



By RESS and Email

November 16, 2022

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

Dear Ms. Marconi:

**Subject: Electricity Distribution Licence No. ED-2002-0556
2023 Electricity Distribution Rate Application (EB-2022-0042) - Application Updated,
Appendices and Models**

On August 3rd, 2022, Hydro Ottawa submitted its 2023 application for distribution rates, as per its 2021-2025 Custom Incentive Rate-setting Application (EB-2019-0261).

The Ontario Energy Board ("OEB") released its 2023 Inflation Parameters on October 20, 2022 as well released its Decision and Order for Distribution Pole Attachment Charge and Retailer Service Charge, both effective January 1, 2023.

As such, Hydro Ottawa has updated its 2023 Application incorporating the 2023 Inflation Parameters as well as the Distribution Pole Attachment Charge and Retailer Service Charge.

As indicated in Exhibit 9-3-1, Hydro Ottawa proposes to apply the customer-specific Class A GA adjustments and WMS CBR as a one-time adjustment rather than monthly adjustments. As such, Hydro Ottawa made two minor modifications to the OEB's Deferral and Variance Account Workform by greying out the values in tabs 6.1a and 6.2a that showed the Class A GA adjustments and WMS CBR in monthly equal payments as those amounts are not applicable.

Please see a list of the attached Updated/Revised Excel Appendices and Models:

- Updated OEB Appendix 2-A
- Updated Attachment 4-3-1(A): OEB Workform - 2023 Income Tax/PILS Workform
- Updated Attachment 6-1-1(A): OEB Workform - 2023 Revenue Requirement Workform
- Updated Attachment 8-10-1(A): OEB Workform - 2022 Current and 2023 Proposed Tariff of Rates and Charges
- Updated Attachment 8-7-1(A): Dry Core Calculations
- Rsvd2 Attachment 9-1-1(A) OEB Workform - Deferral and Variance Account (Continuity Schedule)

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



Yours truly,

DocuSigned by:

April Barrie

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April Barrie

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1 **2023 APPLICATION UPDATED SUMMARY**

2

3 **1. INTRODUCTION**

4 Hydro Ottawa Limited (“Hydro Ottawa” or “the utility”) filed its 2023 Electricity Distribution Rate
5 Application (“Original Application”) on August 3, 2022. It represented Hydro Ottawa’s year three
6 rate update under its five-year Custom Incentive Rate-Setting (“Custom IR”) plan. As part of the
7 2021-2025 Approved Settlement Agreement,¹ the Parties² agreed to specific annual and mid-
8 term adjustments over the Custom IR Term. The following outlines the updates of the Original
9 Application, as a result of the release of the Ontario Energy Board (“OEB”) inflation factor for
10 incentive rate-setting under Price Cap IR and Annual Index plans for the year 2023³ and the pole
11 attachment Decision⁴. In addition, this Schedule reflects the Smart Meter Charge (“SMC”)
12 Decision and Order⁵ and the Energy Retail Service Charges (“RSC”) Decision and Order.⁶

13

14 By way of the Original Application and as adjusted by this update to its application, Hydro Ottawa
15 is seeking the OEB’s approval for proposed electricity distribution rates and other charges,
16 effective January 1, 2023. The adjustments to Hydro Ottawa’s revenue requirement, rates and
17 other charges set forth in this update are wholly consistent with the Approved Settlement
18 Agreement and the related OEB’s Decisions. Furthermore, the values submitted in the Original
19 Application are presented in the tables as ‘2023 Proposed’ and any updated values are shown as
20 ‘2023 Updated’.

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 OEB Letter, *2023 Inflation Parameters*, issued October 20, 2022.

⁴ Ontario Energy Board, *Decision and Order for Distribution Pole Attachment Charge for 2023*, EB-2022-0221 (September 8, 2022).

⁵ Ontario Energy Board, *Decision and Order Application for Approval of a Smart Metering for the years 2023-2027 and Related Matters*, EB-2022-0137 (September 8, 2022), p. 4.

⁶ Ontario Energy Board, *Decision and Order Application for the inflationary adjustment effective January 1, 2023 for energy retailer service charges for electricity distributors*, EB-2022-0220 (November 3, 2022).

1 **2. ANNUAL ADJUSTMENTS**

2 As a placeholder in Hydro Ottawa's Original Application, the OEB's 2022 inflation factor of 3.3%
3 was used in calculating its proposed Working Capital Allowance ("WCA"), Operations
4 Maintenance & Administration ("OM&A"), Custom Price Escalation Factor ("CPEF"), Specific
5 Service Charges ("SSCs") and resulting proposed 2023 revenue requirement and rates and
6 charges. With the release of the OEB inflation factor for 2023 incentive rate-setting under Price
7 Cap IR and Annual Index plans, Hydro Ottawa has updated its application to incorporate the
8 OEB's 2023 inflation factor of 3.7%.

9

10 Please see Table 1 below for a summary of the agreed annual and mid-term adjustments. For
11 the 2023 term, only the annual adjustments apply.

1 **Table 1 - 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 ⁷	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 ⁸	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 ("RTSRs")	Annual	Based on OEB-approved adjustments to the Hydro One Networks' Uniform Transmission Rates ("UTRs") using the RTSRs 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 **3. UPDATED RATE BASE**

4 As part of the 2021-2025 Approved Settlement Agreement,⁹ both gross and net capital additions
 5 have been set for the five year term. However, Hydro Ottawa's WCA will be updated using the
 6 OEB's annual inflation factor (with no productivity or growth factor), as discussed in Exhibit 2-3-
 7 1: Working Capital Requirement.

⁷ As stated in the 2021-2025 Approved Settlement Agreement, if the OEB revises its underlying methodology for calculating Return on Equity ("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.

⁸ This does not include the Access Power Poles - Wireline charge, for which Hydro Ottawa will continue to use the OEB's generic charge.

⁹ Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261 (September 18, 2020).

1 Hydro Ottawa's WCA has been updated using the OEB's 2023 Inflation Factor. This update
 2 changes Hydro Ottawa's Rate Base, which is incorporated into its 2023 proposed revenue
 3 requirement and rates and charges. Table 2 provides a summary of Hydro Ottawa's Rate Base
 4 for 2022 Approved, 2023 Proposed, 2023 Updated, as well as the change between the updated
 5 and proposed amounts for 2023.

6
 7 **Table 2 – Summary of Rate Base 2022-2023 (\$'000s)¹⁰**

	2022 Approved	2023 Proposed	2023 Updated	Change
Opening Net Book Value	\$1,182,840	\$1,248,271	\$1,248,271	\$0
Closing Net Book Value	\$1,248,271	\$1,267,004	\$1,267,004	\$0
Average Net Fixed Assets	\$1,215,555	\$1,257,638	\$1,257,638	\$0
Working Capital Allowance	\$88,279	\$91,193	\$91,546	\$353
RATE BASE	\$1,303,834	\$1,348,831	\$1,349,183	\$353

8
 9 Table 3 below provides a summary of Hydro Ottawa's WCA for 2022 Approved, 2023 Proposed,
 10 2023 Updated and the change between Updated and Proposed for 2023.

11
 12 **Table 3 – Updated Working Capital Allowance 2022-2023 (\$'000s)**

	2022 Approved	2023 Proposed	2023 Updated	Change
Power Supply Expenses	\$1,083,468	\$1,119,223	\$1,123,556	\$4,334
OM&A Expenses	\$93,590	\$96,678	\$97,053	\$374
Total Expenses for Working Capital	\$1,177,058	\$1,215,901	\$1,220,609	\$4,708
Working Capital %	7.50%	7.50%	7.50%	0.00%
Total WCA	\$88,279	\$91,193	\$91,546	\$353

13
 14 **4. OTHER REVENUE SUMMARY**

15 Hydro Ottawa's Other Revenue includes the following categories: Specific Service Charge, Late
 16 Payment Charges, Other Operating Revenue, and Other Income and Deductions. Some portions
 17 of Other Revenue have been set for the Custom IR term, while a portion of the rates and charges
 18 that are incorporated into the proposed Other Revenue will be updated annually. The change to
 19 Hydro Ottawa's Custom Price Escalation Factor ("CPEF") is described below in Section 5.

¹⁰ Totals may not sum due to rounding.

1 Table 4 below provides an update to Hydro Ottawa’s SSC Revenue for 2023. SSCs are escalated
 2 over the 2021-2025 period using the “I minus X” component of the CPEF, while the OEB generic
 3 charge is used for the pole attachment revenue. There were no other changes to Other Revenue
 4 sources for 2023, as the expected revenues for Other Operating Revenues were agreed to for all
 5 five years of Hydro Ottawa’s 2021-2025 Custom IR term, as per the 2021-2025 Approved
 6 Settlement Agreement.¹¹

8 **Table 4 – Updated Other Revenue Summary 2022-2023 (\$’000s)¹²**

	2022 Approved	2023 Proposed	2023 Updated	Change
Specific Service Charges (4235)	\$5,243	\$4,814	\$4,827	\$13
Late Payment Charges (4225)	\$1,000	\$1,000	\$1,000	\$0
Other Operating Revenue (4082, 4084, 4086, 4090)	\$1,462	\$1,460	\$1,460	\$0
Other Income & Deductions (4315, 4325, 4330, 4362, 4375, 4405)	\$1,691	\$2,017	\$2,017	\$0
TOTAL OTHER REVENUE	\$9,397	\$9,291	\$9,305	\$14

9
 10 **5. OPERATING EXPENSES**

11 **5.1 Operations, Maintenance and Administration**

12 Under a Price Cap IR, rates are adjusted using a formulaic approach in the years following the
 13 first year base rates. For Hydro Ottawa’s 2022-2025 term, a modified CPEF was agreed to in
 14 Hydro Ottawa’s Approved Settlement Agreement.¹³ Hydro Ottawa’s CPEF has been updated from
 15 the placeholder value of 3.19% used in the Original Application to 3.59% as updated by the 2023
 16 Inflationary Factor. Table 5 provides detailed calculation on the updated CPEF.

¹¹ Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261 (September 18, 2020), p. 30.

¹² Totals may not sum due to rounding.

¹³ Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261 (September 18, 2020), p. 30.

1 **Table 5 – Updated 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, 3.7% for 2023 • 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)	• 3.7% - 0.45% + 0.34% = 3.59% ¹⁴

2
 3 Table 6 provides Hydro Ottawa’s approved 2022 OM&A, the 2023 OM&A incorporated into the
 4 Proposed 2023 revenue requirement and the updated OM&A incorporated into the updated 2023
 5 revenue requirement.

6
 7 **Table 6 – Recoverable OM&A 2022-2023 (\$’000s)**

2022 Approved	2023 Proposed	2023 Updated	Change
\$93,490	\$96,472	\$96,846	\$374

8
 9 **5.2 PAYMENTS IN LIEU OF TAXES**

10 It was agreed in the 2021-2025 Approved Settlement Agreement that Payments in Lieu Of Taxes
 11 (“PILS”) would be updated annually for changes to rate base as a result of the update to WCA. In
 12 addition, it was agreed that PILS would be updated for return on equity as part of the mid-term
 13 update in 2024. For further information, please refer to Exhibit 2-3-1: Working Capital
 14 Requirement, Exhibit 4-3-1: Payments in Lieu Of Taxes, and Exhibit 5-1-1: Cost of Capital and
 15 Capital Structure.

¹⁴ Inflation rate of 3.7% as per letter from the OEB Letter, 2023 Inflation Parameters, issued October 20, 2022.

1 Hydro Ottawa has updated the 2023 PILS amounts due to the change in WCA as explained in
2 section 3 above. The Updated 2023 PILS calculations have been provided in Excel as Updated
3 Attachment 4-3-1(A): OEB Workform - 2023 Income Tax/PILS Workform.

4

5 Table 7 below provides Hydro Ottawa’s Approved 2022 PILS, the 2023 PILS incorporated into
6 the 2023 Proposed revenue requirement and the Updated PILS incorporated into the 2023
7 Updated revenue requirement.

8

9

Table 7 – Corporate PILS 2022-2023 (\$’000s)¹⁵

2022 Approved	2023 Proposed	2023 Updated	Change
\$2,131	\$6,327	\$6,331	\$4

10

11 **6. CALCULATION OF REVENUE DEFICIENCY AND SURPLUS**

12 Hydro Ottawa’s 2023 revenue requirement has been updated due to changes to WCA, OM&A,
13 and SSCs. The updates have also been incorporated into the Updated 2023 Revenue
14 Requirement Workform (“RRWF”) attached to this Schedule:

15

- 16 • Updated Attachment 6-1-1(A): OEB Workform - 2023 Revenue Requirement Workform

17

18 Table 8 below provides Hydro Ottawa’s 2022 Approved revenue requirement, the 2023 Proposed
19 revenue requirement and the 2023 Updated revenue requirement.

20

¹⁵ Totals may not sum due to rounding.

1 **Table 8 – Revenue Deficiency/Sufficiency for 2022-2023 (\$'000s)¹⁶**

	2022 Approved	2023 Proposed	2023 Updated	Change
Return on Rate Base	\$68,503	\$70,868	\$70,886	\$18
Distribution Expenses (not including amortization)	\$93,490	\$96,472	\$96,846	\$374
Depreciation, amortization	\$55,472	\$57,686	\$57,686	(\$0)
Payment in Lieu of Taxes	\$2,131	\$6,327	\$6,331	\$4
Service Revenue Requirement	\$219,596	\$231,353	\$231,749	\$396
Less Capital Stretch Factor	\$776	\$1,659	\$1,659	\$0
Service Revenue Requirement Net of Capital Stretch Factor	\$218,820	\$229,694	\$230,090	\$396
Less Revenue Offsets	\$9,397	\$9,291	\$9,305	\$14
Base Revenue Requirement	\$209,423	\$220,403	\$220,785	\$382
Transformer Ownership Credit	\$1,069	\$1,073	\$1,073	\$0
Revenue Requirement from Rates	\$210,492	\$221,476	\$221,858	\$382
Forecasted Load at 2020 Rates	\$189,731	\$191,002	\$191,002	\$0
Cumulative Revenue Deficiency (over 2020)	(\$20,761)	(\$30,474)	(\$30,856)	(\$382)
Yearly Revenue Deficiency over 2020	(\$10,418)	(\$9,713)	(\$10,095)	(\$382)

2

3 **7. RATE DESIGN**

4 **7.1 Fixed/Variable Proportion**

5 Hydro Ottawa's Approved 2022 and Updated 2023 tariffs of rates and charges are provided in
 6 Updated Attachment 8-10-1(A): OEB Workform - 2022 Current and 2023 Proposed Tariff of Rates
 7 and Charges.

8

9 The updated revenue requirement outlined in section 6 above has not changed the 2023
 10 Proposed fixed/variable splits ratios as outlined in Table 2 of Exhibit 8-1-1: Fixed/Variable
 11 Proportion.

12

13 The Distribution charge for the Residential customer class has been set at 100% fixed. As
 14 directed, fixed rates for the three commercial classes have been held constant in 2023 and the
 15 variable rates have been adjusted accordingly for the updated revenue requirement for each of

¹⁶ Totals may not sum due to rounding.

1 the classes. Table 9 summarizes the 2022 Approved, 2023 Proposed and 2023 Updated fixed
 2 and variable charges by rate class.

3
 4

Table 9 – Fixed/Variable Charges 2022-2023

	2022 Approved		2023 Proposed		2023 Updated		2023 Change	
	Fixed \$	Variable \$/kWh or \$/kW	Fixed \$	Variable \$/kWh or \$/kW	Fixed \$	Variable \$/kWh or \$/kW	Fixed \$	Variable \$/kWh or \$/kW
Residential	\$30.77	\$0.0000	\$32.08	\$0.0000	\$32.14	\$0.0000	\$0.06	\$0.0000
GS < 50 kW	\$20.83	\$0.0270	\$21.81	\$0.0283	\$21.84	\$0.0283	\$0.03	\$0.0000
GS 50 to 1,499 kW	\$200.00	\$5.6423	\$200.00	\$5.9724	\$200.00	\$5.9845	\$0.00	\$0.0121
GS 1,500 to 4,999 kW	\$4,193.93	\$5.1687	\$4,193.93	\$5.4993	\$4,193.93	\$5.5121	\$0.00	\$0.0128
Large Use	\$15,231.32	\$5.0761	\$15,231.32	\$5.4189	\$15,231.32	\$5.4310	\$0.00	\$0.0121
Unmetered Scattered Load	\$5.80	\$0.0276	\$6.23	\$0.0297	\$6.24	\$0.0297	\$0.01	\$0.0000
Sentinel Lighting	\$4.63	\$21.7203	\$5.15	\$24.1635	\$5.16	\$24.2011	\$0.01	\$0.0376
Street Lighting	\$1.01	\$6.9763	\$1.05	\$7.2934	\$1.05	\$7.3273	\$0.00	\$0.0339
Standby Power GS 50 to 1,499 kW	\$162.65	\$2.0449	\$171.53	\$2.2890	\$171.83	\$2.2930	\$0.30	\$0.0040
Standby Power GS 1,500 to 4,999 kW	\$162.65	\$1.9910	\$171.53	\$2.0996	\$171.83	\$2.1033	\$0.30	\$0.0037
Standby Power Large Use	\$162.65	\$2.0816	\$171.53	\$2.3300	\$171.83	\$2.3341	\$0.30	\$0.0041

5

6 **7.2 Retail Service Charges**

7 As approved as part of the 2021-2025 Settlement Agreement, Hydro Ottawa will continue to use
 8 the OEB generic RSC for 2021-2025. Hydro Ottawa has updated its 2023 RSC rates in
 9 accordance with those prescribed in the OEB’s Decision and Order EB-2022-0220. Table 10
 10 below summarizes the 2022 Approved, 2023 Proposed and 2023 Updated RSC rates. The
 11 updated rates are included in Hydro Ottawa’s Updated Attachment 8-10-1(A): OEB Workform -
 12 2022 Current and 2023 Proposed Tariff of Rates and Charges.

13

14 In Updated Attachment 8-10-1(A) on Tab “3. Regulatory Charges”, the Current Charge for Service
 15 Transaction Requests (“STR”) Processing fee, per request has not been updated to the 2022

1 Approved rate of \$1.07.¹⁷ The Current charge is entered as \$1.04 resulting in the 2023 Proposed
 2 charge to be incorrect. The 2023 rate for STR Processing fee, per request is also shown
 3 incorrectly on Tab “5. Final Tariff Schedule”; it should be \$1.11 as indicated in Table 10.

4
 5 **Table 10 – Retail Service Charges 2022-2023**

	2022 Approved	2023 Proposed	2023 Updated	Change
Standard Charge	\$107.68	\$111.23	\$111.66	\$0.43
Monthly Fixed Charge	\$43.08	\$44.50	\$44.67	\$0.17
Monthly Variable Charge	\$1.07	\$1.11	\$1.11	\$0.00
Distributor consolidated billing charge	\$0.64	\$0.66	\$0.66	\$0.00
Retailer consolidated billing credit	\$(0.64)	\$(0.66)	\$(0.66)	\$0.00
STR, per request	\$0.54	\$0.56	\$0.56	\$0.00
STR, per process	\$1.07	\$1.11	\$1.11 ¹⁸	\$0.00
Electronic Business Transaction, up to two per year	\$0.00	\$0.00	\$0.00	\$0.00
Electronic Business Transaction, more than two, per request	\$4.31	\$4.45	\$4.47	\$0.02

6
 7 **7.3 Smart Meter Entity Charge**

8 Hydro Ottawa has updated the SMC from the interim rate of \$0.43 to the 2023 approved rate of
 9 \$0.42.¹⁹ The 2023 approved SMC rate is included in Updated Attachment 8-10-1(A): OEB
 10 Workform - 2022 Current and 2023 Proposed Tariff of Rates and Charges. Hydro Ottawa will
 11 update SMC rates in accordance with applicable OEB Decisions and Orders.

12
 13 **7.4 Specific Service Charges**

14 As outlined in section 4 above, some SSC rates are updated annually. Hydro Ottawa’s SSCs
 15 listed below include rates that have been updated using the escalation factor increase of 3.25%
 16 as established in the 2021-2025 Approved Settlement Agreement, which uses the CPEF for

¹⁷ Ontario Energy Board, Decision and Order in the matter of inflationary adjustment effective January 1, 2022 for energy retailer service charges for electricity distributors, EB-2021-0301 (November 25, 2021), Schedule A.

¹⁸ Rate does not match to Updated Attachment 8-10-1(A).

¹⁹ Ontario Energy Board, *Decision and Order Application for Approval of a Smart Metering for the years 2023-2027 and Related Matters*, EB-2022-0137 (September 8, 2022), p. 4.

1 OM&A excluding the growth component of the factor.²⁰ For some charges, after rounding, the
2 change in escalation factor has not resulted in a change in the charge.

- 3 1. Arrears Certificate
- 4 2. Easement Certificate for Unregistered Easements
- 5 3. Duplicate Invoices for Previous Billing
- 6 4. Special Billing Service, per hour
- 7 5. Credit Reference/Credit Check (+ credit agency costs)
- 8 6. Unprocessed Payment Charge (+ bank charges)
- 9 7. Account Set Up/Change of Occupancy Charge
- 10 8. Interval Meter - Field Reading
- 11 9. High Bill Investigation - If Billing is Correct
- 12 10. Reconnection at Meter - Regular Hours
- 13 11. Reconnection at Meter - After Regular Hours
- 14 12. Reconnection at Pole - Regular Hours
- 15 13. Reconnection at Pole - After Regular Hours
- 16 14. Temporary Service - Install and Remove ("TS-I&R") - Overhead - no transformer
- 17 15. TS-I&R - Underground - no transformer
- 18 16. TS-I&R - Overhead - with transformer
- 19 17. ERF Administration Charge Without Account Set Up

20

21 Table 11 below summarizes the 2022 Approved, 2023 Proposed and 2023 Updated SSCs. The
22 Updated SSCs are included in Hydro Ottawa's Updated Attachment 8-10(A): OEB Workform -
23 2022 Current and 2023 Proposed Tariff of Rates and Charges.

²⁰ Hydro Ottawa Limited, 2021-2025 *Custom Incentive Rate-Setting Approved Settlement Proposal*, EB-2019-0261 (September 18, 2020), p. 28.

1

Table 11 – Updated Specific Service Charges 2022-2023

	2022 Approved	2023 Proposed	2023 Updated	Change
Customer Administration				
Arrears Certificate	\$16.00	\$17.00	\$17.00	\$0.00
Easement Certificate for Unregistered Easements	\$26.00	\$27.00	\$27.00	\$0.00
Duplicate Invoices for Previous Billing	\$6.00	\$6.00	\$6.00	\$0.00
Special Billing Service, per hour	\$126.00	\$130.00	\$130.00	\$0.00
Credit Reference/Credit Check (+ credit agency costs)	\$16.00	\$17.00	\$17.00	\$0.00
Unprocessed Payment Charge (+ bank charges)	\$26.00	\$27.00	\$27.00	\$0.00
Account Set Up/Change of Occupancy Charge	\$26.00	\$27.00	\$27.00	\$0.00
Interval Meter - Field Reading	\$323.00	\$333.00	\$334.00	\$1.00
High Bill Investigation - If Billing is Correct	\$243.00	\$250.00	\$251.00	\$1.00
Non-Payment of Account				
Reconnect at Meter - Regular Hours	\$69.00	\$70.00	\$71.00	\$1.00
Reconnect at Meter - After Regular Hours	\$103.00	\$106.00	\$107.00	\$1.00
Reconnect at Pole - Regular Hours	\$258.00	\$265.00	\$266.00	\$1.00
Reconnect at Pole - After Regular Hours	\$435.00	\$447.00	\$449.00	\$2.00
Other				
TS-I&R - Overhead - no transformer	\$906.00	\$932.00	\$936.00	\$4.00
TS-I&R - Underground - no transformer	\$1,314.00	\$1,352.00	\$1,357.00	\$5.00
TS-I&R - Overhead - with transformer	\$3,231.00	\$3,323.00	\$3,336.00	\$13.00
Specific Charge to Access Power Poles - Wireline	\$34.76	\$35.91	\$36.05 ²¹	\$0.14
Drycore Transformer Charge	8-7-1 (B)	8-7-1 (B)	8-7-1 (B)	
ERF Administration Charge Without Account Set Up	\$146.00	\$152.00 ²²	\$151.00	-\$1.00

2

²¹ Specific Charge to Access Power Poles has not been updated to the 2023 OEB Approved rate in Updated Attachment 8-10-1(A).

²² Based on the original escalation factor of 2.85%, 2023 proposed rate should have been submitted as \$151.00.

1 **7.5 Low Voltage and Retail Transmission Service Rates**

2 Low Voltage Charges and RTSRs have not been updated as Hydro One has not received
3 approval of its 2023 UTRs for 2023 at the time of this filing.

4

5 **7.6 Dry Core Transformer Charge**

6 The 2023 dry core transformer charges have been adjusted to reflect changes to the relevant
7 distribution variable rates, as well as the changes to the Tiered RPP rates. The updated rates are
8 outlined in Updated Attachment 8-7-1(A): Dry Core Calculations.

9

10 **7.7 Bill Impacts**

11 Table 13 below provides an updated summary of bill impacts per rate class. The updated bill
12 impacts include the updated distribution rates as well as the changes to the RPP rates and Ontario
13 Energy Rebate effective November 1, 2022. Details of the impacts of the proposed rates are
14 provided in Hydro Ottawa's Updated Attachment 8-10-1(A): OEB Workform - 2022 Current and
15 2023 Proposed Tariff of Rates and Charges.

16

17 In the Updated Attachment 8-10-1(A), Hydro Ottawa has replaced the Residential Service - RPP
18 800 kWh bill impact calculation with the Street Lighting Service - Non-RPP (other) 50 kW
19 calculation on Tab 6 "Bill Impacts". The amendment provides the comparison of Street Lighting-
20 Mid 2023 Proposed bill impacts, submitted as part of Interrogatory Response OEB-2, to the 2023
21 Updated bill impacts. Hydro Ottawa has also updated the Sentinel Lighting Rate Rider for
22 Disposition of Deferral/Variance Accounts from \$0.3033 \$/kW to \$0.3047 \$/kW to align with the
23 Rate Rider calculated per all submissions of Attachment 9-1-1(A): OEB Workform - Deferral and
24 Variance Account (Continuity Schedule). This update does not result in any changes to the 2023
25 Proposed bill impacts as presented in Table 13.

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Table 13 – Summary of Rate Impacts

Rate Class		2022 Approved	2023 Proposed	2023 Updated	2023 Change
Residential (750 kWh)	Distribution Charge	\$30.52	\$32.33	\$32.39	\$0.06
	Change in Distribution Charge		\$1.81	\$1.87	\$0.06
	% Distribution Increase		5.93%	6.13%	0.20%
	% Increase of Total Bill		3.71%	4.01%	0.30%
Residential (232 kWh)	Distribution Charge	\$30.52	\$32.33	\$32.39	\$0.06
	Change in Distribution Charge		\$1.81	\$1.87	\$0.06
	% Distribution Increase		5.93%	6.13%	0.20%
	% Increase of Total Bill		4.46%	4.74%	0.28%
General Service <50 kW (2000 kWh)	Distribution Charge	\$74.63	\$79.81	\$79.84	\$0.03
	Change in Distribution Charge		\$5.18	\$5.21	\$0.03
	% Distribution Increase		6.94%	6.98%	0.04%
	% Increase of Total Bill		3.87%	4.15%	0.28%
General Service 50 kW - 1,499 kW (250 kW)	Distribution Charge	\$1,557.88	\$1,631.18	\$1,634.20	\$3.02
	Change in Distribution Charge		\$73.30	\$76.33	\$3.03
	% Distribution Increase		4.71%	4.90%	0.19%
	% Increase of Total Bill		3.27%	3.31%	0.04%
General Service 1,500 kW - 4,999 kW (2,500 kW)	Distribution Charge	\$16,698.18	\$18,447.43	\$18,479.43	\$32.00
	Change in Distribution Charge		\$1,749.25	\$1,781.25	\$32.00
	% Distribution Increase		10.48%	10.67%	0.19%
	% Increase of Total Bill		0.81%	0.83%	0.02%
Large Use (7,500 kW)	Distribution Charge	\$51,802.82	\$57,381.32	\$57,472.07	\$90.75
	Change in Distribution Charge		\$5,578.50	\$5,669.25	\$90.75
	% Distribution Increase		10.77%	10.94%	0.17%
	% Increase of Total Bill		3.59%	3.61%	0.02%

Rate Class		2022 Approved	2023 Proposed	2023 Updated	2023 Change
Sentinel Lighting (0.4 kW)	Distribution Charge	\$13.11	\$14.82	\$14.84	\$0.02
	Change in Distribution Charge		\$1.70	\$1.73	\$0.03
	% Distribution Increase		12.99%	13.18%	0.19%
	% Increase of Total Bill		8.77%	9.24%	0.47%
Street Lighting (1 kW)	Distribution Charge	\$7.65	\$10.32	\$10.35	\$0.03
	Change in Distribution Charge		\$2.67	\$2.71	\$0.04
	% Distribution Increase		34.94%	35.38%	0.44%
	% Increase of Total Bill		14.03%	15.02%	0.99%
Street Lighting (50 kW)	Distribution Charge	\$596.41	\$738.46	\$740.15	\$1.69
	Change in Distribution Charge		\$142.05	\$143.74	\$1.69
	% Distribution Increase		23.82%	24.10%	0.28%
	% Increase of Total Bill		5.42%	5.48%	0.06%
Unmetered Scattered Load (470 kWh)	Distribution Charge	\$18.30	\$20.19	\$20.20	\$0.01
	Change in Distribution Charge		\$1.89	\$1.90	\$0.01
	% Distribution Increase		10.31%	10.36%	0.05%
	% Increase of Total Bill		4.70%	5.05%	0.35%

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2 **7.8 Street Lighting Bill Impacts**

3 As part of Interrogatory response OEB-2, Hydro Ottawa submitted additional bill impact
 4 calculations for the Street Lighting rate class. In these calculations, provided by way of Attachment
 5 OEB-2(A), the low voltage rate included was incorrect and the Rate Rider for Global Adjustment
 6 was not updated to the value for 2023. The low voltage rate included in the 2023 Proposed
 7 calculation was the Sentinel Lighting rate of \$0.01495 \$/kW instead of the Street Lighting rate of
 8 \$0.01525 \$/kW. The Global Adjustment Rate Rider in the 2023 Proposed calculation was not
 9 linked to the proposed 2023 rate of \$-0.0029 \$/kWh, and instead was using the 2022 rate of
 10 0.0006 \$/kWh. Both rates affect the % Increase of Total Bill of Table A.

1 Table A originally submitted in OEB-2 has been revised below to reflect the calculation with the
 2 corrected rates.

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Table A - AS REVISED - Summary of Streetlight Rate Impact

Load Profile		2022 Approved	2023 Proposed AS ORIGINALLY SUBMITTED	2023 Proposed AS REVISED
Street Lighting - Low (50 kW)	Distribution Charge	\$85.41	\$107.74	\$107.74
	Change in Distribution Charge		\$22.33	\$22.33
	% Distribution Increase		26.15%	26.15%
	% Increase of Total Bill		8.16%	5.78%
Street Lighting - Mid (50 kW)	Distribution Charge	\$596.41	\$738.46	\$738.46
	Change in Distribution Charge		\$142.05	\$142.05
	% Distribution Increase		23.82%	23.82%
	% Increase of Total Bill		7.78%	5.42%
Street Lighting - High (50 kW)	Distribution Charge	\$97,124.87	\$113,278.10	\$113,278.10
	Change in Distribution Charge		\$16,153.23	\$16,153.23
	% Distribution Increase		16.63%	16.63%
	% Increase of Total Bill		7.35%	5.25%

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7.9 Revised Deferral and Variance Account Workform

8 As indicated in Exhibit 9-3-1, Hydro Ottawa proposes to apply the customer-specific Class A GA
 9 adjustments and WMS CBR as a one-time adjustment rather than monthly adjustments. As such,
 10 Hydro Ottawa made two minor modifications to the OEB's Deferral and Variance Account
 11 Workform by greying out the values in tabs 6.1a and 6.2a that showed the Class A GA
 12 adjustments and WMS CBR in monthly equal payments as those amounts are not applicable.
 13 Please see Rsvd2 Attachment 9-1-1(A) OEB Workform - Deferral and Variance Account
 14 (Continuity Schedule)

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All of which are respectfully submitted this 16th day of November, 2022.