pp. 11-13.

24 ³⁴ Ontario Energy Board, *Accounting Order for the Establishment of Deferral Accounts to Record Impacts Arising from the*
25 *COVID-19 Emergency*, (March 25, 2020), pp. 1-3; Ontario Energy Board, *Accounting Order for the Establishment of Deferral*
26 *Accounts to Record Impacts Arising from the COVID-19 Emergency for Ontario Power Generation Inc. and Electricity*
27 *Transmitters*, (April 29, 2020), pp. 1-2.

28 ³⁵ Ontario Regulation 80/20: Order under Subsection 7.0.2 (4) of the *Emergency Management and Civil Protection Act -*
29 *Electricity Price for RPP Consumers*.

30 ³⁶ Ontario Energy Board, *Accounting Order for the Establishment of a Sub-account to Record Impacts Arising from the*
31 *COVID-19 Emergency for Foregone Revenues from Postponing Rate Implementation*, (August 6, 2020), pages 1-4; Ontario
32 Energy Board, *Accounting Order for the Establishment of a Sub-account to Record Impacts Arising from the COVID-19*
33 *Emergency from Bad Debt*, (August 14, 2020), pp. 1-3.

- 1 • Foregone Revenues from Postponing Rate Implementation Sub-Account - the purpose of which is
2 to record forgone revenues due to the postponement of rate implementation as a result of the
3 COVID-19 emergency; and
4 • Bad Debt Sub-Account - which is intended for recording amounts related to bad debt resulting
5 from COVID-19.

6
7 As per the 2021-2025 Approved Settlement Agreement,³⁷ the parties agreed that, as of January 1,
8 2021, Hydro Ottawa will not record any amounts in the first three Sub-Accounts established under
9 Account 1509 (Costs Associated with Billing and System Changes, Lost Revenues, and Other
10 Incremental Costs), or any additional Sub-Accounts that may be created on a generic basis.³⁸ The only
11 exception to this provision is if during the 2021-2025 Custom IR term, there is material change in
12 Ontario's public health and economic circumstances (relative to those existing at the time of filing the
13 Settlement Agreement) which is directly caused by the COVID-19 pandemic and which has significant
14 negative impact on Hydro Ottawa's operations or financial circumstances. By way of an illustrative
15 example, such a material change could consist of the City of Ottawa and/or the Province of Ontario
16 reverting to economic restrictions that are materially more severe than those in place at the time of filing
17 the Settlement Proposal.

18
19 Per the 2021-2025 Approved Settlement Agreement, the Parties agreed that Hydro Ottawa will
20 however be permitted to continue recording amounts in the Bad Debt Sub-Account for as long as the
21 OEB permits this Sub-Account to remain in place. The utility will follow the methodology and guidelines
22 from the OEB's consultation, outlined in the OEB's Report for Regulatory Treatment of Impacts Arising
23 from the COVID-19 Emergency, including the means test to use this sub-account.³⁹

24
25 With respect to the Sub-Account associated with the Foregone Revenues from Postponing Rate
26 Implementation, Hydro Ottawa confirms that it is not applicable, seeing as the utility's rate

27 ³⁷ Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261
28 (September 18, 2020), pp. 39-41.

29 ³⁸ To confirm, this provision is intended to apply to costs incurred and/or lost revenue from the 2021-2025 period that would
30 have otherwise been eligible for recording within the three sub-accounts. It does not apply to costs incurred in 2020 and/or
31 lost revenue from 2020. It is acknowledged that journal entries for 2020 costs and losses may occur after December 31, 2020.

32 ³⁹ Ontario Energy Board, *Impacts Arising from the COVID-19 Emergency*, EB-2020-0133 (June 17, 2021), pp. 2-3.

- 1 implementation for January 1, 2020 in advance of the COVID-19 pandemic and the utility's rate
- 2 implementation for January 1, 2021 was not postponed.

ACCOUNT 1592 PILS AND TAX VARIANCE

1

2

1. INTRODUCTION

3 Account 1592 per the *Accounting Procedures Handbook for Electricity Distributors* (“APH”) is used to
4 record the tax impact of the following differences that are not reflected in a distributor’s rates:

- 5 1. legislative or regulatory changes to tax rates;
- 6 2. rules or disclosure of a new assessing or administrative policy published by federal or provincial
7 public tax bulletins.¹

8

9
10 For further information on the Payments in Lieu of Taxes (“PILS”) impact related to utility-specific
11 Regulatory Assets which are unrelated to changes defined as part of Account 1592 per the APH (e.g. the
12 Earnings Sharing Mechanism), please refer to Exhibit 9-1-3: Group 2 Accounts.

13

2. PILS ACCELERATED INVESTMENT INCENTIVE

14 Bill C-97, also known as the *Budget Implementation Act, 2019*, was passed by the Parliament of
15 Canada and received Royal Assent in June 2019. The legislation provides for accelerated Capital Cost
16 Allowance (“CCA”) deductions for eligible property available for use and acquired after November 20,
17 2018. The OEB released guidance on July 25, 2019 which instructed utilities to record 100% of the rule
18 change in a Sub-Account of 1592 - PILs and Tax Variances - CCA Changes. The guidance states that
19 “[t]he OEB therefore expects that all Utilities will record the full revenue requirement impact of any
20 changes in CCA rules that are not reflected in base rates.”²

21

22
23 As directed, Hydro Ottawa recorded the impact of the legislative change for 2018-2020 in Sub-Account
24 1592 - PILs and Tax Variances - CCA Changes. Per Hydro Ottawa’s 2021-2025 Approved Settlement
25 Agreement,³ the Accelerated CCA Rules for Approved Additions and portions related to New Facilities
26 were fully disposed of.

27 ¹ Ontario Energy Board, *Accounting Procedures Handbook for Electricity Distributors* (December 2011), p. 75. NOTE: Also any
28 differences in 2006PILs that result in changes to a distributor’s “opening” 2006 balances, which is no longer relevant.

29 ² Ontario Energy Board, Letter re: *Accounting Direction Regarding Bill C-97 and Other Changes in Regulatory or Legislated
30 Tax Rules for Capital Cost Allowance* (July 25, 2019), p. 2.

31 ³ Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261 (September
32 18, 2020), pages 30, 33, 34, 58, 66, 67 & Attachment 6.

1 For the change in CCA (due to accelerated CCA) related to the Connection Cost Recovery Agreement
2 (“CCRA”) Payments the amounts to the end of 2019 were fully disposed of. The balance for 2020 will
3 be disposed of in a future rate application as per Hydro Ottawa’s 2021-2025 Approved Settlement
4 Agreement.⁴

5
6 Please see Exhibit 9-1-3: Group 2 Accounts for more information related to the CCRA Payments
7 Regulatory Account.

8
9 **3. 2021 FEDERAL BUDGET TEMPORARY IMMEDIATE EXPENSING**

10 The 2021 Federal budget announced changes to allow temporary immediate expensing of certain
11 properties acquired that would otherwise qualify for capital cost allowance (CCA), providing up to a
12 maximum of \$1.5M of additional CCA per taxation year. Eligible property includes any capital property
13 subject to the CCA rules, except for property included in Classes 1-6, 14.1, 17, 47, 49 and 51. The
14 immediate expensing is only available in the year the property becomes available for use, and the
15 half-year rule is suspended where this measure applies. The \$1.5M limit is shared amongst associated
16 members of a group. Entities acquiring more than \$1.5M of eligible property in a taxation year may
17 decide which CCA class to apply the immediate expensing rules to, with any excess capital cost over
18 \$1.5M subject to the normal CCA rules. The draft legislation is still pending for this measure, however
19 immediate expensing would apply to eligible property acquired on or after April 19, 2021 that is
20 available for use before 2024. Hydro Ottawa will continue to monitor this measure and any other
21 changes that could impact Account 1592.

22 ⁴ Ibid.

1 **NEW DEFERRAL AND VARIANCE ACCOUNTS**

2
3 **1. INTRODUCTION**

4 This Schedule describes Hydro Ottawa’s proposal for establishing the use of one new deferral and
5 variance account (“DVA”). Below, Hydro Ottawa describes the eligibility criteria regarding causation,
6 materiality, and prudence for the proposed new account.

7
8 **2. GROUP 1 ACCOUNTS**

9 Per Hydro Ottawa’s 2021-2025 Approved Settlement Agreement,¹ Hydro Ottawa will follow the OEB’s
10 instruction regarding the clearance of Group 1 Accounts. The OEB’s Chapter 3 *Filing Requirements for*
11 *Electricity Distribution Rate Applications*, as updated on June 24, 2021, set a disposition threshold of
12 \$0.001 per kWh.² In addition, pursuant to a letter from the OEB dated July 25, 2014, distributors may
13 elect to dispose of Group 1 Account balances below the threshold. Hydro Ottawa’s balances meet the
14 above-mentioned threshold for Group 1 Accounts.

15
16 Hydro Ottawa proposes to dispose of a number of Group 1 DVAs by way of this Application and move
17 the balance into a newly established 1595 (2022) Sub-Account. Please refer to Exhibit 9-3-1:
18 *Disposition of Deferral and Variance Accounts* for further information and detail on the disposal of
19 certain Group 1 DVAs in this Application. Opening the proposed Sub-Account follows direction in the
20 OEB’s *Accounting Procedures Handbook* (“APH”)³ and the OEB’s *Frequently Asked Questions* from
21 July 2012.⁴

22
23 **2.1. Z-FACTOR**

24 In its *Handbook for Utility Rate Applications*, the OEB affirmed its policy that “[a]n acceptable
25 adjustment during a Custom IR term is a Z factor mechanism for cost recovery of unforeseen events.”⁵

26
27 ¹ Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261 (September
28 18, 2020), p. 66 and Attachment 4.

29 ² Ontario Energy Board, *Chapter 3 Filing Requirements for Electricity Distribution Rate Application*, (June 24, 2021) p. 8.

30 ³ Ontario Energy Board, *Accounting Procedures Handbook for Electricity Distributors* (December 2011), Article 220 pp. 39-40.

31 ⁴ Ontario Energy Board, *Accounting Procedures Handbook, Frequently Asked Questions* (July 2012), Question 3, p. 5.

32 ⁵ Ontario Energy Board, *Handbook for Utility Rate Applications* (October 13, 2016), p. 27.

1 As per Hydro Ottawa's 2021-2025 Approved Settlement Agreement, Hydro Ottawa may apply for
2 Z-Factor relief in the event that the utility incurs costs arising from unforeseen events, decisions, or
3 activities the results of which cannot be reasonably anticipated or qualified at this time and where the
4 costs exceed the utility's \$1.0M materiality threshold. The criteria for any Z-Factor relief will be
5 consistent with OEB-approved policies and decisions.⁶ In addition, the Parties in the aforementioned
6 Settlement Agreement⁷ agreed with Hydro's Ottawa's proposal to apply the OEB's existing policy with
7 respect to off-ramps, wherein a regulatory review may be initiated in the event Hydro Ottawa performs
8 outside of an annual ROE dead band of plus or minus 300 basis points. Examples include unforeseen
9 weather events or changes to laws or regulations requiring significant implementation investment.
10
11 Hydro Ottawa is not requesting a Z-Factor Account as part of this Application.

12 ⁶ This includes the following finding made by the OEB on page 43 of its Decision and Order in EB-2017-0049 dated March 7,
13 2019: "The OEB disagrees that the OEB's policy on Z-Factors precludes a symmetrical treatment. The policy is set out in the
14 Report of the Board on 3rd Generation Incentive Regulation for Ontario's Electricity Distributors and does not state that a
15 Z-Factor is asymmetrical. There is nothing to prevent the OEB from imposing Z-factor treatment for an unforeseen event that
16 materiality reduces costs and meets all of the Z-Factor criteria, should one be identified."

17 ⁷ Hydro Ottawa and the following intervenor groups: Building Owners and Managers Association, Consumers Council of
18 Canada, Distributed Resource Coalition, Environmental Defence, Energy Probe Research Foundation, Pollution Probe, School
19 Energy Coalition, Vulnerable Energy Consumers Coalition.

1 **DISPOSITION OF DEFERRAL AND VARIANCE ACCOUNTS**

2

3 **1. INTRODUCTION**

4 In this Schedule, Hydro Ottawa is requesting disposition its Group 1 deferral and variance accounts
5 (“DVAs”), in compliance with the *Electricity Distributors’ Deferral and Variance Account Review Initiative*
6 (“EDDVAR Report”).

7

8 Details regarding DVAs can be found in the following Exhibits:

9

- 10 ● Exhibit 9-1-1: Summary of Current Deferral and Variance Accounts;
- 11 ● Exhibit 9-1-2: Group 1 Accounts;
- 12 ● Exhibit 9-1-3: Group 2 Accounts; and
- 13 ● Exhibit 9-1-4: Account 1592 PILS and Tax Variance.

14

15 In Attachment 9-3-1(B): OEB Workform - 2022 - Account 1595 Workform, Hydro Ottawa has included
16 the 1595 (2018) Sub-Account for proposal of disposition as part of the Group 1 Accounts proposed for
17 disposition. Hydro Ottawa confirms that this Sub-Account is proposed to be cleared of on a final basis
18 and no further transactions are expected to flow through the 1595 (2018) Sub-Account once the
19 residual balance has been disposed of. Hydro Ottawa also confirms that the assessment of the residual
20 balance is less than the materiality threshold of plus or minus 10% and is thus not material.

21

22 **2. ACCOUNTS FOR WHICH HYDRO OTTAWA IS SEEKING DISPOSITION**

23 As part of this Application, Hydro Ottawa is requesting disposition of its Group 1 Accounts as presented
24 in Attachment 9-1-1(A): OEB Workform - Deferral and Variance Account (Continuity Schedule) based
25 on December 31, 2020 audited balances. Hydro Ottawa is not requesting disposition of its Group 2
26 Accounts in this Application, as presented in Attachment 9-1-1(A): OEB Workform - Deferral and
27 Variance Account (Continuity Schedule) based on December 31, 2020 audited balances.

28

1 Table 1 below provides a summary of the Group 1 DVAs by Uniform System of Accounts (“USofA”) for
2 which Hydro Ottawa is seeking disposition. For the completed DVA Continuity Schedule, please see
3 Attachment 9-1-1(A): OEB Workform - Deferral and Variance Account (Continuity Schedule).

4
5 Per the DVA Continuity Schedule, principal balances are up to December 31, 2020 and interest is
6 forecasted to December 31, 2021.

7
8 The total net credit balance of the Group 1 DVAs for which Hydro Ottawa is seeking disposition is
9 \$6.2M.

10
11 As part of this Application, Hydro Ottawa has provided Attachment 9-3-1(A): OEB Workform - Global
12 Adjustment Analysis Workform using data from the 2020 audited financial statements. The unresolved
13 difference as a percentage of expected Global Adjustment (“GA”) is below the materiality threshold of
14 plus or minus 10%, and thus further investigation is not required. Hydro Ottawa received approval on
15 final basis to dispose of balances in Accounts 1588 & 1589 as at December 31, 2019 as part of its
16 2021-2025 Custom Incentive Rate-setting (“Custom IR”) Application.¹

17
18
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20
21
22
23
24
25
26
27
28

29 ¹ Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Distribution Rate Application*, EB-2019-0261 (February 10,
30 2020, Updated May 29, 2020).

1

Table 1 – Proposed DVA Dispositions

Group	USofA Number	Group 1 Deferral/Variance Account Description	Amount (\$)	Principal (\$)	Interest (\$)
1	1550	LV Variance Account	\$(570,888)	\$(567,724)	\$(3,164)
1	1551	Smart Metering Entity Charge Variance Account	\$(60,472)	\$(60,514)	\$42
1	1580	RSVA - Wholesale Market Service Charge	\$(4,290,226)	\$(4,264,095)	\$(26,131)
1	1580	Variance WMS – Sub-account CBR Class A	\$0	\$0	\$0
1	1580	Variance WMS – Sub-account CBR Class B	\$(220,081)	\$(220,534)	\$453
1	1584	RSVA - Retail Transmission Network Charge	\$234,967	\$231,333	\$3,633
1	1586	RSVA - Retail Transmission Connection Charge	\$(3,354,375)	\$(3,355,441)	\$1,065
1	1588	RSVA - Power (excluding Global Adjustment)	\$945,433	\$937,929	\$7,505
1	1589	RSVA - Global Adjustment	\$1,789,111	\$1,774,708	\$14,402
1	1595	Disposition and Recovery/Refund of Regulatory Balances (2018)	\$(703,335)	\$(272,638)	\$(430,697)
		Group 1 Subtotal (Excluding Global Adjustment)	\$(8,018,977)	\$(7,571,684)	\$(447,293)
		Global Adjustment	\$1,789,111	\$1,774,708	\$14,402
		TOTAL DVA BALANCE (Group 1) TO BE MOVED TO 1595 (2022)²	\$(6,229,867)	\$(5,796,976)	\$(432,891)

2

3 **3. ALLOCATION OF DVAs AND LENGTH OF DISPOSITION PERIOD**

4 Hydro Ottawa is requesting a one year rate rider for the refund of balances proposed for the Group 1
 5 Accounts.

6

7 Please refer to Tab “5. Allocation of balances” within Attachment 9-1-1(A): OEB Workform - Deferral
 8 and Variance Account (Continuity Schedule) for the explanation of how the Group 1 rate riders were
 9 allocated.

10

11 Please note, as part of the 2021-2025 Approved Settlement Agreement the following rate riders were
 12 approved for a two-year period and the second year of disposition will occur in 2022:

13

- 14 ● Rate Rider for Disposition of Deferral/Variance Accounts,

15 ² Totals may not sum due to rounding.

- 1 • Rate Rider for Group 2 Accounts, and;
- 2 • Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery.

3

4 The calculations of the approved rate riders are also provided below.

5

6 **4. BILLING DETERMINANTS**

7 Hydro Ottawa has used the 2022 Load Forecast billing determinants, as presented in Exhibit 3-1-1:
8 Load Forecast, for the calculation of the rate riders. Hydro Ottawa has utilized percentages for
9 Non-Regulated Price Plan (“RPP”) customers based on 2020 actuals. The Non-RPP percentage was
10 then applied to the 2022 Load Forecast billing determinants. Wholesale Market Participants’
11 consumption was determined by using 2020 actuals. Hydro Ottawa has allocated the 1595 Recovery
12 Share Proportion for 2018 by dividing the rate classes Load Forecast kWh by the total Load Forecast
13 kWh.

14

15 **5. PROPOSED RATE RIDERS**

16 Hydro Ottawa provided Tables 2 through 4 below to outline the approved rate riders that continue
17 through 2022 as part of the 2021-2025 Approved Settlement Agreement. Tables 5 through 7 outline the
18 proposed rate riders to clear the DVA balances in the Group 1 Accounts for which Hydro Ottawa is
19 seeking disposition.

20

21 The balance in Sub-Account 1580 - CBR Class B would result in a volumetric rate rider that rounds to
22 zero at the fourth decimal place in one or more rate classes. Thus the entire balance in Account 1580 -
23 CBR Class B sub-account of \$220K will be added to the Account 1580 - Wholesale Market Service
24 (“WMS”) control account, and disposed of through the general-purpose Group 1 rate rider in 2022. This
25 complies with the direction in section 2.9.1.3 - Disposition of Capacity Based Recovery (“CBR”) Class B
26 Variance in the OEB’s *Chapter 2 Filing Requirements for Electricity Distribution Rate Applications*, as
27 updated on June 24, 2021.

28

29

30

1

2

Table 2 – Approved Rate Riders for Group 2 Accounts (2022)

Rate Class	Units	kW / kWh / # of Customers	Allocated Balance	Rate Rider	Billing Determinant
Residential	# of Customers	319,510	\$(1,897,019)	-0.49	\$
General Service < 50 kW	kWh	710,222,000	\$(479,928)	-0.0007	\$/kWh
General Service 50 to 1,499 kW	kW	6,898,741	\$(1,355,194)	-0.1964	\$/kW
General Service 1,500 to 4,999 kW	kW	1,545,513	\$(331,948)	-0.2148	\$/kW
Large Use	kW	1,054,605	\$(254,205)	-0.2410	\$/kW
Unmetered Scattered Load	kWh	13,188,000	\$(10,277))	-0.0008	\$/kWh
Sentinel Lighting	kW	132	\$(68)	-0.5139	\$/kW
Street Lighting	kW	66,152	\$(19,993)	-0.3022	\$/kW
TOTAL			\$(4,348,631)		

3

4

Table 3 – Approved Rate Riders for Accounts 1568 (2022)

Rate Class	Units	kW / kWh / # of Customers	Allocated Balance	Rate Rider	Billing Determinant
Residential	# of Customers	319,510	\$921,039	0.24	\$
General Service < 50 kW	kWh	710,222,000	\$429,609	0.0006	\$/kWh
General Service 50 to 1,499 kW	kW	6,898,741	\$(99,246)	-0.0144	\$/kW
General Service 1,500 to 4,999 kW	kW	1,545,513	\$73,800	0.0478	\$/kW
Large Use	kW	1,054,605	\$43,307	0.0411	\$/kW
Unmetered Scattered Load	kWh	13,188,000	\$(2,026)	-0.0002	\$/kWh
Sentinel Lighting	kW	132	0	0	\$/kW
Street Lighting	kW	66,152	\$(2,535)	-0.0383	\$/kW
TOTAL			\$1,363,948		

5

1 **Table 4 – Approved Rate Riders for Group 1 Accounts (2022)**

Rate Class	Units	kW / kWh / # of Customers	Allocated Balance	Rate Rider	Billing Determinant
Residential	kWh	2,280,182,000	\$(1,309,205)	-0.0006	\$/kWh
General Service < 50 kW	kWh	710,222,000	\$(402,305)	-0.0006	\$/kWh
General Service 50 to 1,499 kW	kW	6,898,741	\$(1,243,197)	-0.1802	\$/kW
General Service 1,500 to 4,999 kW	kW	1,545,513	\$(303,205)	-0.1962	\$/kW
Large Use	kW	1,054,605	\$(324,625)	-0.3078	\$/kW
Unmetered Scattered Load	kWh	13,188,000	\$(7,689)	-0.0006	\$/kWh
Sentinel Lighting	kW	132	\$(26)	-0.2007	\$/kW
Street Lighting	kW	66,152	\$(13,502)	-0.2041	\$/kW
TOTAL			\$(3,603,755)		

2
 3 **Table 5 – Proposed Rate Riders for Group 1 Accounts (2022)**

Rate Class	Units	kW / kWh / # of Customers	Allocated Balance	Rate Rider	Billing Determinant
Residential	kWh	2,280,182,000	\$(2,594,227)	-0.0011	\$/kWh
General Service < 50 kW	kWh	710,222,000	\$(795,077)	-0.0011	\$/kWh
General Service 50 to 1,499 kW	kW	6,898,741	\$(1,755,649)	-0.2545	\$/kW
General Service 1,500 to 4,999 kW	kW	1,545,513	\$(428,305)	-0.2771	\$/kW
Large Use	kW	1,054,605	\$(640,533)	-0.6074	\$/kW
Unmetered Scattered Load	kWh	13,188,000	\$(14,681)	-0.0011	\$/kWh
Sentinel Lighting	kW	132	\$(52)	-0.3964	\$/kW
Street Lighting	kW	66,152	\$(26,597)	-0.4021	\$/kW
TOTAL			\$(6,255,122)		

4
 5
 6

1 **Table 6 Proposed Rate Riders for Group 1 Accounts 1580 & 1588 (2022)**

Rate Class	Units	kW / kWh / # of Customers	Allocated Balance	Rate Rider	Billing Determinant
Residential	kWh	2,280,182,000	\$0	0	\$/kWh
General Service < 50 kW	kWh	710,222,000	\$0	0	\$/kWh
General Service 50 to 1,499 kW	kW	6,838,954	\$(1,415,272)	-0.2069	\$/kW
General Service 1,500 to 4,999 kW	kW	1,511,124	\$(348,584)	-0.2307	\$/kW
Large Use	kW	1,054,605	\$0	0	\$/kW
Unmetered Scattered Load	kWh	13,188,000	\$0	0	\$/kWh
Sentinel Lighting	kW	132	\$0	0	\$/kW
Street Lighting	kW	66,152	\$0	0	\$/kW
TOTAL			\$(1,763,855)		

2
 3 **Table 7 – Proposed Rate Riders for RSAV Power - Global Adjustment**

Rate Class	Units	kW / kWh / # of Customers	Allocated Balance	Rate Rider	Billing Determinant
Residential	kWh	34,399,652	\$20,219	0.0006	\$/kWh
General Service < 50 kW	kWh	109,821,125	\$64,549	0.0006	\$/kWh
General Service 50 to 1,499 kW	kWh	2,044,450,255	\$1,201,652	0.0006	\$/kWh
General Service 1,500 to 4,999 kW	kWh	148,717,907	\$87,411	0.0006	\$/kWh
Large Use	kWh	575,413,000	\$388,206	0.0006	\$/kWh
Unmetered Scattered Load	kWh	0	\$0	0	\$/kWh
Sentinel Lighting	kWh	0	\$0	0	\$/kWh
Street Lighting	kWh	23,893,000	\$14,043	0.0006	\$/kWh
TOTAL			\$1,726,0815		

4
 5 **6. GA AND WHOLESALE MARKET SERVICE CAPACITY BASED RECOVERY CLASS A**
 6 **ADJUSTMENT**

7
 8 Hydro Ottawa has provided customer level consumption in Attachment 9-1-1(A): OEB Workform -
 9 Deferral and Variance Account (Continuity Schedule) in order to capture customer-specific impacts of
 10 transitioning Class A customers. The total amount allocated to Class A transitioning customers for GA
 11 is a charge of \$63,030. The total amount to be allocated to Class A transitioning customers for WMS

1 CBR is being cleared through the general purpose Group 1 DVA rate rider. Hydro Ottawa proposes to
2 apply the customer-specific Class A GA adjustments as a one-time adjustment rather than monthly
3 adjustments. Unlike the use of rate riders, these adjustments are a manual process for Hydro Ottawa.

4

5 **7. PROPOSED ESTABLISHMENT OF NEW DVAs**

6 Please see Exhibit 9-2-1: New Deferral and Variance Accounts for new Accounts for which approval is
7 being sought as part of this Application.

8

GA Analysis Workform for 2022 Rate Applications

Version 1.0

Input cells

Drop down cells

Utility Name

Note 1

For Account 1589 and Account 1588, determine if a or b below applies and select the appropriate year related to the account balance in the drop-down box to the right.

- a) If the account balances were last approved on a final basis, select the year of the year-end balances that were last approved on a final basis.
- b) If the account balances were last approved on an interim basis, and
 - i) there are no changes to the previously approved interim balances, select the year of the year-end balances that were last approved for disposition on an interim basis. OR
 - ii) there are changes to the previously approved interim balances, select the year of the year-end balances that were last approved for disposition on a final basis. An explanation should be provided to explain the reason for the change in the previously approved interim balances.

Year Selected

2019

(e.g. If the 2019 balances that were reviewed in the 2021 rate application were to be selected, select 2019)

Instructions:

- 1) Determine which scenario above applies (a, bi or bii). Select the appropriate year to generate the appropriate GA Analysis Workform tabs, and information in the Principal Adjustments tab and Account 1588 tab.
 For example:
 - Scenario a - If 2019 balances were last approved on a final basis - Select 2019 and a GA Analysis Workform for 2020 will be generated. The input cells required in the Principal Adjustment and Account 1588 tabs will be generated accordingly as well.
 - Scenario bi - If 2019 balances were last approved on an interim basis and there are no changes to 2019 balances - Select 2019 and a GA Analysis Workform for 2020 will be generated. The input cells required in the Principal Adjustment and Account 1588 tabs will be generated accordingly as well.
 - Scenario bii - If 2019 balances were last approved on an interim basis, there are changes to 2019 balances, and 2018 balances were last approved for disposition - Select 2018 and GA Analysis Workforms for 2019 and 2020 will be generated. The input cells required in the Principal Adjustment and Account 1588 tabs will be generated accordingly as well.
- 2) Complete the GA Analysis Workform for each year generated.
- 3) Complete the Account 1588 tab. Note that the number of years that require the reasonability test to be completed are shown in the Account 1588 tab, depending on the year selected on the Information Sheet.
- 4) Complete the Principal Adjustments tab. Note that the number of years that require principal adjustment reconciliations are all shown in the one Principal Adjustments tab, depending on the year selected on the Information Sheet.

See the separate document GA Analysis Workform Instructions for detailed instructions on how to complete the Workform and examples of reconciling items and principal adjustments.

Year	Annual Net Change in Expected GA Balance from GA Analysis	Net Change in Principal Balance in the GL	Reconciling Items	Adjusted Net Change in Principal Balance in the GL	Unresolved Difference	\$ Consumption at Actual Rate Paid	Unresolved Difference as % of Expected GA Payments to IESO
2020	\$ 1,816,908	\$ 2,339,132	\$ (656,091)	\$ 1,683,041	\$ (133,867)	\$ 277,168,164	0.0%
Cumulative Balance	\$ 1,816,908	\$ 2,339,132	\$ (656,091)	\$ 1,683,041	\$ (133,867)	\$ 277,168,164	N/A

Account 1588 Reconciliation Summary

Year	Account 1588 as a % of Account 4705
2020	0.0%

GA Analysis Workform

Note 2 Consumption Data Excluding for Loss Factor (Data to agree with RRR as applicable)

Year		2020		
Total Metered excluding WMP	C = A+B	7,033,993,646	kWh	100%
RPP	A	3,324,671,135	kWh	47.3%
Non-RPP	B = D+E	3,709,322,511	kWh	52.7%
Non-RPP Class A	D	1,318,072,090	kWh	18.7%
Non-RPP Class B*	E	2,393,250,421	kWh	34.0%

*Non-RPP Class B consumption reported in this table is not expected to directly agree with the Non-RPP Class B Including Loss Adjusted Billed Consumption in the GA Analysis of Expected Balance table below. The difference should be equal to the loss factor.

Note 3 GA Billing Rate

GA is billed on the

1st Estimate

Note that the GA actual rates for April to June 2020 are based on the unadjusted GA rates, without the impacts of the GA deferral.

Please confirm that the adjusted GA rate was used to bill customers from April to June 2020.

For the months of April to June 2020, the IESO provided adjusted GA rates, which reflected the deferral of a portion of the GA as per the May 1, 2020 Emergency Order, and unadjusted GA rates which did not consider the GA deferral.

 Yes

Please confirm that the same GA rate is used to bill all customer classes. If not, please provide further details

 Yes

Please confirm that the GA Rate used for unbilled revenue is the same as the one used for billed revenue in any particular month

 Yes

Note 4 Analysis of Expected GA Amount

Year	2020									
Calendar Month	Non-RPP Class B Including Loss Factor Billed Consumption (kWh)	Deduct Previous Month Unbilled Loss Adjusted Consumption (kWh)	Add Current Month Unbilled Loss Adjusted Consumption (kWh)	Non-RPP Class B Including Loss Adjusted Consumption, Adjusted for Unbilled (kWh)	GA Rate Billed (\$/kWh)	\$ Consumption at GA Rate Billed	GA Actual Rate Paid (\$/kWh)	\$ Consumption at Actual Rate Paid	Expected GA Price Variance (\$)	
	F	G	H	I = F-G+H	J	K = I*J	L	M = I*L	N=M-K	
January	251,985,102	245,043,448	248,695,875	255,637,528	0.08323	\$ 21,276,711	0.10232	\$ 26,156,832	\$ 4,880,120	
February	244,781,111	248,695,875	232,251,936	228,337,172	0.12451	\$ 28,430,261	0.11331	\$ 25,872,885	\$ (2,557,376)	
March	232,199,560	232,251,936	217,146,931	217,094,555	0.10432	\$ 22,647,304	0.11942	\$ 25,925,432	\$ 3,278,128	
April	217,528,150	217,146,931	177,234,877	177,816,096	0.13707	\$ 24,345,838	0.11500	\$ 20,425,851	\$ (3,919,987)	
May	175,304,386	177,234,877	175,860,430	173,629,938	0.09293	\$ 16,135,430	0.11500	\$ 19,967,443	\$ 3,832,013	
June	180,373,644	175,860,430	194,071,657	198,884,871	0.11500	\$ 22,871,760	0.11500	\$ 22,871,760	\$ -	
July	195,509,064	194,071,657	228,392,428	229,829,836	0.10305	\$ 23,683,965	0.09902	\$ 22,757,750	\$ (926,214)	
August	226,272,817	228,392,428	209,470,688	207,351,077	0.10232	\$ 21,216,162	0.10348	\$ 21,456,689	\$ 240,527	
September	206,411,851	209,470,688	186,845,233	185,786,396	0.11573	\$ 21,501,060	0.12176	\$ 22,621,352	\$ 1,120,292	
October	181,175,454	186,845,233	189,224,320	183,554,541	0.14954	\$ 27,448,746	0.12806	\$ 23,505,995	\$ (3,942,752)	
November	186,905,255	189,224,320	200,054,109	197,735,044	0.11670	\$ 23,075,680	0.11705	\$ 23,144,887	\$ 69,207	
December	194,487,251	200,054,109	218,308,749	212,741,891	0.10704	\$ 22,771,892	0.10558	\$ 22,461,289	\$ (310,603)	
Net Change in Expected GA Balance in the Year (i.e. Transactions in the Year)	2,494,933,645	2,503,991,933	2,477,257,234	2,468,198,946		\$ 275,404,810		\$ 277,168,164	\$ 1,763,355	

Annual Non-RPP Class B Wholesale kWh	Annual Non-RPP Class B Retail billed kWh (excludes April to June 2020)	Annual Unaccounted for Energy Loss kWh	Weighted Average GA Actual Rate Paid (\$/kWh)**	Expected GA Volume Variance (\$)
O	P	Q=O-P	R	P=Q*R
1,919,372,177	1,918,968,040	1,249,136	0.04287	\$ 53,553

*Equal to (AGEW - Class A + embedded generation kWh)/(Non-RPP Class B retail kWh/Total retail Class B kWh). Note that the data for April to June 2020 should be excluded as the line loss volume variance would be reflected in the reconciling item below for #5 Impacts from GA deferral.

**Equal to annual Non-RPP Class B \$ GA paid (i.e. non-RPP portion of CT 148 on IESO invoice) divided by Non-RPP Class B Wholesale kWh (as quantified in column O in the table above). Note that the data for April to June 2020 should be excluded as the line loss volume variance would be reflected in the reconciling item below for #5 Impacts from GA deferral.

Total Expected GA Variance \$ 1,816,908

Calculated Loss Factor 1.0313
 Most Recent Approved Loss Factor for Secondary Metered Customer < 5,000kW 1.0335
 Difference -0.0022

a) Please provide an explanation in the text box below if columns G and H for unbilled consumption are not used in the table above.

b) Please provide an explanation in the text box below if the difference in loss factor is greater than 1%.

Note 5 Reconciling Items

Item	Amount	Explanation	Principal Adjustments
			Principal Adjustment on DVA Continuity Schedule
Net Change in Principal Balance in the GL (i.e. Transactions in the Year)	\$ 2,339,132		
1a CT 148 True-up of GA Charges based on Actual Non-RPP Volumes - prior year	\$ (87,644)		Yes
1b CT 148 True-up of GA Charges based on Actual Non-RPP Volumes - current year	\$ (369,645)		Yes
2a Remove prior year end unbilled to actual revenue differences	\$ 257,584		Yes
2b Add current year end unbilled to actual revenue differences	\$ (364,718)		Yes
3a Significant prior period billing adjustments recorded in current year			
3b Significant current period billing adjustments recorded in other year(s)			
4 CT 2148 for prior period corrections			
5 Impacts of GA deferral	\$ (91,667)		No
6			
7			
8			
9			
10			
11			

Note 6 Adjusted Net Change in Principal Balance in the GL	\$ 1,683,041
Net Change in Expected GA Balance in the Year Per Analysis	\$ 1,816,908
Unresolved Difference	\$ (133,867)
Unresolved Difference as % of Expected GA Payments to IESO	0.0%

Account 1588 Reasonability

Note 7 **Account 1588 Reasonability Test**

Year	Account 1588 - RSVA Power			Account 4705 - Power Purchased	Account 1588 as % of Account 4705
	Transactions ¹	Principal Adjustments ¹	Total Activity in Calendar Year		
2020	- 170,067	- 33,636	- 203,704	479,451,464	0.0%
Cumulative	- 170,067	- 33,636	- 203,704	2,828,980,164	0.0%

Notes

- 1) The transactions should equal the "Transaction" column in the DVA Continuity Schedule. This is also expected to equal the transactions in the general ledger (excluding transactions relating to the removal of approved disposition amounts as that is shown in a separate column in the DVA Continuity Schedule)
- 2) Principal adjustments should equal the "Principal Adjustments" column in the DVA Continuity Schedule. Principal adjustments adjust the transactions in the general ledger to the amount that should be requested for disposition.

Ontario Energy Board

GA Analysis Workform - Account 1588 and 1589 Principal Adjustment Reconciliation

Note 8 **Breakdown of principal adjustments included in last approved balance:**

Account 1589 - RSVA Global Adjustment			
Adjustment Description	Amount	To be reversed in current application?	Explanation if not to be reversed in current application
1 True Up of GA Charges based on Actual Non-RPP Volumes - previous	(28,330)	No	as reversed in last year's application
2 True Up of GA Charges based on Actual Non-RPP Volumes - current	87,644	Yes	
3 Add prior year end unbilled to actual revenue differences	683,524	No	as reversed in last year's application
4 Add current year end unbilled to actual revenue differences	(257,584)	Yes	
5			
6			
7			
8			
Total	485,255		
Total principal adjustments included in last approved balance			
Difference	485,255		

Account 1588 - RSVA Power			
Adjustment Description	Amount	To be Reversed in Current Application?	Explanation if not to be reversed in current application
1 Reversal of CT 1142 true-up from the previous year	10,635	No	was reversed in last year's application
2 Unbilled to billed adjustment for previous year	(182,878)	No	was reversed in last year's application
3 Reversal of RPP vs. Non-RPP allocation	829,307	No	was reversed in last year's application
4 CT 148 true-up of GA charges based on actual RPP volumes	(87,644)	Yes	
5 CT 1142 true-up based on actuals	(1,029,323)	Yes	
6 Unbilled to actual revenue differences	(24,835)	Yes	
7 Cost of power accrual for 2019 vs. Actual	169	Yes	
8			
Total	(484,568)		
Total principal adjustments included in last approved balance			
Difference	(484,568)		

Note 9 **Principal adjustment reconciliation in current application:**

Notes

- 1) The "Transaction" column in the DVA Continuity Schedule is to equal the transactions in the general ledger (excluding transactions relating to the removal of approved disposition amounts as that is shown in a separate column in the DVA Continuity Schedule)
- 2) Any principal adjustments needed to adjust the transactions in the general ledger to the amount that should be requested for disposition should be shown separately in the "Principal Adjustments" column of the DVA Continuity Schedule
- 3) The "Variance RRR vs. 2020 Balance" column in the DVA Continuity Schedule should equal principal adjustments made in the current disposition period. It should not be impacted by reversals from prior year approved principal adjustments.
- 4) Principal adjustments to the pro-ration of CT 148 true-ups (i.e. principal adjustment #1 in tables below) are expected to be equal and offsetting between Account 1588 and Account 1589, if not, please explain. If this results in further adjustments to RPP settlements, this should be shown separately as a principal adjustment to CT 1142/142 (i.e. principal adjustment #2 in tables below)

Complete the table below for the current disposition period. Complete a table for each year included in the balance under review in this rate application. The number of tables to be completed is automatically generated based on data provided in the Information Sheet

Account 1589 - RSVA Global Adjustment			
Year	Adjustment Description	Amount	Year Recorded in GL
<i>Reversals of prior approved principal adjustments (auto-populated from table above)</i>			
1			
2	True Up of GA Charges based on Actual Non-RPP Volumes - current	(87,644)	2020
3			
4	Add current year end unbilled to actual revenue differences	257,584	2020
5			
6			
7			
8			
Total Reversal Principal Adjustments		169,940	
<i>Current year principal adjustments</i>			
1	CT 148 true-up of GA Charges based on actual Non-RPP volumes	(369,645)	2021
2	Unbilled to actual revenue differences	(364,718)	2021
3			
4			
5			
6			
7			
8			
Total Current Year Principal Adjustments		(734,364)	
Total Principal Adjustments to be Included on DVA Continuity Schedule/Tab 3 - IRM Rate Generator Model		(564,424)	

Account 1588 - RSVA Power			
Year	Adjustment Description	Amount	Year Recorded in GL
<i>Reversals of prior approved principal adjustments (auto-populated from table above)</i>			
1			
2			
3			
4	CT 148 true-up of GA charges based on actual RPP volumes	87,644	2020
5	CT 1142 true-up based on actuals	1,029,323	2020
6	Unbilled to actual revenue differences	24,835	2020
7	Cost of power accrual for 2019 vs. Actual	(169)	2020
8			
Total Reversal Principal Adjustments		1,141,632	
<i>Current year principal adjustments</i>			
1	CT 148 true-up of GA Charges based on actual RPP volumes	391,142	2021
2	CT 1142/142 true-up based on actuals	1,346,166	2021
3	Unbilled to actual revenue differences	(1,760,945)	2021
4			
5			
6			
7			
8			
Total Current Year Principal Adjustments		(33,636)	
Total Principal Adjustments to be Included on DVA Continuity Schedule/Tab 3 - IRM Rate Generator Model		1,107,996	



1595 Analysis Workform

Account 1595 Analysis Workform

Input cells
Drop down cells

Utility Name	Hydro Ottawa Limited Utility name must be selected

	Eligible for disposition?
2015 and pre-2015	No
2016	No
2017	No
2018	Yes
2019	No
2020	No

Note that vintage years 2019 and 2020 are not eligible for disposition in the current rat

