PUC DISTRIBUTION INC.
2022
INCENTIVE RATE-MAKING
APPLICATION
EB-2021-0054

NOVEMBER 24, 2021

November 24, 2021

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

Dear Ms. Long,

Re: Electricity Distribution License ED-2002-0546
2022 IRM Application for Electricity Distribution Rates (EB-2021-0054)

PUC Distribution Inc. ("PUC") is pleased to submit its Electricity Distribution Rates application under the Fourth Generation Incentive Rate-Setting Mechanism ("Price Cap IR") to the Ontario Energy Board ("OEB") for electricity distribution rates and other charges effective May 1, 2022.

The Filing includes the Application; the Manager's Summary; and excel versions of the following models or files:

1. Appendix D - 2022 IRM Rate Generator Model
2. Appendix E - 2022 GA Analysis Workform
3. Appendix F - 2022 IRM Checklist
4. Appendix H - Sault Smart Grid Rate Rider Model (EB-2020-0249/EB-2018-0219)

The Filing and supporting materials are being filed through the OEB's web portal (RESS).

Yours truly,

K. Mark Faught, CPA, CMA
Director, Finance
Telephone: 705-759-0105
Email: regulatory@ssmpuc.com

Attachments

IN THE MATTER OF the *Ontario Energy Board Act, 1998*, being Schedule B to the Energy Competition Act, S.O. 1998, c.15;

AND IN THE MATTER OF an application by PUC Distribution Inc. to the Ontario Energy Board for an Order or Orders approving or fixing just and reasonable rates and other charges for electricity distribution to be effective May 1, 2022.

Title of Proceeding:	An application by PUC Distribution Inc. for an Order or Orders approving or fixing just and reasonable distribution rates and other charges, effective May 1, 2022.
Applicant Name:	PUC Distribution Inc.
Applicant's Address for Service:	500 Second Line East Sault Ste. Marie, Ontario, P6A 6P2
Primary Contact:	K. Mark Faught, CPA, CMA Director, Finance Telephone: 705-759-0105 Email: regulatory@ssmpuc.com
Applicant's Internet Address:	https://www.ssmpuc.com

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Appendices:

MANAGER'S SUMMARY

1. Application

PUC Distribution Inc. ("PUC") hereby applies to the Ontario Energy Board (the "OEB") for approval of its proposed distribution rates and other charges, effective May 1, 2022. PUC has prepared the 2022 4th Generation Incentive Rate-Setting Mechanism application consistent with Chapter 3 of the filing requirements for electricity distribution rate applications as revised by the OEB on June 24, 2021.

This Application will affect all ratepayers in PUC's service territory. PUC requests that, pursuant to Section 34.01 of the Board's Rules of Practice and Procedure, this proceeding be conducted by way of written hearing. In the event that the Board is unable to provide a Decision and Order in this Application for implementation by the Applicant as of May 1, 2022, PUC requests that the Board issue an Interim Rate Order declaring the current Distribution Rates and Specific Service Charges as interim until such time as the 2022 rates are approved. In the event that the effective date does not coincide with the Board's decided implementation date for 2022 Distribution Rates and Charges, PUC requests to be permitted to recover the incremental revenue from the effective date to the implementation date.

The OEB requires a certification by the Chief Executive Officer (CEO), or Chief Financial Officer (CFO), or equivalent. The Application must include a certification that the distributor has robust processes and internal controls in place for the preparation, review, verification, and oversight of the account balances being disposed, consistent with the certification requirements in Chapter 1 of the filing requirements. This Certification has been included as Appendix "A".

PUC has used the most current version of the OEB's 2022 IRM Rate Generator Model and Global Adjustment Analysis Workform in the preparation of this filing and confirms the accuracy of the billing determinants and Trial Balance data for the prepopulated Models. A copy of PUC's current 2021 Tariff of Rates and Charges, for rates effective May 1, 2021 and implemented May 1, 2021, is included as Appendix "B". The proposed 2022 Tariff of Rates and Charges is included as Appendix "C".

The completed 2022 IRM Rate Generator Model, in PDF format, is included as Appendix "D". PUC understands that OEB Staff will update the Model for adjusted Retail Transmission Service Rates and parameters for determining the Annual Adjustment Mechanism when established by the Board. PUC is applying for Group 1 – Deferral and Variance Account disposition, including final disposition of USofA accounts 1588 and 1589. PUC has completed the 2022 GA Analysis Workform as required in the Filing Requirements and included it as Appendix "E". The 2022 IRM Checklist is provided as Appendix "F". PUC has also provided its Sault Smart Grid IRM Decision and Rate Model as Appendix "G" and "H".

Specifically, PUC's Application hereby applies for an Order or Orders approving distribution rates updated and adjusted in accordance with the Chapter 3 Requirements as follows:

- An Annual Adjustment Mechanism of 3.00% applied to existing distribution rates determined by the OEB's calculated inflation factor for incentive rate setting under the Price Cap IR Price Escalator of 3.3%, reduced by the Productivity Factor of 0%, and further reduced by PUC's Stretch Factor Value of 0.30% for Group III utilities;
- Continuation of the Rate Rider for Embedded Generation Adjustment as approved in the 2018 COS Application [EB-2017-0071];
- Continuation of the Rate Rider for Substation-16 Incremental Capital as approved in the 2020 ICM Application [EB-2019-0170];
- Continuation of the Rate Rider for Forgone Revenue for the deferred implementation of PUC's May 1, 2020 rates – effective until October 31, 2022 [EB-2019-0170];
- Disposition of Group 1 Deferral/Variance Accounts for the year end balance as of December 31, 2020.
- Adjustment to the Retail Transmission Service Rates as provided in Guideline (G-2008-0001) on Retail Transmission Service Rates – October 22, 2008 (revision 4.0 June 28, 2012);
- Continuation of the Wholesale Market Service Rate, Capacity Based Recovery (CBR) Class B, Rural Rate Protection Charge, the Standard Supply Service Charge, Specific Service Charges, MicroFIT Service Charge, Retail Service Charges, the Smart Metering Entity Charge and Loss Factors as approved in PUC's 2018 COS Application (EB-2017-0071);
- Commencement of the Rate Rider for Sault Smart-Grid Incremental Capital as approved in the 2019 ICM Application [EB-2020-0249/EB-2018-0219] effective May 1, 2022.

Table 1 below summarizes PUC's 2022 proposed distribution rates, as compared to current approved rates.

Table 1 – 2022 Proposed Distribution Rates

Rate Class	Current MFC	Current Volumetric Charge	Price Cap Index	Proposed MFC	Proposed Volumetric Charge
Residential	$ 32.74	$ -	3.00%	$ 33.72	$ -
General Service Less than 50 kW	$ 21.67	$ 0.0260	3.00%	$ 22.32	$ 0.0268
General Service 50 to 4,999 kW	$ 119.68	$ 7.0368	3.00%	$ 123.27	$ 7.2479
Unmetered Scattered Load	$ 13.27	$ 0.0400	3.00%	$ 13.67	$ 0.0412
Sentinel Lighting	$ 3.72	$ 34.664	3.00%	$ 3.83	$ 35.704
Street Lighting	$ 1.43	$ 9.3360	3.00%	$ 1.47	$ 9.6161
MicroFIT	$ 4.55	$ -	0.00%	$ 4.55	$ -

2. Annual Adjustment Mechanism

The annual adjustment mechanism is defined as the annual percentage change in the inflation factor less an X-Factor (i.e., productivity factor and stretch factor). As part of the supplemental report on the RRFE (Renewed Regulatory Framework for Electricity Distributors) the Board will establish the final inflation factor, productivity factor and stretch factor to apply to distributors for 2022 rate setting. The OEB issued a final Decision and Order on November 18, 2021. The Rate Generator Model has been updated to include the final approved rate at 3.3%.

PUC has confirmed the accuracy of the billing determinants for pre-populated models. PUC has populated the IRM Rate Generator Model using the inflation factor of 3.30%, productivity factor of 0.00% and a stretch factor of 0.30% (representing the second cohort) for a total price index adjustment of 3.00%. PUC understands the Board will update PUC's Rate Generator Model with the final parameters as established.

3. Revenue-to-Cost Ratio Adjustment

PUC is not proposing to adjust the revenue-to-cost ratios and therefore has not completed the 2022 IRM Revenue to Cost Ratio Adjustment Model.

4. Rate Design for Residential Electricity Customers

PUC transitioned to a 100% fixed monthly distribution charge for Residential customers in its 2020 IRM Rate Application.

5. Retail Transmission Service Rates

PUC is applying for an increase in the network service rates in accordance with the OEB guidelines Electricity Distribution Retail Transmission Service Rates ("RTSR"), Revision 4.0 (G-2008-0001) issued October 22, 2008 and with revisions up to June 28, 2012. The increase is calculated using the 2022 IRM Rate Generator Model issued by the OEB that applies historical wholesale and retail consumption to current and future wholesale and retail rates.

Consistent with prior years, PUC's customers are not subject to the retail connection transmission service rates because PUC receives power at 115kV and owns the transformer equipment to step down to distribution levels.

PUC understands that the Board will adjust the RTSRs in each distributor's rate application model once the approved Uniform Transmission Rates are determined. The most recent billing determinants, reported in the 2020 year-end RRR filings under 2.1.5 Performance Based Regulation, were used for the calculation of the forecasted RTRS rates.

Table 2 – Forecasted 2022 RTSR – Network Rates

Rate Class	Current RTSR - Network ($)	Proposed RTSR - Network ($)
Residential (kWh)	$ 0.0076	$ 0.0082
General Service <50 kW (kWh)	$ 0.0071	$ 0.0076
General Service > 50kW (kW)	$ 2.8728	$ 3.0887
General Service >50 kW Interval Metered (KW)	$ 3.6130	$ 3.8845
USL (kWh)	$ 0.0071	$ 0.0076
Sentinel Lighting (kW)	$ 2.1776	$ 2.3412
Street Lighting (kW)	$ 2.1669	$ 2.3297

6. Review and Disposition of Group 1 Deferral and Variance Account Balances

PUC seeks Board approval to dispose the balances of Group 1 deferral and variance accounts on an interim basis as of December 31, 2020, including interest to April 30, 2021. The Board issued its Report on Electricity Distributor's Deferral and Variance Account Review Initiative ("EDDVAR Report") on July 31, 2009 (EB-2008-0046). The EDDVAR Report directs electricity distributors to review and dispose Group 1 deferral and variance audited account balances, which do not require a prudence review, in an IRM Rate Application if the pre-set disposition threshold is exceeded. The Board established a disposition threshold at $0.001/kWh.

PUC has completed the Deferral and Variance Accounts schedule, Tab "3. Continuity Schedule," in the 2022 IRM Rate Generator Model and has reconciled December 31, 2020 audited balances with the June 1, 2021 RRR Filing. Actual interest has been calculated based on the Board's prescribed rates. Forecasted interest for the period January 1, 2022 to April 30, 2022 is based upon the last Board prescribed rate of 0.57%.

Table 3 – Reconciliation of Deferral and Variance Account Balances

Account Descriptions	USoA #	Total Principal (December 31, 2020)	Total Interest (December 31, 2020)	Total Principal and Interest	2.1.7 RRR Balances (December 31, 2019)	Variance
Smart Metering Entity Charge Variance Account	1551	(59)	10	(49)	(24,158)	-
RSVA - Wholesale Market Service Charge	1580	(222,378)	(5,150)	(227,528)	(669,848)	(89,866)
Variance WMS – Sub-account CBR Class B	1580	(32,083)	(326)	(32,409)	-	89,866
RSVA - Retail Transmission Network Charge	1584	247,814	(1,144)	246,669	399,404	
RSVA - Power	1588	435,452	(1,944)	433,508	(223,683)	1,034,172
RSVA - Global Adjustment	1589	268,473	15,883	284,356	1,862,045	(1,034,172)
1595 Disposition (pre 2016)	1595	-	189	189	189	-
1595 Disposition (2018)	1595	67,188	(64,088)	3,100	(11,621)	(14,721)
1595 Disposition (2019)	1595	10,720	(12,172)	(1,452)	-	1,452
Total - Group 1 Accounts		**$ 775,126**	**$ (68,743)**	**$ 706,383**	**$ 1,332,328**	**$ (13,270)**

A total variance of ($13,270) is calculating in Tab “3. Continuity Schedule” of the IRM Model.

The variance for the RSVA – Wholesale Market Service Charge is not a difference between the continuity and the RRRs – the IRM Model is double counting the CBR Class B balance of in the RSVA – Wholesale Market Service Charge. It is included in the main account and the sub-account.

Variances of $1,034,172 and ($1,034,172) in accounts RSVA – Power (USoA 1588) and RSVA – Global Adjustment (USoA 1589), respectively, are corrections related to 2020 activity, which PUC identified after filing its 2020 RRR’s and is requesting a RRR revision to correct.

Variances of ($14,721) and $1,452 in accounts 1595 (2018) and 1595 (2019) are corrections to disposal account year reconciliations PUC identified after filing its 2020 RRR’s corrections that will be requested in a revision.

With the exception of these differences, all balances agree to the RRR balances filed for December 31, 2020.

PUC confirms that no adjustments have been made to any deferral and variance account balances previously approved by the OEB on a final basis. PUC also confirms that the last OEB-Approved balance of $639,215 has been transferred to Account 1595 (as identified in PUC’s IRM 2021 application EB-2020-0051).

PUC last claimed Group 1 Account Balances in its 2021 IRM Application. This is reflected in the year end balances as of December 31, 2019. PUC is requesting disposition of Group 1 Deferral and Variance Account balances, including 1589. PUC meets the threshold test of .001$/kWh. PUC is not eligible to claim any residual balances in 1595. Currently there are residual balances in 1595 for the 2018 and 2019 vintage years. These balances will be brought forth later in accordance with the Chapter 3 Filing requirements.

Threshold Test

For the 2020 period, the total claim in the Group 1 accounts total **$709,845** (including Account 1589 – Global Adjustment) which leads to a threshold value test of $0.0012. This exceeds the materiality threshold of +/-$0.001/kWh as defined in the Filing Requirements. The balance is driven primarily by the RSVA – Global Adjustment variance from 2020.

Total Claim (including Account 1568)	$ 709,845
Total Claim for Threshold Test (All Group 1 Account)	$ 709,845
Threshold Test (Total Claim per kWh)	$ 0.0012

Table 4 – Proposed Disposition of Deferral and Variance Accounts

Group 1 Accounts	USoA #	Total Principal	Total Interest (Projected)	Total Claim for Disposition
Smart Metering Entity Charge Variance Account	1551	$ (59)	$ 9	$ (50)
RSVA - Wholesale Market Service Charge	1580	$ (254,461)	$ (7,409)	$ (261,870)
RSVA - Retail Transmission Network Charge	1584	$ 247,814	$ 739	$ 248,553
RSVA - Power (excluding Global Adjustment)	1588	$ 435,452	$ 6,625	$ 442,077
RSVA - Global Adjustment	1589	$ 268,473	$ 12,663	$ 281,136
Total Group 1 Account		**$ 697,218**	**$ 12,627**	**$ 709,845**

PUC has used the same allocation methodology as used in previous proceedings to assign Group 1 balances to its rate classes. In consideration of the recommendation outlined in the Filing Requirements along with assessing bill impacts, PUC has proposed a one-year disposition period. Rate rider calculations can be found in Table 5, 6 and 7 and the electronic copy of the 2022 IRM Rate Generator Model that has been submitted with this Application. A pdf version of the Model has been provided in Appendix "D" to this Application.

Table 5 – Proposed Group 1 Deferral and Variance Account Rate Riders

Group 1 Deferral and Variance Account Rate Riders					
Rate Class	Unit	Total Metered kWh	Total Metered kW	Allocation of Group 1 Account Balances to All Classes	Deferral/Variance Account Rate Rider
RESIDENTIAL SERVICE CLASSIFICATION	kWh	298,184,963	-	$ 224,171	$ 0.0008
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	kWh	84,774,528	-	$ 63,740	$ 0.0008
GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION	kW	227,128,751	546,908	$ 170,786	$ 0.3123
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	kWh	870,821	-	$ 655	$ 0.0008
SENTINEL LIGHTING SERVICE CLASSIFICATION	kW	204,140	598	$ 153	$ 0.2567
STREET LIGHTING SERVICE CLASSIFICATION	kW	2,468,997	7,202	$ 1,857	$ 0.2578
Total		613,632,200	554,708	$ 461,361	

7. Wholesale Market Participants

A Wholesale Market Participant ("WMP") refers to any entity that participates directly in any of the Independent Electricity System Operator ("IESO") administered markets; and therefore, should not be allocated balances related to transmission network and connection charges and disposition/refund of regulatory balances. PUC confirms that none of its customers are WMPs and therefore separate rate riders do not apply.

8. Global Adjustment

Distributors must provide a description of their settlement process with the IESO, in accordance with Chapter 3 of the Board's Filing Requirements for Electricity Distribution Rate Applications. Distributors must specify the GA rate used when billing customers for each rate class, itemize the process for providing consumption estimates to the IESO, and describe the true-up process to reconcile estimates of RPP and non-RPP consumption once actuals are known.

Class B and A Customers

PUC settles GA costs with Class A customers on the basis of actual GA prices and therefore has not allocated any of the GA variance balance to these customers for the period that they were designated Class A.

For non-RPP Class B customers, the RSVAGA captures the difference between the amounts billed (or estimated to be billed) by the distributor and the actual amount paid by the distributor to the IESO for those customers. The manner in which the balance in the RSVAGA is disposed of is dependent on whether a customer was a non-RPP Class B customer for the full year the RSVAGA balance relates to or whether they transitioned between Class A and Class B during that year.

GA Analysis Workform

Distributors must complete the GA Analysis Workform to determine whether the annual balance in Account 1589 is reasonable. The Workform compares the General Ledger principal balance to an expected principal balance based on monthly GA volumes, revenues, and costs. Distributors may provide reconciling items to explain and reduce the discrepancy between the actual and expected balance. Any unexplained discrepancies should be calculated separately for each calendar year and any unexplained discrepancy for each year greater than +/- 1% of total annual IESO GA charges will be considered material.

The GA Workform compares the principal activity in the general ledger for the RSVAGA to the expected principal balance based on monthly GA volumes, revenue, and costs. The GA Workform provides a tool to assess if the principal activity in the RSVAGA in a specific year is reasonable.

PUC has completed the GA Analysis Workform as provided in Appendix "E." As noted in the reconciliation notes, PUC identified an error in using the unadjusted GA rate to determine the Non-RPP Global Adjustment for deferred months April, May, June. This has been corrected with this reconciliation and an adjustment will be made in 2021.

Table 6 – Proposed Global Adjustment Rate Riders

Global Adjustment Rate Riders							
Rate Class	Unit	Total Metered Non-RPP 2020 Consumption excluding WMP	Total Metered 2020 Consumption for Class A Customers that were Class A for the entire period GA balance accumulated	Non-RPP Metered Consumption for Current Class B Customers (Non-RPP Consumption excluding WMP, Class A and Transition Customers' Consumption)	Total GA $ allocated to Current Class B Customers	GA Rate Rider (kWh)
RESIDENTIAL SERVICE CLASSIFICATION	kWh	4,871,366	-	4,871,366	$ 8,157	$ 0.0017
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	kWh	12,762,216	-	12,762,216	$ 21,371	$ 0.0017
GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION	kW	147,917,446	37,839,473	147,917,446	$ 247,692	$ 0.0017
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	kWh	-	-	-	$ -	$ -
SENTINEL LIGHTING SERVICE CLASSIFICATION	kW	-	-	-	$ -	$ -
STREET LIGHTING SERVICE CLASSIFICATION	kW	2,338,809	-	2,338,809	$ 3,916	$ 0.0017
Total		167,889,837	37,839,473	167,889,837	$ 281,136	

9. Commodity Accounts 1588 and 1589

On February 21, 2019, the OEB released a letter entitled Accounting Guidance related to Accounts 1588 Power and 1589 RSVA Global Adjustment as well as the related accounting guidance.

This accounting guidance was effective January 1, 2019 and was to be implemented by August 31, 2019. The OEB expects that all transactions recorded to these accounts during 2019 will have been accounted for in accordance with this guidance.

PUC confirmed in its 2021 IRM application that it has fully implemented the OEB’s February 21, 2019 guidance effective from January 1, 2019; specifically:

- RPP settlement true-up claims are conducted on a monthly basis;
- The balances in RSVAPOWER and RSVAGA that are requested for disposition in this Application reflect the RPP settlement amounts pertaining to the period that is being requested for disposition i.e., 2020;
- PUC has no true-up claims for 2020 which have not already been reflected in the 2020 audited financial statements.

In its 2021 IRM application PUC provided confirmation that the historical balances were reviewed, and a summary of the Settlement process was provided. PUC confirms that 2019 was the year in which Accounts 1588 and 1589 were last approved for disposition on a final basis.

PUC is seeking disposition of its 2020 commodity pass through accounts in this Application.

10.Disposition of Account 1595

PUC confirms that the disposition of residual balances for vintage Account 1595 have only been requested once the disposition balance is a year after the rate rider's sunset date has expired and the balances have been externally audited. No 1595 account balances are being disposed as part of this application therefore the 1595 Workform has not been filed.

11. Capacity Based Recovery

PUC has followed the approach identified in the Filing Requirements to address the disposition of CBR variances. A separate rate rider has been calculated in Tab 6.2.CBR B in the Rate Generator model to dispose the balance over the period of one year.

Table 7 – Proposed CBR Class B Rate Riders

CBR Class B Rate Riders					
Rate Class	**Unit**	**Total Metered kWh**	**Total Metered kW**	**Allocation of Group 1 Account Balances to All Classes**	**Deferral/Variance Account Rate Rider 2**
RESIDENTIAL SERVICE CLASSIFICATION	kWh	298,184,963	-	$ (16,910)	$ (0.0001)
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	kWh	84,774,528	-	$ (4,807)	$ (0.0001)
GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION	kW	189,289,278	457,981	$ (10,734)	$ (0.0234)
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	kWh	870,821	-	$ (49)	$ (0.0001)
SENTINEL LIGHTING SERVICE CLASSIFICATION	kW	204,140	598	$ (12)	$ (0.0201)
STREET LIGHTING SERVICE CLASSIFICATION	kW	2,468,997	7,202	$ (140)	$ (0.0194)
Total		575,792,727	465,781	$ (32,652)	

12. LRAM Variance Account (LRAMVA)

In accordance with the Board's Guidelines for Electricity Distributors CDM, at a minimum, distributors must apply for disposition of the balance in the LRAMVA at the time of their Cost of Service Rate Applications. Distributors may apply for the disposition of the LRAMVA balance in IRM Rate Applications if the balance is deemed significant by the applicant. All requests for disposition of the LRAMVA must be made together with carrying charges.

PUC proposes no disposition of Account 1568 LRAMVA balance with this Rate Application.

13. Tax Changes

In its Supplemental Report of the Board on 3rd Generation Incentive Regulation for Ontario's Electricity Distributors [EB-207-0673], the OEB determined a 50/50 sharing of the impact of currently known legislation tax changes as applied to the tax level reflected in the Board-approved base rates for distributors is appropriate. The tax allocation will be allocated to customer rate classes based on the last Board approved COS distribution revenue. The Board ahs determined that currently known tax changes from the level reflected in the Board-approved base rates will be reflected in the IRM adjustments.

PUC has completed the OEB's 2022 IRM Rate Generator Model (Tab "8. STS-Tax Change" and Tab "9. Shared Tax-Rate Rider") and calculated annual tax changes allocated to customer rate classes based on the 2018 Board Approved billing determinants and distribution rates (2018 COS file number EB-2017-0071). As there is no tax change from the 2018 year of the cost of service, the Incremental Tax Savings is $nil.

14. Z-Factor Claims and Incremental Capital Module (ICM)

PUC is not applying for recovery of a Z-Factor claim or an ICM in this proceeding.

15. PUC ICM Sault Smart Grid Project

On April 29, 2021, PUC Distribution Inc. received approval for its ICM application (EB-2020-0249/EB-2018/0219) relating to the Sault Smart Grid project for rates effective May 1, 2022. A copy of the Decision and Order has been attached as Appendix G. The ICM rates approved are reflected in PUC's ICM model filed with application EB-2020-0249/EB-2018-0219 and attached here as Appendix H. Table 8 below summarizes the ICM rate riders effective May 1, 2022. PUC's 2022 Proposed Tariff of Rates and Charges can be found in Appendix "C". Table 8 below summarizes the monthly bill impacts by customer class.

Table 8 – Smart Grid ICM Rate Riders

Rate Class		Rate Rider for Recovery of Incremental Capital	
		Fixed	Variable
Residential	$	$ 1.43	$ -
General Service Less than 50 kW	$/kWh	$ 0.95	$ 0.0011
General Service 50 to 4,999 kW	$/kW	$ 5.24	$ 0.3082
Unmetered Scattered Load	$/kWh	$ 0.58	$ 0.0018
Sentinel Lighting	$/kW	$ 0.16	$ 1.5182
Street Lighting	$/kW	$ 0.06	$ 0.4089

16. Treatment of Costs for "eligible investments"

PUC submitted its 5-year Distribution System Plan ("DSP") with its 2018 Cost of Service Rate Application. As referenced within Section 2.3.9 of the DSP, PUC's distribution system is capable of accommodating REG and no capital investments are needed for capacity upgrades to facilitate the connection of renewable energy generation plant at this time. Therefore, no requirement to establish deferral accounts for these types of costs or recovery of costs is requested or required.

17. Conservation and Demand Management Costs for Distributors

PUC's CDM programs are funded through the IESO and therefore confirms that no CDM costs are included in distribution rates.

18. Bill Impacts

Bill impacts were derived for each rate class using the 2022 IRM Rate Generator Bill Impact calculation in Sheet 20. A detailed listing of customer bill impacts is set out under Sheet 20 of the 2022 IRM Rate Generator Model.

No rate mitigation plans are necessary as a result of the bill impacts.

Table 9 – Bill Impact Summary

Rate Class	Avg Monthly Volume		RPP/Non-RPP	Total Current Bill	Total Proposed Bill	Total Bill Impact ($)	Total Bill Impact (%)
	kWh	kW					
Residential	750	-	RPP	$ 117.06	$ 120.20	$ 3.14	2.68%
General Service Less than 50 kW	2,000	-	RPP	$ 296.36	$ 303.55	$ 7.19	2.43%
General Service 50 to 4,999 kW	57,220	145	Non-RPP	$ 20,434.13	$ 20,531.46	$ 97.33	0.48%
Unmetered Scattered Load	3,600	-	RPP	$ 556.75	$ 571.30	$ 14.55	2.61%
Sentinel Lighting	50	1	Non-RPP	$ 63.10	$ 66.68	$ 3.58	5.67%
Street Lighting	199,852	585	Non-RPP	$ 92,237.04	$ 89,806.48	$ (2,430.56)	-2.64%

19.Conclusion

In summary, total bill impacts are well below the rate mitigation threshold and PUC considers the proposed distribution rates and applicable disposition to be both reasonable and prudent.

Appendix A

CERTIFICATION OF EVIDENCE

CERTIFICATION OF EVIDENCE

As Vice President, Finance & Corporate Support of PUC Distribution Inc., I certify that to the best of my knowledge:

a) the evidence filed in PUC's 2021 IRM application is accurate, complete and consistent with the requirements from Chapter 3 of the Board's *Filing Requirements for Electricity Distribution Rate Applications* last updated on June 24, 2021;

b) the accuracy of the billing determinants for pre-populated models;

c) that robust processes and internal controls are in place for the preparation, verification and oversight of variance account balances; and

d) the evidence filed in support of this Application does not include any personal information, as identified in the certification requirements for personal information in Chapter 1 of the filing requirements.

Respectfully submitted,

Kelly McLellan, CPA, CMA

Vice President, Finance & Corporate Support

Dated at Sault Ste. Marie, Ontario, this 24th of November, 2021

Appendix B

2021 Current Tariff of Rates and Charges
(2021 Rate Order EB-2020-0051)

PUC Distribution Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2021

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2020-0051

RESIDENTIAL SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less where the electricity is used exclusively in a single family unit, non-commercial. This can be a separately metered living accommodation, town house, apartment, semi-detached, duplex, triplex or quadruplex with residential zoning. Class B consumers are defined on 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	$	32.74
Rate Rider for Recovery of COVID-19 Forgone Revenue from Postponing Rate Implementation - effective from November 1, 2020 and effective until October 31, 2022	$	1.09
Rate Rider for Recovery of Incremental Capital (2020) - effective until the effective date of the next cost of service based rate order	$	0.39
Smart Metering Entity Charge - effective until December 31, 2022	$	0.57
Rate Rider for Disposition of Global Adjustment Account (2021) - effective until April 30, 2022 Applicable only for Non-RPP Customers	$/kWh	0.0028
Rate Rider for Disposition of Deferral/Variance Accounts (2021) - effective until April 30, 2022	$/kWh	0.0002
Rate Rider for Disposition of Capacity Based Recovery Account (2021) - effective until April 30, 2022 Applicable only for Class B Customers	$/kWh	(0.0001)
Rate Rider for Recovery of COVID-19 Forgone Revenue from Postponing Rate Implementation - effective from November 1, 2020 and effective until October 31, 2022	$/kWh	(0.0010)
Retail Transmission Rate - Network Service Rate	$/kWh	0.0076

MONTHLY RATES AND CHARGES - Regulatory Component

Rate Rider for Embedded Generation Adjustment	$/kWh	(0.0004)
Wholesale Market Service Rate (WMS) - not including CBR	$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers	$/kWh	0.0004

PUC Distribution Inc.
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Rural or Remote Electricity Rate Protection Charge (RRRP)	$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	$	0.25

PUC Distribution Inc.

TARIFF OF RATES AND CHARGES

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GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification applies to a non residential account taking electricity at 750 volts or less whose average monthly peak demand is less than, or is forecast to be less than, 50 kW. Class B consumers are defined on 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	$	21.67
Rate Rider for Recovery of COVID-19 Forgone Revenue from Postponing Rate Implementation - effective from November 1, 2020 and effective until October 31, 2022	$	0.14
Rate Rider for Recovery of Incremental Capital (2020) - effective until the effective date of the next cost of service based rate order	$	0.26
Smart Metering Entity Charge - effective until December 31, 2022	$	0.57
Distribution Volumetric Rate	$/kWh	0.0260
Rate Rider for Disposition of Global Adjustment Account (2021) - effective until April 30, 2022 Applicable only for Non-RPP Customers	$/kWh	0.0028
Rate Rider for Disposition of Deferral/Variance Accounts (2021) - effective until April 30, 2022	$/kWh	0.0002
Rate Rider for Disposition of Capacity Based Recovery Account (2021) - effective until April 30, 2022 Applicable only for Class B Customers	$/kWh	(0.0001)
Rate Rider for Recovery of COVID-19 Forgone Revenue from Postponing Rate Implementation - effective from November 1, 2020 and effective until October 31, 2022	$/kWh	0.0001
Rate Rider for Recovery of Incremental Capital (2020) - effective until the effective date of the next cost of service based rate order	$/kWh	0.0003
Retail Transmission Rate - Network Service Rate	$/kWh	0.0071

MONTHLY RATES AND CHARGES - Regulatory Component

Rate Rider for Embedded Generation Adjustment	$/kWh	(0.0004)
Wholesale Market Service Rate (WMS) - not including CBR	$/kWh	0.0030
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

PUC Distribution Inc.
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Effective and Implementation Date May 1, 2021
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EB-2020-0051

GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION

This classification applies to a non residential account whose average monthly peak demand used for billing purposes over the past 12 months is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 5,000 kW. Class A and Class B consumers are defined on 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.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	$	119.68
Rate Rider for Recovery of COVID-19 Forgone Revenue from Postponing Rate Implementation - effective from November 1, 2020 and effective until October 31, 2022	$	0.80
Rate Rider for Recovery of Incremental Capital (2020) - effective until the effective date of the next cost of service based rate order	$	1.41
Distribution Volumetric Rate	$/kW	7.0368

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Rate Rider for Disposition of Global Adjustment Account (2021) - effective until April 30, 2022 Applicable only for Non-RPP Customers	$/kWh	0.0028
Rate Rider for Disposition of Deferral/Variance Accounts (2021) - effective until April 30, 2022	$/kW	0.1102
Rate Rider for Disposition of Capacity Based Recovery Account (2021) - effective until April 30, 2022 Applicable only for Class B Customers	$/kW	(0.0533)
Rate Rider for Recovery of COVID-19 Forgone Revenue from Postponing Rate Implementation - effective from November 1, 2020 and effective until October 31, 2022	$/kW	0.0427
Rate Rider for Recovery of Incremental Capital (2020) - effective until the effective date of the next cost of service based rate order	$/kW	0.0832
Retail Transmission Rate - Network Service Rate	$/kW	2.8728
Retail Transmission Rate - Network Service Rate - Interval Metered	$/kW	3.6130

MONTHLY RATES AND CHARGES - Regulatory Component

Rate Rider for Embedded Generation Adjustment	$/kWh	(0.0004)
Wholesale Market Service Rate (WMS) - not including CBR	$/kWh	0.0030
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

PUC Distribution Inc.
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UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less whose average monthly peak demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. Such connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The customer will provide detailed manufacturer information documentation with regard to electrical demand/consumption of the proposed unmetered load. Class B consumers are defined on 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	$	13.27
Rate Rider for Recovery of COVID-19 Forgone Revenue from Postponing Rate Implementation - effective from November 1, 2020 and effective until October 31, 2022	$	0.09
Rate Rider for Recovery of Incremental Capital (2020) - effective until the effective date of the next cost of service based rate order	$	0.16
Distribution Volumetric Rate	$/kWh	0.0400
Rate Rider for Disposition of Capacity Based Recovery Account (2021) - effective until April 30, 2022 Applicable only for Class B Customers	$/kWh	(0.0001)
Rate Rider for Disposition of Deferral/Variance Accounts (2021) - effective until April 30, 2022	$/kWh	0.0003
Rate Rider for Recovery of COVID-19 Forgone Revenue from Postponing Rate Implementation - effective from November 1, 2020 and effective until October 31, 2022	$/kWh	0.0003
Rate Rider for Recovery of Incremental Capital (2020) - effective until the effective date of the next cost of service based rate order	$/kWh	0.0005
Retail Transmission Rate - Network Service Rate	$/kWh	0.0071

MONTHLY RATES AND CHARGES - Regulatory Component

Rate Rider for Embedded Generation Adjustment	$/kWh	(0.0004)

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Wholesale Market Service Rate (WMS) - not including CBR	$/kWh	0.0030
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

PUC Distribution Inc.
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SENTINEL LIGHTING SERVICE CLASSIFICATION

This classification applies to safety/security lighting with a Residential or General Service customer. This is typically exterior lighting, and unmetered. Consumption is estimated based on the equipment rating and estimated hours of use. Class B consumers are defined on 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.

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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)	$	3.72
Rate Rider for Recovery of COVID-19 Forgone Revenue from Postponing Rate Implementation - effective from November 1, 2020 and effective until October 31, 2022	$	0.03
Rate Rider for Recovery of Incremental Capital (2020) - effective until the effective date of the next cost of service based rate order	$	0.04
Distribution Volumetric Rate	$/kW	34.6638
Rate Rider for Disposition of Capacity Based Recovery Account (2021) - effective until April 30, 2022 Applicable only for Class B Customers	$/kW	(0.0331)
Rate Rider for Disposition of Deferral/Variance Accounts (2021) - effective until April 30, 2022	$/kW	0.0930
Rate Rider for Recovery of COVID-19 Forgone Revenue from Postponing Rate Implementation - effective from November 1, 2020 and effective until October 31, 2022	$/kW	0.2160
Rate Rider for Recovery of Incremental Capital (2020) - effective until the effective date of the next cost of service based rate order	$/kW	0.4096
Retail Transmission Rate - Network Service Rate	$/kW	2.1776

MONTHLY RATES AND CHARGES - Regulatory Component

Rate Rider for Embedded Generation Adjustment	$/kWh	(0.0004)
Wholesale Market Service Rate (WMS) - not including CBR	$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers	$/kWh	0.0004

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Rural or Remote Electricity Rate Protection Charge (RRRP)	$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	$	0.25

PUC Distribution Inc.

TARIFF OF RATES AND CHARGES

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STREET LIGHTING SERVICE CLASSIFICATION

This classification applies to an account for roadway lighting with a Municipality, Regional Municipality, Ministry of Transportation and private roadway lighting operation, controlled by photo cells. The consumption for these customers will be based on the calculated connected load times the required lighting times established in the approved Ontario Energy Board street lighting load shape template. Class B consumers are defined on 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)	$	1.43
Rate Rider for Recovery of COVID-19 Forgone Revenue from Postponing Rate Implementation - effective from November 1, 2020 and effective until October 31, 2022	$	0.01
Rate Rider for Recovery of Incremental Capital (2020) - effective until the effective date of the next cost of service based rate order	$	0.02
Distribution Volumetric Rate	$/kW	9.3360
Rate Rider for Disposition of Global Adjustment Account (2021) - effective until April 30, 2022 Applicable only for Non-RPP Customers	$/kWh	0.0028
Rate Rider for Disposition of Deferral/Variance Accounts (2021) - effective until April 30, 2022	$/kW	0.0930
Rate Rider for Disposition of Capacity Based Recovery Account (2021) - effective until April 30, 2022 Applicable only for Class B Customers	$/kW	(0.0329)
Rate Rider for Recovery of COVID-19 Forgone Revenue from Postponing Rate Implementation - effective from November 1, 2020 and effective until October 31, 2022	$/kW	0.0594
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2019) - effective until April 30, 2022	$/kW	5.7106
Rate Rider for Recovery of Incremental Capital (2020) - effective until the effective date of the next cost of service based rate order	$/kW	0.1103
Retail Transmission Rate - Network Service Rate	$/kW	2.1669

PUC Distribution Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2021

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MONTHLY RATES AND CHARGES - Regulatory Component

Rate Rider for Embedded Generation Adjustment - effective until	$/kWh	(0.0004)
Wholesale Market Service Rate (WMS) - not including CBR	$/kWh	0.0030
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

PUC Distribution Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2021

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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.

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	$	4.55

ALLOWANCES

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

SPECIFIC SERVICE CHARGES

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

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

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Customer Administration

Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	$	30.00
Returned cheque (plus bank charges)	$	15.00
Legal letter charge	$	15.00

Meter dispute charge plus Measurement Canada fees (if meter found correct)	$	30.00

Non-Payment of Account

Late payment - per month (effective annual rate 19.56% per annum or 0.04896% compounded daily rate)	%	1.50
Reconnection charge - at meter - during regular hours	$	65.00
Reconnection charge - at meter - after hours	$	185.00
Reconnection charge - at pole - during regular hours	$	185.00
Reconnection charge - at pole - after hours	$	415.00

Other

Special meter reads	$	30.00
Service call - customer-owned equipment		Time & Materials
Service call - after regular hours		Time & Materials
Temporary service - install & remove - overhead - no transformer		Time & Materials
Temporary service - install & remove - underground - no transformer		Time & Materials
Temporary service - install & remove - overhead - with transformer		Time & Materials
Specific charge for access to the power poles - $/pole/year		
Specific charge for access to the power poles - $/pole/year (with the exception of wireless attachments)	$	44.50
Removal of overhead lines - during regular hours		Time & Materials
Removal of overhead lines - after hours		Time & Materials
Roadway escort - after regular hours		Time & Materials

RETAIL SERVICE CHARGES (if applicable)

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

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

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

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Retail Service Charges refer to services provided by a distributor to retailers or customers related to the supply of competitive electricity.

One-time charge, per retailer, to establish the service agreement between the distributor and the retailer	$	104.24
Monthly Fixed Charge, per retailer	$	41.70

PUC Distribution Inc.

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This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

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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	1.0481
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0385

Appendix C

2022 Proposed Tariff of Rates and Charges

PUC Distribution Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2022

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2021-0054

RESIDENTIAL SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less where the electricity is used exclusively in a single family unit, non-commercial. This can be a separately metered living accommodation, town house, apartment, semi-detached, duplex, triplex or quadruplex with residential zoning. Class B consumers are defined on 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.

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	$	33.72
Rate Rider for Recovery of Incremental Capital - effective until April 30, 2022	$	1.43
Rate Rider for Recovery of COVID-19 Forgone Revenue from Postponing Rate Implementation - effective from November 1, 2020 and effective until October 31, 2022	$	1.09
Rate Rider for Recovery of Incremental Capital (2020) - effective until the effective date of the next cost of service based rate order	$	0.39
Smart Metering Entity Charge - effective until December 31, 2022	$	0.57
Rate Rider for Disposition of Global Adjustment Account (2022) - effective until April 30, 2023 Applicable only for Non-RPP Customers	$/kWh	0.0017
Rate Rider for Disposition of Deferral/Variance Accounts (2022) - effective until April 30, 2023	$/kWh	0.0008
Rate Rider for Disposition of Capacity Based Recovery Account (2022) - effective until April 30, 2023 Applicable only for Class B Customers	$/kWh	(0.0001)
Rate Rider for Recovery of COVID-19 Forgone Revenue from Postponing Rate Implementation - effective from November 1, 2020 and effective until October 31, 2022	$/kWh	(0.0010)
Retail Transmission Rate - Network Service Rate	$/kWh	0.0082

MONTHLY RATES AND CHARGES - Regulatory Component

Rate Rider for Embedded Generation Adjustment	$/kWh	(0.0004)
Wholesale Market Service Rate (WMS) - not including CBR	$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers	$/kWh	0.0004

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Rural or Remote Electricity Rate Protection Charge (RRRP)	$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	$	0.25

PUC Distribution Inc.

TARIFF OF RATES AND CHARGES

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GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification applies to a non residential account taking electricity at 750 volts or less whose average monthly peak demand is less than, or is forecast to be less than, 50 kW. Class B consumers are defined on 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	$	22.32
Rate Rider for Recovery of Incremental Capital - effective until April 30, 2022	$	0.95
Rate Rider for Recovery of COVID-19 Forgone Revenue from Postponing Rate Implementation - effective from November 1, 2020 and effective until October 31, 2022	$	0.14
Rate Rider for Recovery of Incremental Capital (2020) - effective until the effective date of the next cost of service based rate order	$	0.26
Smart Metering Entity Charge - effective until December 31, 2022	$	0.57
Distribution Volumetric Rate	$/kWh	0.0268
Rate Rider for Disposition of Global Adjustment Account (2022) - effective until April 30, 2023 Applicable only for Non-RPP Customers	$/kWh	0.0017
Rate Rider for Disposition of Deferral/Variance Accounts (2022) - effective until April 30, 2023	$/kWh	0.0008
Rate Rider for Disposition of Capacity Based Recovery Account (2022) - effective until April 30, 2023 Applicable only for Class B Customers	$/kWh	(0.0001)
Rate Rider for Recovery of COVID-19 Forgone Revenue from Postponing Rate Implementation - effective from November 1, 2020 and effective until October 31, 2022	$/kWh	0.0001
Rate Rider for Recovery of Incremental Capital (2020) - effective until the effective date of the next cost of service based rate order	$/kWh	0.0003
Rate Rider for Recovery of Incremental Capital - effective until April 30, 2022	$/kWh	0.0011
Retail Transmission Rate - Network Service Rate	$/kWh	0.0076

MONTHLY RATES AND CHARGES - Regulatory Component

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Rate Rider for Embedded Generation Adjustment	$/kWh	(0.0004)
Wholesale Market Service Rate (WMS) - not including CBR	$/kWh	0.0030
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

PUC Distribution Inc.

TARIFF OF RATES AND CHARGES

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GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION

This classification applies to a non residential account whose average monthly peak demand used for billing purposes over the past 12 months is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 5,000 kW. Class A and Class B consumers are defined on 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.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	$	123.27
Rate Rider for Recovery of Incremental Capital - effective until April 30, 2022	$	5.24
Rate Rider for Recovery of COVID-19 Forgone Revenue from Postponing Rate Implementation - effective from November 1, 2020 and effective until October 31, 2022	$	0.80
Rate Rider for Recovery of Incremental Capital (2020) - effective until the effective date of the next cost of service based rate order	$	1.41
Distribution Volumetric Rate	$/kW	7.2479

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Rate Rider for Disposition of Global Adjustment Account (2022) - effective until April 30, 2023 Applicable only for Non-RPP Customers	$/kWh	0.0017
Rate Rider for Disposition of Deferral/Variance Accounts (2022) - effective until April 30, 2023	$/kW	0.3123
Rate Rider for Disposition of Capacity Based Recovery Account (2022) - effective until April 30, 2023 Applicable only for Class B Customers	$/kW	(0.0234)
Rate Rider for Recovery of COVID-19 Forgone Revenue from Postponing Rate Implementation - effective from November 1, 2020 and effective until October 31, 2022	$/kW	0.0427
Rate Rider for Recovery of Incremental Capital (2020) - effective until the effective date of the next cost of service based rate order	$/kW	0.0832
Rate Rider for Recovery of Incremental Capital - effective until April 30, 2022	$/kW	0.3082
Retail Transmission Rate - Network Service Rate	$/kW	3.0887
Retail Transmission Rate - Network Service Rate - Interval Metered	$/kW	3.8845

MONTHLY RATES AND CHARGES - Regulatory Component

Rate Rider for Embedded Generation Adjustment	$/kWh	(0.0004)
Wholesale Market Service Rate (WMS) - not including CBR	$/kWh	0.0030
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

PUC Distribution Inc.

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UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less whose average monthly peak demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. Such connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The customer will provide detailed manufacturer information documentation with regard to electrical demand/consumption of the proposed unmetered load. Class B consumers are defined on 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	$	13.67
Rate Rider for Recovery of Incremental Capital - effective until April 30, 2022	$	0.58
Rate Rider for Recovery of COVID-19 Forgone Revenue from Postponing Rate Implementation - effective from November 1, 2020 and effective until October 31, 2022	$	0.09
Rate Rider for Recovery of Incremental Capital (2020) - effective until the effective date of the next cost of service based rate order	$	0.16
Distribution Volumetric Rate	$/kWh	0.0412
Rate Rider for Disposition of Capacity Based Recovery Account (2022) - effective until April 30, 2023 Applicable only for Class B Customers	$/kWh	(0.0001)
Rate Rider for Disposition of Deferral/Variance Accounts (2022) - effective until April 30, 2023	$/kWh	0.0008
Rate Rider for Recovery of COVID-19 Forgone Revenue from Postponing Rate Implementation - effective from November 1, 2020 and effective until October 31, 2022	$/kWh	0.0003
Rate Rider for Recovery of Incremental Capital (2020) - effective until the effective date of the next cost of service based rate order	$/kWh	0.0005
Rate Rider for Recovery of Incremental Capital - effective until April 30, 2022	$/kWh	0.0018
Retail Transmission Rate - Network Service Rate	$/kWh	0.0076

MONTHLY RATES AND CHARGES - Regulatory Component

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Rate Rider for Embedded Generation Adjustment	$/kWh	(0.0004)
Wholesale Market Service Rate (WMS) - not including CBR	$/kWh	0.0030
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

PUC Distribution Inc.

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SENTINEL LIGHTING SERVICE CLASSIFICATION

This classification applies to safety/security lighting with a Residential or General Service customer. This is typically exterior lighting, and unmetered. Consumption is estimated based on the equipment rating and estimated hours of use. Class B consumers are defined on 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)	$	3.83
Rate Rider for Recovery of Incremental Capital - effective until April 30, 2022	$	0.16
Rate Rider for Recovery of COVID-19 Forgone Revenue from Postponing Rate Implementation - effective from November 1, 2020 and effective until October 31, 2022	$	0.03
Rate Rider for Recovery of Incremental Capital (2020) - effective until the effective date of the next cost of service based rate order	$	0.04
Distribution Volumetric Rate	$/kW	35.7037
Rate Rider for Disposition of Capacity Based Recovery Account (2022) - effective until April 30, 2023 Applicable only for Class B Customers	$/kW	(0.0201)
Rate Rider for Disposition of Deferral/Variance Accounts (2022) - effective until April 30, 2023	$/kW	0.2567
Rate Rider for Recovery of COVID-19 Forgone Revenue from Postponing Rate Implementation - effective from November 1, 2020 and effective until October 31, 2022	$/kW	0.2160
Rate Rider for Recovery of Incremental Capital (2020) - effective until the effective date of the next cost of service based rate order	$/kW	0.4096
Rate Rider for Recovery of Incremental Capital - effective until April 30, 2022	$/kW	1.5182
Retail Transmission Rate - Network Service Rate	$/kW	2.3412

MONTHLY RATES AND CHARGES - Regulatory Component

Rate Rider for Embedded Generation Adjustment	$/kWh	(0.0004)
Wholesale Market Service Rate (WMS) - not including CBR	$/kWh	0.0030

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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

PUC Distribution Inc.

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STREET LIGHTING SERVICE CLASSIFICATION

This classification applies to an account for roadway lighting with a Municipality, Regional Municipality, Ministry of Transportation and private roadway lighting operation, controlled by photo cells. The consumption for these customers will be based on the calculated connected load times the required lighting times established in the approved Ontario Energy Board street lighting load shape template. Class B consumers are defined on 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)	$	1.47
Rate Rider for Recovery of Incremental Capital - effective until April 30, 2022	$	0.06
Rate Rider for Recovery of COVID-19 Forgone Revenue from Postponing Rate Implementation - effective from November 1, 2020 and effective until October 31, 2022	$	0.01
Rate Rider for Recovery of Incremental Capital (2020) - effective until the effective date of the next cost of service based rate order	$	0.02
Distribution Volumetric Rate	$/kW	9.6161
Rate Rider for Disposition of Global Adjustment Account (2022) - effective until April 30, 2023 Applicable only for Non-RPP Customers	$/kWh	0.0017
Rate Rider for Disposition of Deferral/Variance Accounts (2022) - effective until April 30, 2023	$/kW	0.2578
Rate Rider for Disposition of Capacity Based Recovery Account (2022) - effective until April 30, 2023 Applicable only for Class B Customers	$/kW	(0.0194)
Rate Rider for Recovery of COVID-19 Forgone Revenue from Postponing Rate Implementation - effective from November 1, 2020 and effective until October 31, 2022	$/kW	0.0594
Rate Rider for Recovery of Incremental Capital (2020) - effective until the effective date of the next cost of service based rate order	$/kW	0.1103
Rate Rider for Recovery of Incremental Capital - effective until April 30, 2022	$/kW	0.4089
Retail Transmission Rate - Network Service Rate	$/kW	2.3297

MONTHLY RATES AND CHARGES - Regulatory Component

PUC Distribution Inc.
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Rate Rider for Embedded Generation Adjustment - effective until	$/kWh	(0.0004)
Wholesale Market Service Rate (WMS) - not including CBR	$/kWh	0.0030
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

PUC Distribution Inc.
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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.

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	$	4.55

ALLOWANCES

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

SPECIFIC SERVICE CHARGES

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

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

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

Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	$	30.00
Returned cheque (plus bank charges)	$	15.00

PUC Distribution Inc.

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Legal letter charge	$	15.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	$	30.00

Non-Payment of Account

Late payment - per month (effective annual rate 19.56% per annum or 0.04896% compounded daily rate)	%	1.50
Reconnection charge - at meter - during regular hours	$	65.00
Reconnection charge - at meter - after hours	$	185.00
Reconnection charge - at pole - during regular hours	$	185.00
Reconnection charge - at pole - after hours	$	415.00

Other

Special meter reads	$	30.00
Service call - customer-owned equipment		Time & Materials
Service call - after regular hours		Time & Materials
Temporary service - install & remove - overhead - no transformer		Time & Materials
Temporary service - install & remove - underground - no transformer		Time & Materials
Temporary service - install & remove - overhead - with transformer		Time & Materials
Specific charge for access to the power poles - $/pole/year		
Specific charge for access to the power poles - $/pole/year		
(with the exception of wireless attachments) - Approved on an Interim Basis	$	45.48
Removal of overhead lines - during regular hours		Time & Materials
Removal of overhead lines - after hours		Time & Materials
Roadway escort - after regular hours		Time & Materials

RETAIL SERVICE CHARGES (if applicable)

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

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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.

PUC Distribution Inc.

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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	1.0481
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0385

Appendix D

2022 IRM Rate Generator Model

Ontario Energy Board

Incentive Rate-setting Mechanism Rate Generator for 2022 Filers

Quick Link

Ontario Energy Board's 2022 Electricity Distribution Rate Applications Webpage

Version 1.0

Utility Name	PUC Distribution Inc.
Assigned EB Number	EB-2021-0054
Name of Contact and Title	Tyler Kasubeck, Regulatory Financial Analyst
Phone Number	705-759-3006
Email Address	tyler.kasubeck@ssmpuc.com
We are applying for rates effective	May 1, 2022
Rate-Setting Method	Price Cap IR

1. Select the last Cost of Service rebasing year. — **2018**

To determine the first year the continuity schedules in tab 3 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.

2. For Accounts 1588 and 1589, please indicate the year of the account balances that the accounts were last disposed on a final basis for information purposes. — 2019

Determine whether scenario a or b below applies, then select the appropriate year. — **2019**

a) If the account balances were last approved on a final basis, select the year of the year-end balances that were last approved for disposition 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 diposition on an interim basis.
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.

3. For the remaining Group 1 DVAs, please indicate the year of the account balances that were last disposed on a final basis — 2019

Determine whether scenario a or b below applies, then select the appropriate year. — **2019**

a) If the account balances were last approved on a final basis, select the year of the year-end balances that the balance was 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 diposition on an interim basis.
ii) If 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.

4. Select the earliest vintage year in which there is a balance in Account 1595. — **2019**

(e.g. If 2016 is the earliest vintage year in which there is a balance in a 1595 sub-account, select 2016.)

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 #2 above to the year requested for disposition)? — **Yes**

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 #3 above to the year requested for disposition)? — **Yes**

7. Retail Transmission Service Rates: PUC Distribution Inc. is: — **Transmission Connected**

8. Have you transitioned to fully fixed rates? — **Yes**

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.

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Incentive Rate-setting Mechanism Rate Generator for 2022 Filers

Please complete the following continuity schedule for the following Deferral/Variance Accounts. Enter information into green cells only. Please see instructions tab for detailed instructions on how to complete tabs 3 to 7. Column BV has been prepopulated from the latest 2.1.7 RRR filing.

Please refer to the footnotes for further instructions.

2019

Account Descriptions	Account Number	Opening Principal Amounts as of Jan 1, 2019	Transactions Debit / (Credit) during 2019	OEB-Approved Disposition during 2019	Principal Adjustments1 during 2019	Closing Principal Balance as of Dec 31, 2019	Opening Interest Amounts as of Jan 1, 2019	Interest Jan 1 to Dec 31, 2019	OEB-Approved Disposition during 2019	Interest Adjustments1 during 2019	Closing Interest Amounts as of Dec 31, 2019
Group 1 Accounts											
LV Variance Account	1550	0				0	0				0
Smart Metering Entity Charge Variance Account	1551	0			(24,621)	(24,621)	0			799	799
RSVA - Wholesale Market Service Charge[5]	1580	0			(302,958)	(302,958)	0			(45,973)	(45,973)
Variance WMS – Sub-account CBR Class A[5]	1580	0				0	0				0
Variance WMS – Sub-account CBR Class B[5]	1580	0			(56,254)	(56,254)	0			(549)	(549)
RSVA - Retail Transmission Network Charge	1584	0			157,068	157,068	0			(6,159)	(6,159)
RSVA - Retail Transmission Connection Charge	1586	0				0	0				0
RSVA - Power[4]	1588	0			347,782	347,782	0			19,896	19,896
RSVA - Global Adjustment[4]	1589	0			466,804	466,804	0			76,547	76,547
Disposition and Recovery/Refund of Regulatory Balances (2015 and pre-2015)[3]	1595	0				0	0			189	189
Disposition and Recovery/Refund of Regulatory Balances (2016)[3]	1595	0				0	0				0
Disposition and Recovery/Refund of Regulatory Balances (2017)[3]	1595	0				0	0				0
Disposition and Recovery/Refund of Regulatory Balances (2018)[3]	1595	0			(583,000)	(583,000)	0			(32,584)	(32,584)
Disposition and Recovery/Refund of Regulatory Balances (2019)[3]	1595	0			(667,983)	(667,983)	0			124,175	124,175
Disposition and Recovery/Refund of Regulatory Balances (2020)[3]	1595	0				0	0				0
Disposition and Recovery/Refund of Regulatory Balances (2021)[3] *Not to be disposed of until two years after rate rider has expired and that balance has been audited. Refer to the Filing Requirements for disposition eligibility.*	1595	0				0	0				0
RSVA - Global Adjustment requested for disposition	**1589**	0	0	0	466,804	466,804	0	0	0	76,547	76,547
Total Group 1 Balance excluding Account 1589 - Global Adjustment requested for disposition		0	0	0	121,017	121,017	0	0	0	(31,986)	(31,986)
Total Group 1 Balance requested for disposition		0	0	0	587,821	587,821	0	0	0	44,561	44,561
RSVA - Global Adjustment		0	0	0	466,804	466,804	0	0	0	76,547	76,547
Total Group 1 Balance excluding Account 1589 - Global Adjustment		0	0	0	(1,129,966)	(1,129,966)	0	0	0	59,794	59,794
Total Group 1 Balance		0	0	0	(663,162)	(663,162)	0	0	0	136,341	136,341
LRAM Variance Account (only input amounts if applying for disposition of this account)	**1568**	0				0	0				0
Total Group 1 Balance including Account 1568 - LRAMVA requested for disposition		0	0	0	587,821	587,821	0	0	0	44,561	44,561

2020

Account Descriptions	Account Number	Opening Principal Amounts as of Jan 1, 2020	Transactions Debit / (Credit) during 2020	OEB-Approved Disposition during 2020	Principal Adjustments1 during 2020	Closing Principal Balance as of Dec 31, 2020	Opening Interest Amounts as of Jan 1, 2020	Interest Jan 1 to Dec 31, 2020	OEB-Approved Disposition during 2020	Interest Adjustments1 during 2020	Closing Interest Amounts as of Dec 31, 2020
LV Variance Account	1550	0				0	0				0
Smart Metering Entity Charge Variance Account	1551	(24,621)	(59)			(24,680)	799	(276)			522
RSVA - Wholesale Market Service Charge[5]	1580	(302,958)	(222,378)			(525,337)	(45,973)	(8,672)			(54,645)
Variance WMS – Sub-account CBR Class A[5]	1580	0				0	0				0
Variance WMS – Sub-account CBR Class B[5]	1580	(56,254)	(32,083)			(88,337)	(549)	(980)			(1,529)
RSVA - Retail Transmission Network Charge	1584	157,068	247,814			404,882	(6,159)	682			(5,477)
RSVA - Retail Transmission Connection Charge	1586	0				0	0				0
RSVA - Power[4]	1588	347,782	(593,460)		1,028,912	783,234	19,896	2,099		5,260	27,255
RSVA - Global Adjustment[4]	1589	466,804	1,297,385		(1,028,912)	735,277	76,547	21,309		(5,260)	92,596
Disposition and Recovery/Refund of Regulatory Balances (2015 and pre-2015)[3]	1595	0				0	189				189
Disposition and Recovery/Refund of Regulatory Balances (2016)[3]	1595	0				0	0				0
Disposition and Recovery/Refund of Regulatory Balances (2017)[3]	1595	0				0	0				0
Disposition and Recovery/Refund of Regulatory Balances (2018)[3]	1595	(583,000)			650,188	67,188	(32,584)	(1,809)		(29,695)	(64,088)
Disposition and Recovery/Refund of Regulatory Balances (2019)[3]	1595	(667,983)			678,703	10,720	124,175	(240)		(136,107)	(12,172)
Disposition and Recovery/Refund of Regulatory Balances (2020)[3]	1595	0				0	0				0
Disposition and Recovery/Refund of Regulatory Balances (2021)[3]	1595	0				0	0				0
RSVA - Global Adjustment requested for disposition	**1589**	466,804	1,297,385	0	(1,028,912)	735,277	76,547	21,309	0	(5,260)	92,596
Total Group 1 Balance excluding Account 1589 - Global Adjustment requested for disposition		121,017	(600,167)	0	1,028,912	549,762	(31,986)	(7,148)	0	5,260	(33,874)
Total Group 1 Balance requested for disposition		587,821	697,218	0	0	1,285,039	44,561	14,161	0	0	58,722
RSVA - Global Adjustment		466,804	1,297,385	0	(1,028,912)	735,277	76,547	21,309	0	(5,260)	92,596
Total Group 1 Balance excluding Account 1589 - Global Adjustment		(1,129,966)	(600,167)	0	2,357,803	627,670	59,794	(9,197)	0	(160,542)	(109,945)
Total Group 1 Balance		(663,162)	697,218	0	1,328,891	1,362,946	136,341	12,112	0	(165,802)	(17,349)
LRAM Variance Account (only input amounts if applying for disposition of this account)	**1568**	0		0		0	0				0
Total Group 1 Balance including Account 1568 - LRAMVA requested for disposition		587,821	697,218	0	0	1,285,039	44,561	14,161	0	0	58,722

2021 / Projected Interest on Dec-31-2020 Balances / 2.1.7 RRR[5]

Account Descriptions	Account Number	2021: Principal Disposition during 2021 - instructed by OEB	2021: Interest Disposition during 2021 - instructed by OEB	2021: Closing Principal Balances as of Dec 31, 2020 Adjusted for Disposition during 2021	2021: Closing Interest Balances as of Dec 31, 2020 Adjusted for Disposition during 2021	Projected Interest from Jan 1, 2021 to Dec 31, 2021 on Dec 31, 2020 balance adjusted for disposition during 2021[2]	Projected Interest from Jan 1, 2022 to Apr 30, 2022 on Dec 31, 2020 balance adjusted for disposition during 2021[2]	Total Interest	Total Claim	Account Disposition: Yes/No?	2.1.7 RRR[5]: As of Dec 31, 2020	Variance RRR vs. 2020 Balance (Principal + Interest)	
LV Variance Account	1550			0	0			0	0		0	0	
Smart Metering Entity Charge Variance Account	1551	(24,621)	513	(59)	10	(0)	(0)	9	(50)		(24,158)	0	
RSVA - Wholesale Market Service Charge[5]	1580	(302,958)	(49,495)	(222,378)	(5,150)	(1,268)	(423)	(6,840)	(229,218)		(669,848)	(89,866)	The variance does not match the va
Variance WMS – Sub-account CBR Class A[5]	1580			0	0	0	0	0	0		0	0	
Variance WMS – Sub-account CBR Class B[5]	1580	(56,254)	(1,203)	(32,083)	(326)	(183)	(61)	(570)	(32,653)		0	89,866	Please provide an explanation of th
RSVA - Retail Transmission Network Charge	1584	157,068	(4,333)	247,814	(1,144)	1,413	471	739	248,553		399,404	(0)	
RSVA - Retail Transmission Connection Charge	1586			0	0	0	0	0	0		0	0	
RSVA - Power[4]	1588	347,782	23,939	435,452	3,316	2,482	827	6,625	442,077		(223,683)	(1,034,172)	Please provide an explanation of th
RSVA - Global Adjustment[4]	1589	466,804	81,974	268,473	10,623	1,530	510	12,663	281,136		1,862,045	1,034,172	Please provide an explanation of th
Disposition and Recovery/Refund of Regulatory Balances (2015 and pre-2015)[3]	1595			0	189			189	0	No	189	0	
Disposition and Recovery/Refund of Regulatory Balances (2016)[3]	1595			0	0			0	0	No	0	0	
Disposition and Recovery/Refund of Regulatory Balances (2017)[3]	1595			0	0			0	0	No	0	0	
Disposition and Recovery/Refund of Regulatory Balances (2018)[3]	1595			67,188	(64,088)			(64,088)	0	No	(11,621)	(14,720)	Please provide an explanation of th
Disposition and Recovery/Refund of Regulatory Balances (2019)[3]	1595			10,720	(12,172)			(12,172)	0	No	0	1,452	Please provide an explanation of th
Disposition and Recovery/Refund of Regulatory Balances (2020)[3]	1595			0	0			0	0	No	0	0	
Disposition and Recovery/Refund of Regulatory Balances (2021)[3]	1595			0	0			0	0	No		0	
RSVA - Global Adjustment requested for disposition	**1589**	466,804	81,974	268,473	10,623	1,530	510	12,663	281,136		1,862,045	1,034,172	
Total Group 1 Balance excluding Account 1589 - Global Adjustment requested for disposition		121,017	(30,579)	428,745	(3,295)	2,444	815	(36)	428,709		(529,716)	(1,045,604)	
Total Group 1 Balance requested for disposition		587,821	51,394	697,218	7,328	3,974	1,325	12,627	709,845		1,332,329	(11,432)	
RSVA - Global Adjustment		466,804	81,974	268,473	10,623	1,530	510	12,663					
Total Group 1 Balance excluding Account 1589 - Global Adjustment		121,017	(30,579)	506,653	(79,366)	2,444	815	(76,107)					
Total Group 1 Balance		587,821	51,394	775,126	(68,743)	3,974	1,325	(63,444)			$1,332,329		
LRAM Variance Account (only input amounts if applying for disposition of this account)	**1568**			0	0			0	0			0	
Total Group 1 Balance including Account 1568 - LRAMVA requested for disposition		587,821	51,394	697,218	7,328	3,974	1,325	12,627	709,845		1,332,329	(11,432)	

For all OEB-Approved dispositions, please ensure that the disposition amount has the same sign (e.g: debit balances are to have a positive figure and credit balance are to have a negative figure) as per the related OEB decision.

Please provide explanations for the nature of the adjustments. If the adjustment relates to previously OEB-Approved disposed balances, please provide amounts for adjustments and include supporting documentations.

If the LDC's rate year begins on January 1, 2022, the projected interest is recorded from January 1, 2021 to December 31, 2021 on the December 31, 2020 balances adjusted to remove balances approved for disposition in the 2021 rate decision.
2) If the LDC's rate year begins on May 1, 2022, the projected interest is recorded from January 1, 2021 to April 30, 2022 on the December 31, 2020 balances adjusted to remove balances approved for disposition in the 2021 rate decision.

The individual sub-accounts as well as the total for all Account 1595 sub-accounts is to agree to the RRR data. Differences need to be explained. For each Account 1595 sub-account, the transfer of the balance approved for disposition into Account 1595 is to be recorded in "OEB Approved Disposition" column. The recovery/refund is to be recorded in the "Transaction" column. Any vintage year of Account 1595 is only to be disposed once on a final basis. No further dispositions of these accounts are generally expected thereafter, unless justified by the distributor.

Refer to Filing Requirements for disposition eligibility of the sub-accounts. Select "yes" column BU if the sub-account is requested for disposition. Note that Accounts 1595 (2019), (2020) and (2021) will not be eligilble for disposition in the 2022 rate application.

New accounting guidance effective January 1, 2019 for Accounts 1588 and 1589 was issued Feb. 21, 2019 titled Accounting Procedures Handbook Update - Accounting Guidance Related to Commodity Pass-Through Accounts 1588 & 1589. The amount in the "Transactions" column in this DVA Continuity Schedule are to equal the transactions in the General Ledger (excluding any amounts approved for disposition, which is shown separately in the "OEB Approved Disposition" columns). Any true-ups/adjustments/reversals needed to derive the claim amount must be shown separately in the "Principal Adjustments" columns of this DVA Continuity Schedule.

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Incentive Rate-setting Mechanism Rate Generator for 2022 Filers

Data on this worksheet has been populated using your most recent RRR filing.
If you have identified any issues, please contact the OEB.
Have you confirmed the accuracy of the data below? Yes

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.

Please contact the OEB to make adjustments to the IRM rate generator for this situation.

Rate Class	Unit	Total Metered kWh	Total Metered kW	Metered kWh for Non-RPP Customers (excluding WMP)	Metered kW for Non-RPP Customers (excluding WMP)	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)*	1568 LRAM Variance Account Class Allocation ($ amounts)	Number of Customers for Residential and GS<50 classes[3]
RESIDENTIAL SERVICE CLASSIFICATION	kWh	298,184,963	0	4,871,366	0	0	0	298,184,963	0		30,026
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	kWh	84,774,528	0	12,762,216	0	0	0	84,774,528	0		3,355
GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION	kW	227,128,751	546,908	185,756,919	427,630	0	0	227,128,751	546,908		
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	kWh	870,821	0	0	0	0	0	870,821	0		
SENTINEL LIGHTING SERVICE CLASSIFICATION	kW	204,140	598	0	0	0	0	204,140	598		
STREET LIGHTING SERVICE CLASSIFICATION	kW	2,468,997	7,202	2,338,809	6,822	0	0	2,468,997	7,202		
	Total	613,632,200	554,708	205,729,310	434,452	0	0	613,632,200	554,708	0	33,381

Threshold Test

Total Claim (including Account 1568)	
Total Claim for Threshold Test (All Group 1 Accounts)	$709,845
Threshold Test (Total claim per kWh) [2]	$0.0012

Currently, the threshold test has been met and the default is that Group 1 account balances will be disposed. If you are requesting not to dispose of the Group 1 account balances, please select NO and provide detailed reasons in the manager's summary. **YES**

[1] Residual Account balance to be allocated to rate classes in proportion to the recovery share as established when rate riders were implemented.
[2] The Threshold Test does not include the amount in 1568.
[3] The proportion of customers for the Residential and GS<50 Classes will be used to allocate Account 1551.

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Incentive Rate-setting Mechanism Rate Generator for 2022 Filers

No input required. This workshseet allocates the deferral/variance account balances (Group 1 and Account 1568) to the appropriate classes as per EDDVAR dated July 31, 2009.

Allocation of Group 1 Accounts (including Account 1568)

Rate Class	% of Total kWh	% of Customer Numbers **	% of Total kWh adjusted for WMP	1550	1551	allocated based on Total less WMP 1580	1584	1586	allocated based on Total less WMP 1588	1568
RESIDENTIAL SERVICE CLASSIFICATION	48.6%	89.9%	48.6%	0	(45)	(111,385)	120,780	0	214,820	0
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	13.8%	10.1%	13.8%	0	(5)	(31,667)	34,338	0	61,074	0
GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION	37.0%	0.0%	37.0%	0	0	(84,842)	91,999	0	163,630	0
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	0.1%	0.0%	0.1%	0	0	(325)	353	0	627	0
SENTINEL LIGHTING SERVICE CLASSIFICATION	0.0%	0.0%	0.0%	0	0	(76)	83	0	147	0
STREET LIGHTING SERVICE CLASSIFICATION	0.4%	0.0%	0.4%	0	0	(922)	1,000	0	1,779	0
Total	100.0%	100.0%	100.0%	0	(50)	(229,218)	248,553	0	442,077	0

*** Used to allocate Account 1551 as this account records the variances arising from the Smart Metering Entity Charges to Residential and GS<50 customers.*

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Incentive Rate-setting Mechanism Rate Generator for 2022 Filers

1a	The year Account 1589 GA was last disposed	2019	
1b	The year Account 1580 CBR Class B was last disposed	2019	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 per #1a above to the current year requested for disposition)?	No	(If you received approval to dispose of the CBR Class B account balance as at December 31, 2017, the period the GA variance accumulated would be 2018 to 2020.)
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 per #1b above to the current year requested for disposition)?	No	(If you received approval to dispose of the CBR Class B account balance as at December 31, 2017, the period the GA variance accumulated would be 2018 to 2020.)
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 per #1a/1b above to the current year requested for disposition).	1	

In the table, enter 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 they were a Class A customer for the full year).

Rate Classes with Class A Customers - Billing Determinants by Rate Class

	Rate Class		2020	2019
Rate Class 1	GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION	kWh	37,839,473	35,960,742
		kW	88,927	87,864

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Incentive Rate-setting Mechanism Rate Generator for 2022 Filers

The purpose of this tab is to calculate the GA rate riders for all current Class B customers who did not transition between Class A and B in the period since the Account 1589 GA was last disposed. Calculations in this tab will be modified upon completion of tab 6.1a, which allocates a portion of the GA balance to transition customers, if applicable.
Effective January 2017, the billing determinant and all rate riders for the disposition of GA balances will be calculated on an energy basis (kWhs) regardless of the billing determinant used for distribution rates for the particular class (see Chapter 3, Filing Requirements, section 3.2.5.2)

Default Rate Rider Recovery Period (in months)	**12**
Proposed Rate Rider Recovery Period (in months)	**12**

Rate Rider Recovery to be used below

		Total Metered Non-RPP 2020 Consumption excluding WMP	Total Metered 2020 Consumption for Class A Customers that were Class A for the entire period GA balance accumulated	Total Metered 2020 Consumption for Customers that Transitioned Between Class A and B during the period GA balance accumulated	Non-RPP Metered Consumption for Current Class B Customers (Non-RPP Consumption excluding WMP, Class A and Transition Customers' Consumption)	% of total kWh	Total GA $ allocated to Current Class B Customers	GA Rate Rider	
		kWh	kWh	kWh	kWh				
RESIDENTIAL SERVICE CLASSIFICATION	kWh	4,871,366	0	0	4,871,366	2.9%	$8,157	$0.0017	kWh
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	kWh	12,762,216	0	0	12,762,216	7.6%	$21,371	$0.0017	kWh
GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION	kWh	185,756,919	37,839,473	0	147,917,446	88.1%	$247,692	$0.0017	kWh
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	kWh	0	0	0	0	0.0%	$0	$0.0000	
SENTINEL LIGHTING SERVICE CLASSIFICATION	kWh	0	0	0	0	0.0%	$0	$0.0000	
STREET LIGHTING SERVICE CLASSIFICATION	kWh	2,338,809	0	0	2,338,809	1.4%	$3,916	$0.0017	kWh
	Total	205,729,310	37,839,473	0	167,889,837	100.0%	$281,136		

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Incentive Rate-setting Mechanism Rate Generator for 2022 Filers

No input required. The purpose of this tab is to calculate the 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 Account 1580 CBR Class B was last disposed | **2019**

		Total Metered 2020 Consumption Minus WMP		Total Metered 2020 Consumption for Full Year Class A Customers		Total Metered 2020 Consumption for Transition Customers		Metered Consumption for Current Class B Customers (Total Consumption LESS WMP, Class A and Transition Customers' Consumption)		% of total kWh	Total CBR Class B $ allocated to Current Class B Customers	CBR Class B Rate Rider	Unit
		kWh	kW	kWh	kW	kWh	kW	kWh	kW				
RESIDENTIAL SERVICE CLASSIFICATION	kWh	298,184,963	0	0	0	0	0	298,184,963	0	51.8%	($16,910)	($0.0001)	kWh
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	kWh	84,774,528	0	0	0	0	0	84,774,528	0	14.7%	($4,807)	($0.0001)	kWh
GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION	kW	227,128,751	546,908	37,839,473	88,927	0	0	189,289,278	457,981	32.9%	($10,734)	($0.0234)	kW
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	kWh	870,821	0	0	0	0	0	870,821	0	0.2%	($49)	($0.0001)	kWh
SENTINEL LIGHTING SERVICE CLASSIFICATION	kW	204,140	598	0	0	0	0	204,140	598	0.0%	($12)	($0.0201)	kW
STREET LIGHTING SERVICE CLASSIFICATION	kW	2,468,997	7,202	0	0	0	0	2,468,997	7,202	0.4%	($140)	($0.0194)	kW
	Total	613,632,200	554,708	37,839,473	88,927	0	0	575,792,727	465,781	100.0%	($32,652)		

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Incentive Rate-setting Mechanism Rate Generator for 2022 Filers

Input required at cells C13 and C14. This workshseet calculates rate riders related to the Deferral/Variance Account Disposition (if applicable) and rate riders for Account 1568. Rate Riders will not be generated for the microFIT class.

Default Rate Rider Recovery Period (in months)	12	
DVA Proposed Rate Rider Recovery Period (in months)	12	Rate Rider Recovery to be used below
LRAM Proposed Rate Rider Recovery Period (in months)	12	Rate Rider Recovery to be used below

Rate Class	Unit	Total Metered kWh	Metered kW or kVA	Total Metered kWh less WMP consumption	Total Metered kW less WMP consumption	Allocation of Group 1 Account Balances to All Classes [2]	Allocation of Group 1 Account Balances to Non-WMP Classes Only (If Applicable) [2]	Deferral/Variance Account Rate Rider [2]	Deferral/Variance Account Rate Rider for Non-WMP (if applicable) [2]	Account 1568 Rate Rider	Revenue Reconciliation [1]
RESIDENTIAL SERVICE CLASSIFICATION	kWh	298,184,963	0	298,184,963	0	224,171		0.0008		0.0000	
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	kWh	84,774,528	0	84,774,528	0	63,740		0.0008		0.0000	
GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION	kW	227,128,751	546,908	227,128,751	546,908	170,786		0.3123		0.0000	
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	kWh	870,821	0	870,821	0	655		0.0008		0.0000	
SENTINEL LIGHTING SERVICE CLASSIFICATION	kW	204,140	598	204,140	598	153		0.2567		0.0000	
STREET LIGHTING SERVICE CLASSIFICATION	kW	2,468,997	7,202	2,468,997	7,202	1,857		0.2578		0.0000	
											479,873.80

[1] When calculating the revenue reconciliation for distributors with Class A customers, the balances of sub-account 1580-CBR Class B will not be taken into consideration if there are Class A customers since the rate riders, if any, are calculated separately.
[2] Only for rate classes with WMP customers are the Deferral/Variance Account Rate Riders for Non-WMP (column H and J) calculated separately. For all rate classes without WMP customers, balances in account 1580 and 1588 are included in column G and disposed through a combined Deferral/Variance Account and Rate Rider.

Ontario Energy Board

Incentive Rate-setting Mechanism Rate Generator for 2022 Filers

Summary - Sharing of Tax Change Forecast Amounts

	2018	2022
OEB-Approved Rate Base	$ 99,658,054	$ 99,658,054
OEB-Approved Regulatory Taxable Income	$ 1,627,305	$ 1,627,305
Federal General Rate		15.0%
Federal Small Business Rate		9.0%
Federal Small Business Rate (calculated effective rate)[1,2]		15.0%
Ontario General Rate		11.5%
Ontario Small Business Rate		3.2%
Ontario Small Business Rate (calculated effective rate)[1,2]		11.5%
Federal Small Business Limit		$ 500,000
Ontario Small Business Limit		$ 500,000
Federal Taxes Payable		$ 244,096
Provincial Taxes Payable		$ 187,140
Federal Effective Tax Rate		15.0%
Provincial Effective Tax Rate		11.5%
Combined Effective Tax Rate	26.5%	26.5%
Total Income Taxes Payable	$ 431,236	$ 431,236
OEB-Approved Total Tax Credits (enter as positive number)	$ -	$ -
Income Tax Provision	$ 431,236	$ 431,236
Grossed-up Income Taxes	$ 586,715	$ 586,715
Incremental Grossed-up Tax Amount		$ -
Sharing of Tax Amount (50%)		**$ -**

Notes

1. 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.

2. The OEB's proxy for taxable capital is rate base.

Ontario Energy Board

Incentive Rate-setting Mechanism Rate Generator for 2022 Filers

Calculation of Rebased Revenue Requirement and Allocation of Tax Sharing Amount. Enter data from the last OEB-approved Cost of Service application in columns C through H.

As per Chapter 3 Filing Requirements, shared tax rate riders are based on a 1 year disposition.

Rate Class		Re-based Billed Customers or Connections	Re-based Billed kWh	Re-based Billed kW	Re-based Service Charge	Re-based Distribution Volumetric Rate kWh	Re-based Distribution Volumetric Rate kW	Service Charge Revenue	Distribution Volumetric Rate Revenue kWh	Distribution Volumetric Rate Revenue kW	Revenue Requirement from Rates	Service Charge % Revenue	Distribution Volumetric Rate % Revenue kWh	Distribution Volumetric Rate % Revenue kW	Total % Revenue
RESIDENTIAL SERVICE CLASSIFICATION	kWh							0	0	0	0	0.0%	0.0%	0.0%	0.0%
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	kWh							0	0	0	0	0.0%	0.0%	0.0%	0.0%
GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION	kW							0	0	0	0	0.0%	0.0%	0.0%	0.0%
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	kWh							0	0	0	0	0.0%	0.0%	0.0%	0.0%
SENTINEL LIGHTING SERVICE CLASSIFICATION	kW							0	0	0	0	0.0%	0.0%	0.0%	0.0%
STREET LIGHTING SERVICE CLASSIFICATION	kW							0	0	0	0	0.0%	0.0%	0.0%	0.0%
Total		0	0	0				0	0	0	0				0.0%

Rate Class		Total kWh (most recent RRR filing)	Total kW (most recent RRR filing)	Allocation of Tax Savings by Rate Class	Distribution Rate Rider	
RESIDENTIAL SERVICE CLASSIFICATION	kWh	298,184,963		0	0.00	$/customer
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	kWh	84,774,528		0	0.0000	kWh
GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION	kW	227,128,751	546,908	0	0.0000	kW
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	kWh	870,821		0	0.0000	kWh
SENTINEL LIGHTING SERVICE CLASSIFICATION	kW	204,140	598	0	0.0000	kW
STREET LIGHTING SERVICE CLASSIFICATION	kW	2,468,997	7,202	0	0.0000	kW
Total		613,632,200	554,708	$0		

Ontario Energy Board

Incentive Rate-setting Mechanism Rate Generator for 2022 Filers

Columns E and F have been populated with data from the most recent RRR filing. Rate classes that have more than one Network or Connection charge will notice that the cells are highlighted in green and unlocked.
If the data needs to be modified, please make the necessary adjustments and note the changes in your manager's summary. As well, the Loss Factor has been imported from Tab 2.

Rate Class	Rate Description	Unit	Rate	Non-Loss Adjusted Metered kWh	Non-Loss Adjusted Metered kW	Applicable Loss Factor	Loss Adjusted Billed kWh
Residential Service Classification	Retail Transmission Rate - Network Service Rate	$/kWh	0.0076	298,184,963	0	1.0481	312,527,660
General Service Less Than 50 kW Service Classification	Retail Transmission Rate - Network Service Rate	$/kWh	0.0071	84,774,528	0	1.0481	88,852,183
General Service 50 To 4,999 kW Service Classification	Retail Transmission Rate - Network Service Rate	$/kW	2.8728	133,061,484	343,250		
General Service 50 To 4,999 kW Service Classification	Retail Transmission Rate - Network Service Rate - Interval Metered	$/kW	3.6130	94,067,267	203,658		
Unmetered Scattered Load Service Classification	Retail Transmission Rate - Network Service Rate	$/kWh	0.0071	870,821	0	1.0481	912,707
Sentinel Lighting Service Classification	Retail Transmission Rate - Network Service Rate	$/kW	2.1776	204,140	598		
Street Lighting Service Classification	Retail Transmission Rate - Network Service Rate	$/kW	2.1669	2,468,997	7,202		

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Incentive Rate-setting Mechanism Rate Generator for 2022 Filers

Uniform Transmission Rates	Unit	2020	2021 Jan to Jun	2021 Jul to Dec	2022
Rate Description		**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

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Incentive Rate-setting Mechanism Rate Generator for 2022 Filers

In the green shaded cells, enter billing detail for wholesale transmission for the same reporting period as the billing determinants on Tab 10. For Hydro One Sub-transmission Rates, if you are charged a combined Line and Transformer 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 discrepancy in rates.

IESO	Network			Line Connection			Transformation Connection			Total Connection
Month	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Amount
January	105,436	$3.92	$ 413,309		$0.00			$0.00		$ -
February	103,364	$3.92	$ 405,187		$0.00			$0.00		$ -
March	92,951	$3.92	$ 364,368		$0.00			$0.00		$ -
April	87,185	$3.92	$ 341,765		$0.00			$0.00		$ -
May	68,603	$3.92	$ 268,924		$0.00			$0.00		$ -
June	69,957	$3.92	$ 274,231		$0.00			$0.00		$ -
July	74,417	$3.92	$ 291,715		$0.00			$0.00		$ -
August	89,070	$3.92	$ 349,154		$0.00			$0.00		$ -
September	68,733	$3.92	$ 269,433		$0.00			$0.00		$ -
October	73,483	$3.92	$ 288,053		$0.00			$0.00		$ -
November	103,110	$3.92	$ 404,191		$0.00			$0.00		$ -
December	106,227	$3.92	$ 416,410		$0.00			$0.00		$ -
Total	1,042,536	$ 3.92	$ 4,086,741	-	$ -	$ -	-	$ -	$ -	$ -

Ontario Energy Board

Incentive Rate-setting Mechanism Rate Generator for 2022 Filers

The purpose of this sheet is to calculate the expected billing when current 2021 Uniform 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	105,436	$ 4.6700	$ 492,386	-	$ 0.7700	$ -	-	$ 2.5300	$ -	$ -
February	103,364	$ 4.6700	$ 482,710	-	$ 0.7700	$ -	-	$ 2.5300	$ -	$ -
March	92,951	$ 4.6700	$ 434,081	-	$ 0.7700	$ -	-	$ 2.5300	$ -	$ -
April	87,185	$ 4.6700	$ 407,154	-	$ 0.7700	$ -	-	$ 2.5300	$ -	$ -
May	68,603	$ 4.6700	$ 320,376	-	$ 0.7700	$ -	-	$ 2.5300	$ -	$ -
June	69,957	$ 4.6700	$ 326,699	-	$ 0.7700	$ -	-	$ 2.5300	$ -	$ -
July	74,417	$ 4.9000	$ 364,643	-	$ 0.8100	$ -	-	$ 2.6500	$ -	$ -
August	89,070	$ 4.9000	$ 436,443	-	$ 0.8100	$ -	-	$ 2.6500	$ -	$ -
September	68,733	$ 4.9000	$ 336,792	-	$ 0.8100	$ -	-	$ 2.6500	$ -	$ -
October	73,483	$ 4.9000	$ 360,067	-	$ 0.8100	$ -	-	$ 2.6500	$ -	$ -
November	103,110	$ 4.9000	$ 505,239	-	$ 0.8100	$ -	-	$ 2.6500	$ -	$ -
December	106,227	$ 4.9000	$ 520,512	-	$ 0.8100	$ -	-	$ 2.6500	$ -	$ -
Total	1,042,536	$ 4.78	$ 4,987,102	-	$ -	$ -	-	$ -	$ -	$ -

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Incentive Rate-setting Mechanism Rate Generator for 2022 Filers

The purpose of this sheet is to calculate the expected billing when forecasted 2022 Uniform 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	105,436	$ 4.9000	$ 516,636	-	$ 0.8100	$ -	-	$ 2.6500	$ -	$ -
February	103,364	$ 4.9000	$ 506,484	-	$ 0.8100	$ -	-	$ 2.6500	$ -	$ -
March	92,951	$ 4.9000	$ 455,460	-	$ 0.8100	$ -	-	$ 2.6500	$ -	$ -
April	87,185	$ 4.9000	$ 427,207	-	$ 0.8100	$ -	-	$ 2.6500	$ -	$ -
May	68,603	$ 4.9000	$ 336,155	-	$ 0.8100	$ -	-	$ 2.6500	$ -	$ -
June	69,957	$ 4.9000	$ 342,789	-	$ 0.8100	$ -	-	$ 2.6500	$ -	$ -
July	74,417	$ 4.9000	$ 364,643	-	$ 0.8100	$ -	-	$ 2.6500	$ -	$ -
August	89,070	$ 4.9000	$ 436,443	-	$ 0.8100	$ -	-	$ 2.6500	$ -	$ -
September	68,733	$ 4.9000	$ 336,792	-	$ 0.8100	$ -	-	$ 2.6500	$ -	$ -
October	73,483	$ 4.9000	$ 360,067	-	$ 0.8100	$ -	-	$ 2.6500	$ -	$ -
November	103,110	$ 4.9000	$ 505,239	-	$ 0.8100	$ -	-	$ 2.6500	$ -	$ -
December	106,227	$ 4.9000	$ 520,512	-	$ 0.8100	$ -	-	$ 2.6500	$ -	$ -
Total	1,042,536	$ 4.90	$ 5,108,426	-	$ -	$ -	-	$ -	$ -	$ -

Incentive Rate-setting Mechanism Rate Generator for 2022 Filers

The purpose of this table 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	0.0076	312,527,660	0	2,375,210	50.0%	2,493,061	0.0080
General Service Less Than 50 kW Service Classification	Retail Transmission Rate - Network Service Rate	$/kWh	0.0071	88,852,183	0	630,851	13.3%	662,151	0.0075
General Service 50 To 4,999 kW Service Classification	Retail Transmission Rate - Network Service Rate	$/kW	2.8728		343,250	986,089	20.8%	1,035,016	3.0153
General Service 50 To 4,999 kW Service Classification	Retail Transmission Rate - Network Service Rate - Interval Metered	$/kW	3.6130		203,658	735,815	15.5%	772,324	3.7923
Unmetered Scattered Load Service Classification	Retail Transmission Rate - Network Service Rate	$/kWh	0.0071	912,707	0	6,480	0.1%	6,802	0.0075
Sentinel Lighting Service Classification	Retail Transmission Rate - Network Service Rate	$/kW	2.1776		598	1,302	0.0%	1,367	2.2856
Street Lighting Service Classification	Retail Transmission Rate - Network Service Rate	$/kW	2.1669		7,202	15,606	0.3%	16,380	2.2744

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									
General Service Less Than 50 kW Service Classification									
General Service 50 To 4,999 kW Service Classification									
General Service 50 To 4,999 kW Service Classification									
Unmetered Scattered Load Service Classification									
Sentinel Lighting Service Classification									
Street Lighting Service Classification									

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	0.0080	312,527,660	0	2,493,061	50.0%	2,553,711	**0.0082**
General Service Less Than 50 kW Service Classification	Retail Transmission Rate - Network Service Rate	$/kWh	0.0075	88,852,183	0	662,151	13.3%	678,260	**0.0076**
General Service 50 To 4,999 kW Service Classification	Retail Transmission Rate - Network Service Rate	$/kW	3.0153		343,250	1,035,016	20.8%	1,060,196	**3.0887**
General Service 50 To 4,999 kW Service Classification	Retail Transmission Rate - Network Service Rate - Interval Metered	$/kW	3.7923		203,658	772,324	15.5%	791,113	**3.8845**
Unmetered Scattered Load Service Classification	Retail Transmission Rate - Network Service Rate	$/kWh	0.0075	912,707	0	6,802	0.1%	6,967	**0.0076**
Sentinel Lighting Service Classification	Retail Transmission Rate - Network Service Rate	$/kW	2.2856		598	1,367	0.0%	1,400	**2.3412**
Street Lighting Service Classification	Retail Transmission Rate - Network Service Rate	$/kW	2.2744		7,202	16,380	0.3%	16,779	**2.3297**

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									
General Service Less Than 50 kW Service Classification									
General Service 50 To 4,999 kW Service Classification									
General Service 50 To 4,999 kW Service Classification									
Unmetered Scattered Load Service Classification									
Sentinel Lighting Service Classification									
Street Lighting Service Classification									

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Incentive Rate-setting Mechanism Rate Generator for 2022 Filers

If applicable, please enter any adjustments related to the revenue to cost ratio model into columns C and E. The Price Escalator has been set at the 2021 value and will be updated by OEB staff at a later date.

Price Escalator	**3.30%**	**Productivity Factor**	**0.00%**
Choose Stretch Factor Group	III	**Price Cap Index**	**3.00%**
Associated Stretch Factor Value	**0.30%**		

Rate Class	**Current MFC**	**MFC Adjustment from R/C Model**	**Current Volumetric Charge**	**DVR Adjustment from R/C Model**	**Price Cap Index to be Applied to MFC and DVR**	**Proposed MFC**	**Proposed Volumetric Charge**
RESIDENTIAL SERVICE CLASSIFICATION	32.74				3.00%	33.72	0.0000
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	21.67		0.026		3.00%	22.32	0.0268
GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION	119.68		7.0368		3.00%	123.27	7.2479
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	13.27		0.04		3.00%	13.67	0.0412
SENTINEL LIGHTING SERVICE CLASSIFICATION	3.72		34.6638		3.00%	3.83	35.7037
STREET LIGHTING SERVICE CLASSIFICATION	1.43		9.336		3.00%	1.47	9.6161
microFIT SERVICE CLASSIFICATION	4.55					4.55	

If applicable, Wheeling Service Rate will be adjusted for PCI on Sheet 19.

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Incentive Rate-setting Mechanism Rate Generator for 2022 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)	$/kWh	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

Distribution Rate Protection (DRP) Amount (Applicable to LDCs under the Distribution Rate Protection program):	$	36.86

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	$	44.50	2.20%	45.48

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)			2.20%	-
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 2021
** applicable only to LDCs in which the province-wide pole attachment charge applies
*** subject to change pending OEB order on miscellaneous service charges

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Incentive Rate-setting Mechanism Rate Generator for 2022 Filers

In the Green Cells below, enter all proposed rate riders/rates.
In column A, select the rate rider descriptions from the drop-down list in the blue cells. If the rate description cannot be found, enter the rate rider descriptions in the green cells. The rate rider description must begin with "Rate Rider for".
In column B, choose the associated unit from the drop-down menu.
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, 2022) 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, a sub-total (A or B) should already be assigned to the rate rider unless the rate description was entered into a green cell in column A. In these particular cases, from the dropdown list in column G, choose the appropriate sub-total (A or B). Sub-total A refers to rates/rate riders that Not considered as pass through costs (eg: LRAMVA and ICM/ACM rate riders). Sub-total B refers to rates/rate riders that are considered pass through costs.

RESIDENTIAL SERVICE CLASSIFICATION	UNIT	RATE		DATE (e.g. April 30, 2022)	SUB-TOTAL
Rate Rider for Recovery of Incremental Capital	$	1.43	- effective until	2022-04-30	A
			- effective until		
			- effective until		
			- effective until		
			- effective until		
			- effective until		
			- effective until		
			- effective until		
			- effective until		
			- effective until		

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	UNIT	RATE		DATE (e.g. April 30, 2022)	SUB-TOTAL
Rate Rider for Recovery of Incremental Capital	$	0.95	- effective until	2022-04-30	A
Rate Rider for Recovery of Incremental Capital	$/kWh	0.0011	- effective until	2022-04-30	A
			- effective until		
			- effective until		
			- effective until		
			- effective until		
			- effective until		
			- effective until		
			- effective until		
			- effective until		

GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION	UNIT	RATE		DATE (e.g. April 30, 2022)	SUB-TOTAL
Rate Rider for Recovery of Incremental Capital	$	5.24	- effective until	2022-04-30	A
Rate Rider for Recovery of Incremental Capital	$/kW	0.3082	- effective until	2022-04-30	A
			- effective until		
			- effective until		
			- effective until		
			- effective until		
			- effective until		
			- effective until		
			- effective until		
			- effective until		

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	UNIT	RATE		DATE (e.g. April 30, 2022)	SUB-TOTAL
Rate Rider for Recovery of Incremental Capital	$	0.58	- effective until	2022-04-30	A
Rate Rider for Recovery of Incremental Capital	$/kWh	0.0018	- effective until	2022-04-30	A
			- effective until		
			- effective until		
			- effective until		
			- effective until		
			- effective until		
			- effective until		
			- effective until		
			- effective until		

SENTINEL LIGHTING SERVICE CLASSIFICATION	UNIT	RATE		DATE (e.g. April 30, 2022)	SUB-TOTAL
Rate Rider for Recovery of Incremental Capital	$	0.16	- effective until	2022-04-30	A
Rate Rider for Recovery of Incremental Capital	$/kW	1.5182	- effective until	2022-04-30	A
			- effective until		
			- effective until		
			- effective until		
			- effective until		
			- effective until		
			- effective until		
			- effective until		
			- effective until		

STREET LIGHTING SERVICE CLASSIFICATION	UNIT	RATE		DATE (e.g. April 30, 2022)	SUB-TOTAL
Rate Rider for Recovery of Incremental Capital	$	0.06	- effective until	2022-04-30	A
Rate Rider for Recovery of Incremental Capital	$/kW	0.4089	- effective until	2022-04-30	A
			- effective until		
			- effective until		
			- effective until		
			- effective until		
			- effective until		
			- effective until		
			- effective until		
			- effective until		

microFIT SERVICE CLASSIFICATION	UNIT	RATE		DATE (e.g. April 30, 2022)	SUB-TOTAL
			- effective until		
			- effective until		
			- effective until		
			- effective until		
			- effective until		
			- effective until		
			- effective until		
			- effective until		
			- effective until		
			- effective until		

Ontario Energy Board

Incentive Rate-setting Mechanism Rate Generator for 2022 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 June 2021 of $0.2689/kWh (IESO's Monthly Market Report for June 2021) 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 *(eg: Residential TOU, Residential Retailer)*	**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	1.0481	1.0481	750		CONSUMPTION	
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	**kWh**	RPP	1.0481	1.0481	2,000		CONSUMPTION	
GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION	**kW**	Non-RPP (Other)	1.0481	1.0481	57,220	145	DEMAND	
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	**kWh**	RPP	1.0481	1.0481	3,600		CONSUMPTION	1
SENTINEL LIGHTING SERVICE CLASSIFICATION	**kW**	Non-RPP (Other)	1.0481	1.0481	50	1	DEMAND	1
STREET LIGHTING SERVICE CLASSIFICATION	**kW**	Non-RPP (Other)	1.0481	1.0481	199,852	585	DEMAND	8,070
Add additional scenarios if required			1.0481	1.0481				
Add additional scenarios if required			1.0481	1.0481				
Add additional scenarios if required			1.0481	1.0481				
Add additional scenarios if required			1.0481	1.0481				
Add additional scenarios if required			1.0481	1.0481				
Add additional scenarios if required			1.0481	1.0481				
Add additional scenarios if required			1.0481	1.0481				
Add additional scenarios if required			1.0481	1.0481				
Add additional scenarios if required			1.0481	1.0481				
Add additional scenarios if required			1.0481	1.0481				
Add additional scenarios if required			1.0481	1.0481				
Add additional scenarios if required			1.0481	1.0481				
Add additional scenarios if required			1.0481	1.0481				
Add additional scenarios if required			1.0481	1.0481				

Table 2

RATE CLASSES / CATEGORIES *(eg: Residential TOU, Residential Retailer)*	Units	Sub-Total						Total	
		A		B		C		Total Bill	
		$	%	$	%	$	%	$	%
RESIDENTIAL SERVICE CLASSIFICATION - RPP	kWh	$ 2.41	7.2%	$ 2.86	7.6%	$ 3.33	7.7%	$ 3.14	2.7%
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION - RPP	kWh	$ 5.40	7.2%	$ 6.60	7.8%	$ 7.65	7.7%	$ 7.20	2.4%
GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION - Non-RPP (Other)	kW	$ 84.13	7.2%	$ 54.83	4.2%	$ 86.13	5.0%	$ 97.33	0.5%
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION - RPP	kWh	$ 11.78	7.3%	$ 13.58	7.6%	$ 15.47	7.6%	$ 14.55	2.6%
SENTINEL LIGHTING SERVICE CLASSIFICATION - Non-RPP (Other)	kW	$ 2.83	7.2%	$ 3.00	7.6%	$ 3.17	7.6%	$ 3.58	5.7%
STREET LIGHTING SERVICE CLASSIFICATION - Non-RPP (Other)	kW	$ (2,130.64)	-10.3%	$ (2,246.17)	-10.6%	$ (2,150.93)	-9.6%	$ (2,430.55)	-2.6%

Customer Class:	RESIDENTIAL SERVICE CLASSIFICATION
RPP / Non-RPP:	RPP
Consumption	**750** kWh
Demand	**-** kW
Current Loss Factor	**1.0481**
Proposed/Approved Loss Factor	**1.0481**

	Current OEB-Approved			**Proposed**			**Impact**	
	Rate ($)	**Volume**	**Charge ($)**	**Rate ($)**	**Volume**	**Charge ($)**	**$ Change**	**% Change**
Monthly Service Charge	$ 32.74	1	$ 32.74	$ 33.72	1	$ 33.72	$ 0.98	2.99%
Distribution Volumetric Rate	$ -	750	$ -	$ -	750	$ -	$ -	
Fixed Rate Riders	$ 1.48	1	$ 1.48	$ 2.91	1	$ 2.91	$ 1.43	96.62%
Volumetric Rate Riders	-$ 0.0010	750	$ (0.75)	-$ 0.0010	750	$ (0.75)	$ -	0.00%
Sub-Total A (excluding pass through)			**$ 33.47**			**$ 35.88**	**$ 2.41**	**7.20%**
Line Losses on Cost of Power	$ 0.1034	36	$ 3.73	$ 0.1034	36	$ 3.73	$ -	0.00%
Total Deferral/Variance Account Rate Riders	$ 0.0002	750	$ 0.15	$ 0.0008	750	$ 0.60	$ 0.45	300.00%
CBR Class B Rate Riders	-$ 0.0001	750	$ (0.08)	-$ 0.0001	750	$ (0.08)	$ -	0.00%
GA Rate Riders	$ -	750	$ -	$ -	750	$ -	$ -	
Low Voltage Service Charge	$ -	750	$ -		750	$ -	$ -	
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	-$ 0.0004	750	$ (0.30)	-$ 0.0004	750	$ (0.30)	$ -	0.00%
Sub-Total B - Distribution (includes Sub-Total A)			**$ 37.55**			**$ 40.41**	**$ 2.86**	**7.62%**
RTSR - Network	$ 0.0076	786	$ 5.97	$ 0.0082	786	$ 6.45	$ 0.47	7.89%
RTSR - Connection and/or Line and Transformation Connection	$ -	786	$ -	$ -	786	$ -	$ -	
Sub-Total C - Delivery (including Sub-Total B)			**$ 43.52**			**$ 46.85**	**$ 3.33**	**7.66%**
Wholesale Market Service Charge (WMSC)	$ 0.0034	786	$ 2.67	$ 0.0034	786	$ 2.67	$ -	0.00%
Rural and Remote Rate Protection (RRRP)	$ 0.0005	786	$ 0.39	$ 0.0005	786	$ 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	480	$ 39.36	$ 0.0820	480	$ 39.36	$ -	0.00%
TOU - Mid Peak	$ 0.1130	135	$ 15.26	$ 0.1130	135	$ 15.26	$ -	0.00%
TOU - On Peak	$ 0.1700	135	$ 22.95	$ 0.1700	135	$ 22.95	$ -	0.00%
Total Bill on TOU (before Taxes)			**$ 124.40**			**$ 127.73**	**$ 3.33**	**2.68%**
HST	13%		$ 16.17	13%		$ 16.61	$ 0.43	2.68%
Ontario Electricity Rebate	18.9%		$ (23.51)	18.9%		$ (24.14)	$ (0.63)	
Total Bill on TOU			**$ 117.06**			**$ 120.20**	**$ 3.14**	**2.68%**

In the manager's summary, discuss the reas

Customer Class:	**GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION**
RPP / Non-RPP:	**RPP**
Consumption	**2,000** kWh
Demand	**-** kW
Current Loss Factor	**1.0481**
Proposed/Approved Loss Factor	**1.0481**

	Current OEB-Approved			**Proposed**			**Impact**	
	Rate ($)	**Volume**	**Charge ($)**	**Rate ($)**	**Volume**	**Charge ($)**	**$ Change**	**% Change**
Monthly Service Charge	$ 21.67	1	$ 21.67	$ 22.32	1	$ 22.32	$ 0.65	3.00%
Distribution Volumetric Rate	$ 0.0260	2000	$ 52.00	$ 0.0268	2000	$ 53.60	$ 1.60	3.08%
Fixed Rate Riders	$ 0.40	1	$ 0.40	$ 1.35	1	$ 1.35	$ 0.95	237.50%
Volumetric Rate Riders	$ 0.0004	2000	$ 0.80	$ 0.0015	2000	$ 3.00	$ 2.20	275.00%
Sub-Total A (excluding pass through)			**$ 74.87**			**$ 80.27**	**$ 5.40**	**7.21%**
Line Losses on Cost of Power	$ 0.1034	96	$ 9.95	$ 0.1034	96	$ 9.95	$ -	0.00%
Total Deferral/Variance Account Rate Riders	$ 0.0002	2,000	$ 0.40	$ 0.0008	2,000	$ 1.60	$ 1.20	300.00%
CBR Class B Rate Riders	-$ 0.0001	2,000	$ (0.20)	-$ 0.0001	2,000	$ (0.20)	$ -	0.00%
GA Rate Riders	$ -	2,000	$ -	$ -	2,000	$ -	$ -	
Low Voltage Service Charge	$ -	2,000	$ -		2,000	$ -	$ -	
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	-$ 0.0004	2,000	$ (0.80)	-$ 0.0004	2,000	$ (0.80)	$ -	0.00%
Sub-Total B - Distribution (includes Sub-Total A)			**$ 84.79**			**$ 91.39**	**$ 6.60**	**7.78%**
RTSR - Network	$ 0.0071	2,096	$ 14.88	$ 0.0076	2,096	$ 15.93	$ 1.05	7.04%
RTSR - Connection and/or Line and Transformation Connection	$ -	2,096	$ -	$ -	2,096	$ -	$ -	
Sub-Total C - Delivery (including Sub-Total B)			**$ 99.67**			**$ 107.32**	**$ 7.65**	**7.67%**
Wholesale Market Service Charge (WMSC)	$ 0.0034	2,096	$ 7.13	$ 0.0034	2,096	$ 7.13	$ -	0.00%
Rural and Remote Rate Protection (RRRP)	$ 0.0005	2,096	$ 1.05	$ 0.0005	2,096	$ 1.05	$ -	0.00%
Standard Supply Service Charge	$ 0.25	1	$ 0.25	$ 0.25	1	$ 0.25	$ -	0.00%
TOU - Off Peak	$ 0.0820	1,280	$ 104.96	$ 0.0820	1,280	$ 104.96	$ -	0.00%
TOU - Mid Peak	$ 0.1130	360	$ 40.68	$ 0.1130	360	$ 40.68	$ -	0.00%
TOU - On Peak	$ 0.1700	360	$ 61.20	$ 0.1700	360	$ 61.20	$ -	0.00%
Total Bill on TOU (before Taxes)			**$ 314.94**			**$ 322.59**	**$ 7.65**	**2.43%**
HST	13%		$ 40.94	13%		$ 41.94	$ 0.99	2.43%
Ontario Electricity Rebate	18.9%		$ (59.52)	18.9%		$ (60.97)	$ (1.45)	
Total Bill on TOU			**$ 296.36**			**$ 303.55**	**$ 7.20**	**2.43%**

In the manager's summary, discuss the reas

Customer Class:	**GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION**
RPP / Non-RPP:	**Non-RPP (Other)**
Consumption	**57,220** kWh
Demand	**145** kW
Current Loss Factor	**1.0481**
Proposed/Approved Loss Factor	**1.0481**

	Current OEB-Approved			Proposed			Impact	
	Rate ($)	Volume	Charge ($)	Rate ($)	Volume	Charge ($)	$ Change	% Change
Monthly Service Charge	$ 119.68	1	$ 119.68	$ 123.27	1	$ 123.27	$ 3.59	3.00%
Distribution Volumetric Rate	$ 7.0368	145	$ 1,020.34	$ 7.2479	145	$ 1,050.95	$ 30.61	3.00%
Fixed Rate Riders	$ 2.21	1	$ 2.21	$ 7.45	1	$ 7.45	$ 5.24	237.10%
Volumetric Rate Riders	$ 0.1259	145	$ 18.26	$ 0.4341	145	$ 62.94	$ 44.69	244.80%
Sub-Total A (excluding pass through)			**$ 1,160.48**			**$ 1,244.61**	**$ 84.13**	**7.25%**
Line Losses on Cost of Power	$ -	-	$ -	$ -	-	$ -	$ -	
Total Deferral/Variance Account Rate Riders	$ 0.1102	145	$ 15.98	$ 0.3123	145	$ 45.28	$ 29.30	183.39%
CBR Class B Rate Riders	-$ 0.0533	145	$ (7.73)	-$ 0.0234	145	$ (3.39)	$ 4.34	-56.10%
GA Rate Riders	$ 0.0028	57,220	$ 160.22	$ 0.0017	57,220	$ 97.27	$ (62.94)	-39.29%
Low Voltage Service Charge	$ -	145	$ -		145	$ -	$ -	
Smart Meter Entity Charge (if applicable)	$ -	1	$ -	$ -	1	$ -	$ -	
Additional Fixed Rate Riders	$ -	1	$ -	$ -	1	$ -	$ -	
Additional Volumetric Rate Riders	-$ 0.0004	57,220	$ (22.89)	-$ 0.0004	57,220	$ (22.89)	$ -	0.00%
Sub-Total B - Distribution (includes Sub-Total A)			**$ 1,306.06**			**$ 1,360.89**	**$ 54.83**	**4.20%**
RTSR - Network	$ 2.8728	145	$ 416.56	$ 3.0887	145	$ 447.86	$ 31.31	7.52%
RTSR - Connection and/or Line and Transformation Connection	$ -	145	$ -	$ -	145	$ -	$ -	
Sub-Total C - Delivery (including Sub-Total B)			**$ 1,722.62**			**$ 1,808.75**	**$ 86.13**	**5.00%**
Wholesale Market Service Charge (WMSC)	$ 0.0034	59,972	$ 203.91	$ 0.0034	59,972	$ 203.91	$ -	0.00%
Rural and Remote Rate Protection (RRRP)	$ 0.0005	59,972	$ 29.99	$ 0.0005	59,972	$ 29.99	$ -	0.00%
Standard Supply Service Charge	$ 0.25	1	$ 0.25	$ 0.25	1	$ 0.25	$ -	0.00%
Average IESO Wholesale Market Price	$ 0.2689	59,972	$ 16,126.55	$ 0.2689	59,972	$ 16,126.55	$ -	0.00%
Total Bill on Average IESO Wholesale Market Price			**$ 18,083.30**			**$ 18,169.44**	**$ 86.13**	**0.48%**
HST	13%		$ 2,350.83	13%		$ 2,362.03	$ 11.20	0.48%
Ontario Electricity Rebate	18.9%		$ -	18.9%		$ -		
Total Bill on Average IESO Wholesale Market Price			**$ 20,434.13**			**$ 20,531.46**	**$ 97.33**	**0.48%**

In the manager's summary, discuss the reas

Customer Class:	**UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION**
RPP / Non-RPP:	**RPP**
Consumption	**3,600** **kWh**
Demand	**-** **kW**
Current Loss Factor	**1.0481**
Proposed/Approved Loss Factor	**1.0481**

	Current OEB-Approved			**Proposed**			**Impact**	
	Rate ($)	**Volume**	**Charge ($)**	**Rate ($)**	**Volume**	**Charge ($)**	**$ Change**	**% Change**
Monthly Service Charge	**$ 13.27**	1	$ 13.27	**$ 13.67**	**1**	**$ 13.67**	$ 0.40	3.01%
Distribution Volumetric Rate	**$ 0.0400**	3600	$ 144.00	**$ 0.0412**	**3600**	**$ 148.32**	$ 4.32	3.00%
Fixed Rate Riders	**$ 0.25**	1	$ 0.25	**$ 0.83**	**1**	**$ 0.83**	$ 0.58	232.00%
Volumetric Rate Riders	**$ 0.0008**	3600	$ 2.88	**$ 0.0026**	**3600**	**$ 9.36**	$ 6.48	225.00%
Sub-Total A (excluding pass through)			**$ 160.40**			**$ 172.18**	**$ 11.78**	**7.34%**
Line Losses on Cost of Power	**$ 0.1034**	173	$ 17.91	**$ 0.1034**	**173**	**$ 17.91**	$ -	0.00%
Total Deferral/Variance Account Rate Riders	**$ 0.0003**	3,600	$ 1.08	**$ 0.0008**	**3,600**	**$ 2.88**	$ 1.80	166.67%
CBR Class B Rate Riders	**-$ 0.0001**	3,600	$ (0.36)	**-$ 0.0001**	**3,600**	**$ (0.36)**	$ -	0.00%
GA Rate Riders	**$ -**	3,600	$ -	**$ -**	**3,600**	**$ -**	$ -	
Low Voltage Service Charge	**$ -**	3,600	$ -		**3,600**	**$ -**	$ -	
Smart Meter Entity Charge (if applicable)	**$ -**	1	$ -	**$ -**	**1**	**$ -**	$ -	
Additional Fixed Rate Riders	**$ -**	1	$ -	**$ -**	**1**	**$ -**	$ -	
Additional Volumetric Rate Riders	**-$ 0.0004**	3,600	$ (1.44)	**-$ 0.0004**	**3,600**	**$ (1.44)**	$ -	0.00%
Sub-Total B - Distribution (includes Sub-Total A)			**$ 177.59**			**$ 191.17**	**$ 13.58**	**7.65%**
RTSR - Network	**$ 0.0071**	3,773	$ 26.79	$ 0.0076	**3,773**	**$ 28.68**	$ 1.89	7.04%
RTSR - Connection and/or Line and Transformation Connection	**$ -**	3,773	$ -	$ -	**3,773**	**$ -**	$ -	
Sub-Total C - Delivery (including Sub-Total B)			**$ 204.38**			**$ 219.84**	**$ 15.47**	**7.57%**
Wholesale Market Service Charge (WMSC)	**$ 0.0034**	3,773	$ 12.83	**$ 0.0034**	**3,773**	**$ 12.83**	$ -	0.00%
Rural and Remote Rate Protection (RRRP)	**$ 0.0005**	3,773	$ 1.89	**$ 0.0005**	**3,773**	**$ 1.89**	$ -	0.00%
Standard Supply Service Charge	**$ 0.25**	1	$ 0.25	**$ 0.25**	**1**	**$ 0.25**	$ -	0.00%
TOU - Off Peak	**$ 0.0820**	2,304	$ 188.93	**$ 0.0820**	**2,304**	**$ 188.93**	$ -	0.00%
TOU - Mid Peak	**$ 0.1130**	648	$ 73.22	**$ 0.1130**	**648**	**$ 73.22**	$ -	0.00%
TOU - On Peak	**$ 0.1700**	648	$ 110.16	**$ 0.1700**	**648**	**$ 110.16**	$ -	0.00%
Total Bill on TOU (before Taxes)			**$ 591.65**			**$ 607.12**	**$ 15.47**	**2.61%**
HST	13%		$ 76.92	13%		$ 78.93	$ 2.01	2.61%
Ontario Electricity Rebate	18.9%		$ (111.82)	18.9%		$ (114.75)	$ (2.92)	
Total Bill on TOU			**$ 556.75**			**$ 571.30**	**$ 14.55**	**2.61%**

In the manager's summary, discuss the reas

Customer Class:	**SENTINEL LIGHTING SERVICE CLASSIFICATION**
RPP / Non-RPP:	**Non-RPP (Other)**
Consumption	**50 kWh**
Demand	**1 kW**
Current Loss Factor	**1.0481**
Proposed/Approved Loss Factor	**1.0481**

	Current OEB-Approved			**Proposed**			**Impact**	
	Rate ($)	**Volume**	**Charge ($)**	**Rate ($)**	**Volume**	**Charge ($)**	**$ Change**	**% Change**
Monthly Service Charge	**$ 3.72**	1	$ 3.72	**$ 3.83**	**1**	**$ 3.83**	$ 0.11	2.96%
Distribution Volumetric Rate	**$ 34.6638**	1	$ 34.66	**$ 35.7037**	**1**	**$ 35.70**	$ 1.04	3.00%
Fixed Rate Riders	**$ 0.07**	1	$ 0.07	**$ 0.23**	**1**	**$ 0.23**	$ 0.16	228.57%
Volumetric Rate Riders	**$ 0.6256**	1	$ 0.63	**$ 2.1438**	**1**	**$ 2.14**	$ 1.52	242.68%
Sub-Total A (excluding pass through)			**$ 39.08**			**$ 41.91**	**$ 2.83**	**7.24%**
Line Losses on Cost of Power	**$ 0.2689**	2	$ 0.65	**$ 0.2689**	**2**	**$ 0.65**	$ -	0.00%
Total Deferral/Variance Account Rate Riders	**$ 0.0930**	1	$ 0.09	**$ 0.2567**	**1**	**$ 0.26**	$ 0.16	176.02%
CBR Class B Rate Riders	**-$ 0.0331**	1	$ (0.03)	**-$ 0.0201**	**1**	**$ (0.02)**	$ 0.01	-39.27%
GA Rate Riders	**$ -**	50	$ -	**$ -**	**50**	**$ -**	$ -	
Low Voltage Service Charge	**$ -**	1	$ -		**1**	**$ -**	$ -	
Smart Meter Entity Charge (if applicable)	**$ -**	1	$ -	**$ -**	**1**	**$ -**	$ -	
Additional Fixed Rate Riders	**$ -**	1	$ -	**$ -**	**1**	**$ -**	$ -	
Additional Volumetric Rate Riders	**-$ 0.0004**	50	$ (0.02)	**-$ 0.0004**	**50**	**$ (0.02)**	$ -	0.00%
Sub-Total B - Distribution (includes Sub-Total A)			**$ 39.77**			**$ 42.77**	**$ 3.00**	**7.56%**
RTSR - Network	**$ 2.1776**	1	$ 2.18	$ 2.3412	**1**	**$ 2.34**	$ 0.16	7.51%
RTSR - Connection and/or Line and Transformation Connection	**$ -**	1	$ -	$ -	**1**	**$ -**	$ -	
Sub-Total C - Delivery (including Sub-Total B)			**$ 41.94**			**$ 45.11**	**$ 3.17**	**7.55%**
Wholesale Market Service Charge (WMSC)	**$ 0.0034**	52	$ 0.18	**$ 0.0034**	**52**	**$ 0.18**	$ -	0.00%
Rural and Remote Rate Protection (RRRP)	**$ 0.0005**	52	$ 0.03	**$ 0.0005**	**52**	**$ 0.03**	$ -	0.00%
Standard Supply Service Charge	**$ 0.25**	1	$ 0.25	**$ 0.25**	**1**	**$ 0.25**	$ -	0.00%
Average IESO Wholesale Market Price	**$ 0.2689**	50	$ 13.45	**$ 0.2689**	**50**	**$ 13.45**	$ -	0.00%
Total Bill on Average IESO Wholesale Market Price			**$ 55.84**			**$ 59.01**	**$ 3.17**	**5.67%**
HST	13%		$ 7.26	13%		$ 7.67	$ 0.41	5.67%
Ontario Electricity Rebate	18.9%		$ (10.55)	18.9%		$ (11.15)		
Total Bill on Average IESO Wholesale Market Price			**$ 63.10**			**$ 66.68**	**$ 3.58**	**5.67%**

In the manager's summary, discuss the reas

Customer Class:	STREET LIGHTING SERVICE CLASSIFICATION
RPP / Non-RPP:	Non-RPP (Other)
Consumption	**199,852** kWh
Demand	**585** kW
Current Loss Factor	**1.0481**
Proposed/Approved Loss Factor	**1.0481**

	Current OEB-Approved			Proposed			Impact	
	Rate ($)	Volume	Charge ($)	Rate ($)	Volume	Charge ($)	$ Change	% Change
Monthly Service Charge	$ 1.43	8070	$ 11,540.10	$ 1.47	8070	$ 11,862.90	$ 322.80	2.80%
Distribution Volumetric Rate	$ 9.3360	585	$ 5,461.56	$ 9.6161	585	$ 5,625.42	$ 163.86	3.00%
Fixed Rate Riders	$ 0.03	8070	$ 242.10	$ 0.09	8070	$ 726.30	$ 484.20	200.00%
Volumetric Rate Riders	$ 5.8803	585	$ 3,439.98	$ 0.5786	585	$ 338.48	$ (3,101.49)	-90.16%
Sub-Total A (excluding pass through)			**$ 20,683.74**			**$ 18,553.10**	**$ (2,130.64)**	**-10.30%**
Line Losses on Cost of Power	$ -	-	$ -	$ -	-	$ -	$ -	
Total Deferral/Variance Account Rate Riders	$ 0.0930	585	$ 54.41	$ 0.2578	585	$ 150.81	$ 96.41	177.20%
CBR Class B Rate Riders	-$ 0.0329	585	$ (19.25)	-$ 0.0194	585	$ (11.35)	$ 7.90	-41.03%
GA Rate Riders	$ 0.0028	199,852	$ 559.59	$ 0.0017	199,852	$ 339.75	$ (219.84)	-39.29%
Low Voltage Service Charge	$ -	585	$ -		585	$ -	$ -	
Smart Meter Entity Charge (if applicable)	$ -	8070	$ -	$ -	8070	$ -	$ -	
Additional Fixed Rate Riders	$ -	8070	$ -	$ -	8070	$ -	$ -	
Additional Volumetric Rate Riders	-$ 0.0004	199,852	$ (79.94)	-$ 0.0004	199,852	$ (79.94)	$ -	0.00%
Sub-Total B - Distribution (includes Sub-Total A)			**$ 21,198.54**			**$ 18,952.37**	**$ (2,246.17)**	**-10.60%**
RTSR - Network	$ 2.1669	585	$ 1,267.64	$ 2.3297	585	$ 1,362.87	$ 95.24	7.51%
RTSR - Connection and/or Line and Transformation Connection	$ -	585	$ -	$ -	585	$ -	$ -	
Sub-Total C - Delivery (including Sub-Total B)			**$ 22,466.18**			**$ 20,315.25**	**$ (2,150.93)**	**-9.57%**
Wholesale Market Service Charge (WMSC)	$ 0.0034	209,465	$ 712.18	$ 0.0034	209,465	$ 712.18	$ -	0.00%
Rural and Remote Rate Protection (RRRP)	$ 0.0005	209,465	$ 104.73	$ 0.0005	209,465	$ 104.73	$ -	0.00%
Standard Supply Service Charge	$ 0.25	8070	$ 2,017.50	$ 0.25	8070	$ 2,017.50	$ -	0.00%
Average IESO Wholesale Market Price	$ 0.2689	209,465	$ 56,325.11	$ 0.2689	209,465	$ 56,325.11	$ -	0.00%
Total Bill on Average IESO Wholesale Market Price			**$ 81,625.69**			**$ 79,474.77**	**$ (2,150.93)**	**-2.64%**
HST	13%		$ 10,611.34	13%		$ 10,331.72	$ (279.62)	-2.64%
Ontario Electricity Rebate	18.9%		$ -	18.9%		$ -		
Total Bill on Average IESO Wholesale Market Price			**$ 92,237.04**			**$ 89,806.48**	**$ (2,430.55)**	**-2.64%**

In the manager's summary, discuss the reas

Appendix E

2022 GA Analysis Workform

GA Analysis Workform for 2022 Rate Applications

Ontario Energy Board

Version 1.0

Input cells
Drop down cells

Utility Name PUC DISTRIBUTION INC.

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 diposition 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.
(e.g. If the 2019 balances that were reviewed in the 2021 rate application were to be selected, select 2019)

Year Selected

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

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	$ 378,012	$ 1,297,385	$ (1,028,912)	$ 268,473	$ (109,539)	$ 19,771,231	-0.6%
Cumulative Balance	**$ 378,012**	**$ 1,297,385**	**$ (1,028,912)**	**$ 268,473**	**$ (109,539)**	**$ 19,771,231**	**N/A**

Account 1588 Reconciliation Summary

Year	Account 1588 as a % of Account 4705
2020	0.5%

Ontario Energy Board

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	613,632,199	kWh	100%
RPP	A	407,902,889	kWh	66.5%
Non RPP	B = D+E	205,729,311	kWh	33.5%
Non-RPP Class A	D	37,839,473	kWh	6.2%
Non-RPP Class B*	E	167,889,838	kWh	27.4%

*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 paticular 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	17,482,425			17,482,425	0.08323	$ 1,455,062	0.10232	$ 1,788,802	$ 333,739
February	15,426,093			15,426,093	0.12451	$ 1,920,703	0.11331	$ 1,747,931	$ (172,772)
March	17,947,262			17,947,262	0.10432	$ 1,872,258	0.11942	$ 2,143,262	$ 271,004
April	11,484,586			11,484,586	0.13707	$ 1,574,192	0.11500	$ 1,320,727	$ (253,465)
May	13,786,691			13,786,691	0.09293	$ 1,281,197	0.11500	$ 1,585,469	$ 304,272
June	14,171,956			14,171,956	0.11500	$ 1,629,775	0.11500	$ 1,629,775	$ -
July	14,483,219			14,483,219	0.10305	$ 1,492,496	0.09902	$ 1,434,128	$ (58,367)
August	13,545,607			13,545,607	0.10232	$ 1,385,986	0.10348	$ 1,401,699	$ 15,713
September	15,587,804			15,587,804	0.11573	$ 1,803,977	0.12176	$ 1,897,971	$ 93,994
October	11,568,736			11,568,736	0.14954	$ 1,729,989	0.12806	$ 1,481,492	$ (248,496)
November	14,543,071			14,543,071	0.11670	$ 1,697,176	0.11705	$ 1,702,266	$ 5,090
December	15,511,529			15,511,529	0.10704	$ 1,660,354	0.10558	$ 1,637,707	$ (22,647)
Net Change in Expected GA Balance in the Year (i.e. Transactions in the Year)	**175,538,979**	**-**	**-**	**175,538,979**		**$ 19,503,166**		**$ 19,771,231**	**$ 268,065**

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
137,077,891	136,095,745	982,146	0.11195	$ 109,946

Equal to (AQEW - 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	**$ 378,012**

Calculated Loss Factor	1.0456
Most Recent Approved Loss Factor for Secondary Metered Customer < 5,000kW	1.0481
Difference	**-0.0025**

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	
	Net Change in Principal Balance in the GL (i.e. Transactions in the Year)	$ 1,297,385		**Principal Adjustment on DVA Continuity Schedule**	**If "no", please provide an explanation**
1a	CT 148 True-up of GA Charges based on Actual Non-RPP Volumes - prior year				
1b	CT 148 True-up of GA Charges based on Actual Non-RPP Volumes - current year				
2a	Remove prior year end unbilled to actual revenue differences				
2b	Add current year end unbilled to actual revenue differences				
3a	Significant prior period billing adjustments recorded in current year				
3b	Significant current period billing adjustments recorded in other year(s)	$ (1,028,912)	GA deferral (May-June) allocation error	Yes	
4	CT 2148 for prior period corrections				
5	Impacts of GA deferral				
6					
7					
8					
9					
10					
11					

Note 6

Adjusted Net Change in Principal Balance in the GL	$	268,473
Net Change in Expected GA Balance in the Year Per Analysis	$	378,012
Unresolved Difference	$	(109,539)
Unresolved Difference as % of Expected GA Payments to IESO		-0.6%

Ontario Energy Board

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	- 593,460	1,028,912	435,452	79,247,240	0.5%
Cumulative	**- 593,460**	**1,028,912**	**435,452**	**79,247,240**	**0.5%**

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				
2				
3				
4				
5				
6				
7				
8				
	Total	-		
	Total principal adjustments included in last approved balance			
	Difference	-		

Account 1588 - RSVA Power				
	Adjustment Description	Amount	To be Reversed in Current Application?	Explanation if not to be reversed in current application
1				
2				
3				
4				
5				
6				
7				
8				
	Total	-		
	Total principal adjustments included in last approved balance			
	Difference	-		

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
	Reversals of prior approved principal adjustments (auto-populated from table above)			
	1			
	2			
	3			
	4			
	5			
	6			
	7			
	8			
		Total Reversal Principal Adjustments	-	
	Current year principal adjustments			
	1	CT 148 true-up of GA Charges based on actual Non-RPP volumes		
	2	Unbilled to actual revenue differences		
	3	GA Unadjusted months allocation correction	(1,028,912)	2021
	4			
	5			
	6			
	7			
	8			
		Total Current Year Principal Adjustments	(1,028,912)	
	Total Principal Adjustments to be Included on DVA Continuity Schedule/Tab 3 - IRM Rate Generator Model		(1,028,912)	

	Account 1588 - RSVA Power			
Year		Adjustment Description	Amount	Year Recorded in GL
	Reversals of prior approved principal adjustments (auto-populated from table above)			
	1			
	2			
	3			
	4			
	5			
	6			
	7			
	8			
		Total Reversal Principal Adjustments	-	
	Current year principal adjustments			
	1	CT 148 true-up of GA Charges based on actual RPP volumes		
	2	CT 1142/142 true-up based on actuals		
	3	Unbilled to actual revenue differences		
	4	GA Unadjusted months allocation correction	1,028,912	2,021
	5			
	6			
	7			
	8			
		Total Current Year Principal Adjustments	1,028,912	
	Total Principal Adjustments to be Included on DVA Continuity Schedule/Tab 3 - IRM Rate Generator Model		1,028,912	

Appendix F

2022 IRM Checklist

2022 IRM Checklist

PUC Distribution Inc.

EB-2021-0054

24-Nov-21

Filing Requirement Section/Page Reference	IRM Requirements	Evidence Reference, Notes
3.1.2 Components of the Application Filing		
2	Manager's summary documenting and explaining all rate adjustments requested	Application; Manager's Summary
2	Contact info - primary contact may be a person within the distributor's organization other than the primary license contact	Application, p.2
3	Completed Rate Generator Model and supplementary work forms, Excel and PDF	Appendix D
3	Current tariff sheet, PDF	Appendix B
3	Supporting documentation (e.g. relevant past decisions, RRWF etc.)	Appendix G - Smart Grid Decision
3	Statement as to who will be affected by the application, specific customer groups affected by particular request	Manager's Summary, p.4
3	Distributor's internet address	Application, p.2
3	Statement confirming accuracy of billing determinants pre-populated in model	Manager's Summary, p.6
3	Text searchable PDF format for all documents	Yes
3	An Excel version of the IRM Checklist	Yes
3.2.2 Revenue to Cost Ratio Adjustments		
6	Revenue to Cost Ratio Adjustment Workform, if distributor is seeking revenue to cost ratio adjustments due to previous OEB decision	N/A
3.2.3 Rate Design for Residential Electricity Customers	**Applicable only to distributors that have not completed the residential rate design transition**	
7	A plan to mitigate the impact for the whole residential class or indicate why such a plan is not required, if the total bill impact of the elements proposed in the application is 10% or greater for RPP customers consuming at the 10th percentile	N/A
7	Mitigation plan if total bill increases for any customer class exceed 10%	N/A
3.2.4 Electricity Distribution Retail Transmission Service Rates	**No action required at filing - model completed with most recent uniform transmission rates (UTRs) approved by the OEB**	
3.2.5 Review and Disposition of Group 1 DVA Balances		
8	Justification if any account balance in excess of the threshold should not be disposed	N/A
8	Completed Tab 3 - continuity schedule in Rate Generator Model	Yes
8 - 9	If Group 1 balances were last approved on an interim basis and adjustments have been made to the approved balances, a distributor needs to complete the continuity schedule starting from the last balances approved on a final basis	N/A
9	Explanation of variance between amounts proposed for disposition and amounts reported in RRR for each account	Manager's Summary, p.7-8
9	Statement as to whether any adjustments have been made to balances previously approved by the OEB on a final basis; If so, explanations provided for the nature and amounts of the adjustments and supporting documentation under a section titled "Adjustments to Deferral and Variance Accounts"	Manager's Summary, p.8
9 - 10	Rate riders proposed for recovery or refund of balances that are proposed for disposition. The default disposition period is one year. Justification with proper supporting information is required if distributor is proposing an alternative recovery period	Manager's Summary, p.9; 2022 IRM Rate Generator Model, Tab 7
3.2.5.1 Wholesale Market Participants		
10	Separate rate riders established to recover balances in RSVAs from Wholesale Market Participants, who must not be allocated balances related to charges for which WMPs settle directly with the IESO	N/A
3.2.5.2 Global Adjustment		
11	Separate GA rate rider established (variable charge) applicable to Non-RPP Class B customers when clearing balances in the GA Variance Account	Manager's Summary, p.10; 2022 IRM Rate Generator Model, Tab 6.1
11	Populated GA Analysis Workform for each year that has not previously been approved by the OEB for disposition, irrespective of whether seeking disposition of the Account 1589 balance as part of current application. If adjustments were made to an Account 1589 balance that was previously approved on an interim basis, the GA Analysis Workform is required to be completed for each year after the distributor last received final disposition for Account 1589	Appendix E
3.2.5.3 Commodity Accounts 1588 and 1589		
12	Confirmation of implementation of the OEB's February 21, 2019 guidance effective from January 1, 2019 when requesting final disposition for the first time following implementation of the Accounting Guidance	Manager's Summary, p.11
12	Confirmation that historical balances that have yet to be disposed on a final basis have been considered in the context of the Accounting Guidance, summary provided of the review performed. Distributors must discuss the results of review, whether any systemic issues were noted, and whether any material adjustments to the account balances have been recorded. A summary and description is provided for each adjustment made to the historical balances	N/A
13	Certification of Evidence - Distributor has robust processes and internal controls in place for the preparation, review, verification and oversight of account balances being proposed for disposition	Appendix A
3.2.5.4 Capacity Based Recovery (CBR)		
13 - 14	Disposition proposed for Account 1580 sub-account CBR Class B in accordance with the OEB's CBR Accounting Guidance. - Embedded distributors who are not charged CBR (therefore no balance in sub-account CBR Class B) must indicate this is the case for them - In the Rate Generator model, distributors must indicate whether they had Class A customers during the period where Account 1580 CBR Class B sub-account balance accumulated - For disposition of Account 1580 sub-account CBR Class A, distributors must follow the OEB's CBR accounting guidance, which results in balances disposed outside of a rate proceeding - The Rate Generator model allocates the portion of Account 1580 sub-account CBR Class B to customers who transitioned between Class A and Class B based on consumption	Manager's Summary, p.12; 2022 IRM Rate Generator Model, Tabs 1, 6.2a, 6.2
3.2.5.5 Disposition of Account 1595		
14	Confirmation that residual balances in Account 1595 Sub-accounts for each vintage year have only been disposed once	Manager's Summary, p.11
15	Account 1595 Analysis Workform completed for distributors who meet the requirements for disposition of residual balances in 1595 sub-accounts (and are seeking disposition)	N/A
15	Detailed explanations provided for any significant residual balances attributable to specific rate riders for each customer rate class, including for example, differences between forecast and actual volumes	N/A
3.2.6 Lost Revenue Adjustment Mechanism Variance Account		
16	Completed latest version of LRAMVA Workform in a working Excel file when making LRAMVA requests for remaining amounts related to CFF activity	N/A
18	Final Verified Annual Reports if LRAMVA balances are being claimed from CDM programs delivered in 2017 or earlier. Participation and Cost reports in Excel format, made available by the IESO, provided to support LRAMVA balances for programs delivered after January 1, 2018	N/A
18	Meet the OEB's requirements related to personal information and commercially sensitive information as stated in the Filing Requirements	N/A
19	Statement identifying the year(s) of new lost revenues and prior year savings persistence claimed in the LRAMVA disposition	N/A
19	Statement confirming LRAMVA based on verified savings results supported by the distributors final CDM Report and Persistence Savings Report (both filed in Excel format) and a statement indicating use of most recent input assumptions when calculating lost revenue	N/A
20	Summary table with principal and carrying charges by rate class and resulting rate riders	N/A
20	Statement providing the proposed disposition period; rationale provided for disposing the balance in the LRAMVA if significant rate rider is not generated for one or more customer classes	N/A
20	Statement confirming LRAMVA reference amounts, rationale for the distributors circumstances if LRAMVA threshold not used	N/A
20	Rationale confirming how rate class allocations for actual CDM savings were determined by class and program (Tab 3-A of LRAMVA Work Form)	N/A
20	Statement confirming whether additional documentation was provided in support of projects that were not included in distributor's final CDM Annual Report (Tab 8 of LRAMVA Work Form as applicable)	N/A
20 - 21	For a distributor's streetlighting project(s) which may have been completed in collaboration with local municipalities, the following must be provided: Explanation of the methodology to calculate streetlighting savings; Confirmation whether the streetlighting savings were calculated in accordance with OEB-approved load profiles for streetlighting projects; Confirmation whether the streetlighting project(s) received funding from the IESO and the appropriate net-to-gross assumption used to calculate streetlighting savings. For the recovery of lost revenues related to demand savings from street light upgrades, distributors should provide the following information: o Explanation of the forecast demand savings from street lights, including assumptions built into the load forecast from the last CoS application o Confirmation that the street light upgrades represent incremental savings attributable to participation in the IESO program, and that any savings not attributable to the IESO program have been removed (for example, other upgrades under normal asset management plans) o Confirmation that the associated energy savings from the applicable IESO program have been removed from the LRAMVA workform so as not to double count savings (for example, if requesting lost revenue recovery for the demand savings from a street light upgrade program, the associated energy savings from the Retrofit program have been subtracted from the Retrofit total) o Confirmation that the distributor has received reports from the participating municipality that validate the number and type of bulbs replaced or retrofitted through the IESO program o A table, in live excel format, that shows the monthly breakdown of billed demand over the period of the street light upgrade project, and the detailed calculations of the change in billed demand due to the street light upgrade project (including data on number of bulbs, type of bulb replaced or retrofitted, average demand per	N/A

2022 IRM Checklist

PUC Distribution Inc.

EB-2021-0054

24-Nov-21

Filing Requirement Section/Page Reference	IRM Requirements	Evidence Reference, Notes
21	For the recovery of lost revenues related to demand savings from other programs that are not included in the monthly Participation and Cost Reports of the IESO (for example Combined Heat and Power projects), distributors should provide the following information: o The third party evaluation report that describes the methodology to calculate the demand savings achieved for the program year. In particular, if the proposed methodology is different than the evaluation approaches used by the IESO, an explanation must be provided explaining why the proposed approach is more appropriate o Rationale for net-to-gross assumptions used o Breakdown of billed demand and detailed level calculations in live excel format	N/A
3.2.7 Tax Changes		
22	Tabs 8 and 9 of Rate Generator model are completed, if applicable	N/A
22	If a rate rider to the fourth decimal place is not generated for one or more customer classes, the entire sharing tax amount is be transferred to Account 1595 for disposition at a future date	N/A
3.2.8 Z-Factor Claims		
23	To be eligible for a Z-factor claim, a distributor must demonstrate that its achieved regulatory return on equity (ROE), during its most recently completed fiscal year, does not exceed 300 basis points above its deemed ROE embedded in its base rates	N/A
23	Evidence that costs incurred meet criteria of causation, materiality and prudence	N/A
23 - 24	In addition, the distributor must: - Notify OEB by letter of all Z-Factor events within 6 months of event - Apply to OEB for any cost recovery of amounts in the OEB-approved deferral account claimed under Z-Factor treatment - Demonstrate that distributor could not have been able to plan or budget for the event and harm caused is genuinely incremental - Demonstrate that costs incurred within a 12-month period and are incremental to those already being	N/A
3.2.8.2 Z-Factor Accounting Treatment		
24	Eligible Z-factor cost amounts are recorded in Account 1572, Extraordinary Event Costs. Carrying charges are calculated using simple interest applied to the monthly opening balances in the account and recorded in a separate sub-accounts of this account	N/A
3.2.8.3 Recovery of Z-Factor Costs		
24	Description of manner in which distributor intends to allocate incremental costs, including rationale for approach and merits of alternative allocation methods	N/A
24	Specification of whether rate rider(s) will apply on fixed or variable basis, or combination; length of disposition period and rational for proposal	N/A
24	Residential rate rider to be proposed on fixed basis	N/A
24	Detailed calculation of incremental revenue requirement and resulting rate rider(s)	N/A
3.2.9 Off-Ramps		
24	If a distributor whose earnings are in excess of the dead band nevertheless applies for an increase to its base rates, it needs to substantiate its reasons for doing so	N/A
24 - 25	A distributor is expected to file its regulated ROE, as was filed for 2.1.5.6 of the RRR. However, if in the distributor's view this ROE has been affected by out-of-period or other items (for example, revenues or costs that pertain to a prior period but recognized in a subsequent one), it may also file a proposal to normalize its achieved regulated ROE for those impacts, for consideration by the OEB.	N/A
3.3.1 Advanced Capital Module		
4	Capital Module applicable to ACM and ICM, for an incremental or pre-approved Advanced Capital Module (ICM/ACM) cost recovery and associated rate rider(s)	N/A
26	Evidence of passing "Means Test"	N/A
26	Information on relevant project's (or projects') updated cost projections, confirmation that the project(s) are on schedule to be completed as planned and an updated ACM/ICM module in Excel format	N/A
26	If proposed recovery differs significantly from pre-approved amount, a detailed explanation is required	N/A
26	If updated cost projects are 30% greater than pre-approved amount, distributor must treat project as new ICM, re-filed business case and other relevant material required	N/A
3.3.2 Incremental Capital Module		
3.3.2.1 ICM Filing Requirements		
	The following should be provided when filing for incremental capital:	N/A
4	Capital Module applicable to ACM and ICM, for an incremental or pre-approved Advanced Capital Module (ICM/ACM) cost recovery and associated rate rider(s)	N/A
28	An analysis demonstrating that the materiality threshold test has been met and that the amounts will have a significant influence on the operation of the distributor	N/A
28	Justification that the amounts to be incurred will be prudent - amounts represents the most cost-effective option (but not necessarily the least initial cost) for ratepayers	N/A
28	Justification that amounts being sought are directly related to the cause, which must be clearly outside of the base upon which current rates were derived	N/A
28	Evidence that the incremental revenue requested will not be recovered through other means (e.g., it is not, in full or in part, included in base rates or being funded by the expansion of service to include new customers and other load growth)	N/A
28	Details by project for the proposed capital spending plan for the expected in-service year	N/A
28	Description of the proposed capital projects and expected in-service dates	N/A
28	Calculation of the revenue requirement (i.e. the cost of capital, depreciation, and PILs) associated with each proposed incremental capital project	N/A
29	Calculation of each incremental project's revenue requirements that will be offset by revenue generated through other means (e.g. customer contributions in aid of construction)	N/A
29	Description of the actions the distributor would take in the event that the OEB does not approve the application	N/A
29	Calculation of a rate rider to recover the incremental revenue from each applicable customer class. The distributor must identify and provide a rationale for its proposed rider design, whether variable, fixed or a combination of fixed and variable riders. As discussed at section 3.2.3, any new rate rider for the residential class must be applied on a fixed basis	N/A
29	An updated DSP is required for any ICM request that is filed beyond the five-year horizon of the distributor's current DSP. Any ICM request that involves a significant increase to a capital budget may need to be supported by a DSP along with customer engagement analysis	N/A

Appendix G

PUC_ICM_SmartGrid_(EB-2020-0249/EB-2018-0219)

Ontario Energy Board | Commission de l'énergie de l'Ontario

DECISION AND ORDER

EB-2020-0249/EB-2018-0219

PUC DISTRIBUTION INC.

Application for rates and other charges to be effective May 1, 2022

BEFORE: **Emad Elsayed**
Presiding Commissioner

Lynne Anderson
Chief Commissioner

April 29, 2021

Ontario Energy Board | Commission de l'énergie de l'Ontario

Ontario

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1 INTRODUCTION AND SUMMARY

In this Decision and Order, the Ontario Energy Board (OEB) approves the amended and restated Incremental Capital Module (ICM) application (Amended Application) filed by PUC Distribution for new rates effective May 1, 2022.

PUC Distribution serves approximately 33,500 mostly residential and commercial electricity customers in the City of Sault Ste. Marie as well as parts of Prince Township, Dennis Township and the Rankin Reserve. The utility is seeking OEB approval for incremental capital funding related to the implementation of the Sault Smart Grid Project (SSG Project or Project).

The SSG Project is a proposed community wide smart grid which will cover PUC Distribution's entire service territory. The SSG Project is expected to transform the applicant's entire distribution system through an integrated project implementing various technologies such as Voltage/VAR Optimization, Distribution Automation and Advanced Metering Infrastructure. The SSG Project is scheduled to be in-service by December 31, 2022.

Typically, a distributor applying for incremental capital funding for 2022 would be expected to apply for OEB approval as part of its 2022 Incentive Rate-Setting Mechanism (IRM) application. However, in this case, PUC Distribution indicated that it is applying in advance in 2021 because it requires regulatory approval before it can commence the SSG Project and complete it in 2022.[1]

[1] EB-2020-0249/EB-2018-0219, PUC_IRR_20210125, January 25, 2021, (Staff-4(b))

2 THE PROCESS

This Amended Application, filed on October 29, 2020, is a continuation of an earlier proceeding (EB-2018-0219) related to the SSG Project and the two proceedings were therefore combined, as indicated in the OEB's letter of November 12, 2020.[2]

The parties that were granted intervenor status and cost award eligibility in EB-2018-0219 were deemed to be intervenors and eligible for cost awards in this proceeding.[3]

Following the issuance of the completeness letter for the Amended Application, Environmental Defence submitted a request for intervenor status and cost eligibility.[4] Environmental Defence was not an intervenor in the earlier proceeding but was approved as an intervenor in the current proceeding and is eligible to apply for an award of costs under the OEB's *Practice Direction on Cost Awards*.[5]

The other approved intervenors in this proceeding are Consumers Council of Canada (CCC), School Energy Coalition (SEC), and the Vulnerable Energy Consumers Coalition (VECC).

The application was supported by pre-filed written evidence and a completed Incremental Capital Model. During the proceeding, PUC Distribution responded to interrogatories and, where required, updated and clarified the evidence. A Technical Conference was held on February 17, 2021. PUC Distribution filed its Undertaking Responses from the Technical Conference on February 26, 2021 and its Argument-in-Chief on March 12, 2021. Final submissions on the application were filed by OEB staff, Environmental Defence, CCC, and SEC on March 22, 2021 and by VECC on March 23, 2021.

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[2] On January 31, 2019, PUC Distribution filed an IRM application with the OEB under section 78 of the Ontario Energy Board Act, 1998 seeking approval for changes to its electricity distribution rates to be effective May 1, 2019. The OEB assigned file number EB-2018-0219 to the application. As part of its 2019 IRM application, PUC Distribution applied for an ICM to recover costs associated with the implementation of the SSG Project. The OEB bifurcated the application and issued a Partial Decision and Order on the IRM portion of the application on June 20, 2019. A Final Rate Order on the IRM portion was issued on July 9, 2019. The ICM portion was placed in abeyance by the OEB in response to a letter from PUC Distribution on June 28, 2019 advising that it would be amending the ICM application. After the Amended Application was filed, the OEB issued its completeness letter dated November 12, 2020 in which the OEB stated that for administrative purposes the OEB assigned a new file number for the Amended Application (EB-2020-0249), however it was appropriate to combine the two proceedings and both dockets numbers should be referenced in all filings and correspondence.
[3] EB-2020-0249/EB-2018-0219, OEBltr_Complete_PUC Distribution_Smart Grid_20201112_signed, November 12, 2020
[4] Received November 17, 2020
[5] EB-2020-0249/EB-2018-0219, OEBltr_ED_intvnr_PUC Distribution_Smart Grid_20201118, November 18, 2020

On April 1, 2021, PUC Distribution filed a reply submission as well as an update to its evidence related to the Contribution Agreement between Natural Resources Canada (NRCan) and PUC Distribution.[6]

On April 7, 2021, the OEB issued a letter requesting that PUC Distribution file a summary clarification of the changes to the Contribution Agreement and how the amendments impact the current proceeding. PUC Distribution filed the requested clarification on April 14, 2021.[7]

[6] EB-2020-0249/EB-2018-0219, PUC_EVD Update_20210401, April 1, 2021
[7] EB-2020-0249/EB-2018-0219, PUC_SUB_Clarification_20210414, April 14, 2021

3 THE SAULT SMART GRID PROJECT

3.1 Summary of the Proposed SSG Project

The SSG Project is comprised of three key components – Voltage/VAR Optimization (VVO), Distribution Automation (DA) and Advanced Metering Infrastructure (AMI) Integration – the benefits of which can be summarized as follows:

- **VVO**: allows a utility to operate its distribution system at the lower end of the acceptable voltage ranges and reduces reactive power in the distribution system resulting in lower system losses, lower energy consumption, and an overall system energy and demand reduction.[8]
- **DA**: provides better monitoring and control of the distribution system by providing real time data as well as the capabilities to remotely locate faults and remotely operate equipment to restore service in the event of fault or loss of upstream power.[9]
- **AMI**: allows a utility to leverage its AMI data for better data analytics and reporting.[10]

PUC Distribution noted that each of VVO, DA and AMI are not novel technologies. The innovative aspect(s) of the proposed SSG Project is the combination of all three technologies into a single project, and the contribution of funding from NRCan to reduce the cost of implementing these technologies across PUC Distribution's entire distribution system.[11]

Customer Benefits

The actual net benefit to customers can vary and is dependent on numerous factors, including energy consumption and electricity prices. As an example of electricity price variability, using the 2019 Regulated Price Plan (RPP) Price Report, the projected annual net benefit to customers from the SSG Project is $616,897.[12] However, based on the 2021 RPP Price Report as at the time of the filing of PUC Distribution's interrogatory responses, the annual net benefit to customers is estimated to be

[8] EB-2020-0249/EB-2018-0219, PUC_Amended APPL_ICM_20201028, October 29, 2020, p. 25
[9] Ibid, pp. 26-28
[10] Ibid, pp. 29-30
[11] EB-2020-0249/EB-2018-0219, PUC_ARGChief_20210312, March 12, 2021, p. 10
[12] Regulated Price Plan Supply Cost Report, May 1, 2019 to April 30, 2020; EB-2020-0249/EB-2018-0219, PUC_Amended APPL_ICM_20201028, October 29, 2020, Appendix AA15 Cost of Power Forecast Spreadsheet

$331,626.[13] The amount of savings is also dependent on PUC Distribution's success in achieving an anticipated 2.70% reduction in energy consumption from VVO. To arrive at its benefit estimates, PUC Distribution netted all the estimated sources of savings and costs against the incremental revenue requirement (full year) of the SSG Project.

Project Costs

The total Project cost estimate is $32,938,213.[14] Included in this total cost estimate is the engineering, procurement, and construction (EPC) contract cost of $27,745,044 which is structured as a "maximum price limit" project consisting of two steps. Step 1 is defined as the Upfront Engineering for which pricing has been fixed at $5,086,378. Step 2 is defined as the Balance of Work and is set at a maximum limit of $22,658,667. The total of the EPC Contract is therefore capped at $27,745,044, which is why it is referred to as a "maximum price limit".[15] The balance of the Project cost relates to PUC Distribution's own engineering (including preliminary engineering works), project management and legal costs.[16]

Contribution Agreement with NRCan

PUC Distribution entered into a Contribution Agreement with NRCan (Contribution Agreement) to qualify the SSG Project for funding under the NRCan Smart Grid Program. Under the Contribution Agreement, NRCan agreed to fund the lesser of 25% of total Project costs incurred or $10,626,500 (NRCan Contribution).[17] The estimated NRCan Contribution is $8,109,553, which is 25% of the current eligible Project cost estimate ($32,438,213).[18] PUC Distribution stated that implementation of the SSG Project is predicated on the objective of a "no net bill increase" for its customers, and the NRCan Contribution makes this a possibility.

PUC Distribution is requesting incremental funding through the ICM mechanism based on the net of the total Project cost and the NRCan Contribution, which is a net capital

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[13] EB-2020-0249/EB-2018-0219, PUC_IRR_20210125, January 25, 2021, p. 45 (Staff-6(b))
[14] EB-2020-0249/EB-2018-0219, PUC_Undertakings_TC_20210226, February 26, 2021, Appendix JTC1.7
[15] EB-2020-0249, PUC_Amended APPL_ICM_20201028, October 29, 2020, p. 16
[16] EB-2020-0249, PUC_Amended APPL_ICM_20201028, October 29, 2020, Appendix AA12-1 – Project Cost Summary
[17] Ibid, Appendix AA4-2 Contribution Agreement (amended), p. 2
[18] $32,938,213 less approximately $500,000 which are the estimated ineligible costs under the NRCan program as they were incurred before the contribution eligibility period, or categorized as ineligible for purposes of contribution calculation (e.g. legal expenses), although they are recognized as part of the total cost of the project. The most recent NRCan Contribution Agreement notes $300k in ineligible costs, however, throughout the evidence in the current proceeding, PUC Distribution indicated $500k in ineligible costs to date. The Amended Application indicated that the Contribution Agreement would be finalized with NRCan if the OEB approves the ICM project that is the subject of this proceeding.

cost of $24,828,660.[19] ICM funding is calculated based on the return on capital, depreciation and taxes of the Project's in-service capital. As PUC Distribution is scheduled to rebase in 2023, and is requesting ICM funding in 2022, it has applied the half-year rule, as discussed below, and calculated its annual incremental revenue requirement to be $875,610.[20]

3.2 Summary of Issues

A number of issues were raised by the parties and OEB staff for the SSG Project. This included areas such as:

- risk, related to both forecast costs and savings
- the timing of the application given that the SSG Project is expected to go into service in December 2022
- the impact on customers and whether the customer engagement was appropriate
- whether conditions of approval should be imposed if the OEB approves the Project

Environment Defence, SEC and OEB staff supported the SSG Project. CCC and VECC both indicated that while they support innovation and smart grid technologies, they do not support the Project as structured given the risk and timing.

Risk (Costs and Savings)

Environmental Defence submitted that the SSG Project will result in savings to customers and improve system reliability while also eliminating greenhouse gas emissions and creating jobs and economic growth.[21] Environmental Defence submitted that the SSG Project will also reduce transmission grid and generation costs, and that the calculation of net benefits by PUC Distribution have been conservatively estimated and may likely be higher.[22]

SEC submitted that this ICM proposal is inherently high risk but should be approved with certain conditions. With respect to the cost and savings SEC submitted the following:

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[19] $24,828,660 = $32,938,213-$8,109,553
[20] EB-2020-0249/EB-2018-0219, PUC_Amended APPL_ICM_20201028, October 29, 2020, pp. 39-40
[21] EB-2020-0249/EB-2018-0219, ED_Arg_20210322, March 22, 2021, p. 2
[22] EB-2020-0249/EB-2018-0219, ED_Arg_20210322, March 22, 2021, pp. 3-4

- With respect to the size of the Project, it appears to be the second largest single capital project for an existing utility in the last decade relative to the size of the utility. It will increase PUC Distribution's net fixed assets by 35.5% before accounting for the NRCan funds, and about 25.9% after deducting that contribution. The result will be an increase in revenue requirement of more than 13%.[23]

- The Project can only deliver on the premise of a "no net bill increase" if the benefits materialize.

- There may be GHG reductions over the first 10 years with a value of $1.4 to $6.0 million depending on how it is calculated. Given this is a 10-year estimate for a project with a much longer life, these benefits should be an important consideration.[24]

VECC noted the following concerns with the SSG Project:

- The low level of Project cost certainty and percentage of completed work.

- The outdated and imprecise nature of the preliminary design work on the VVO and DA systems, which is over six years old and not at a maturity level that reflects an accurate cost estimate.

- The unstable economics of the Project given the fluctuation in the cost of power.

- The unpredictability of the capital reductions and operations and maintenance expenses.[25]

CCC expressed concern that PUC Distribution had not undertaken any pilots with respect to the proposed technology.[26]

Some intervenors argued that if the OEB approves this application, PUC Distribution should accept incremental risk if VVO savings are not achieved.

In response to concerns regarding Project cost variability, PUC Distribution submitted that the EPC Contract maximum fixed price represents 82.8% of the total Project costs. Therefore, the remaining variability in Project costs is 17.2% of the total costs which are largely attributable to work being performed by its affiliate, PUC Services Inc. (PUC Services). PUC Services believes that its estimate has a +/-20% variability embedded.

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[23] EB-2020-0249/EB-2018-0219, SEC_Final Argument_PUC_20210322, March 22, 2021, p. 2
[24] Ibid, pp. 4-5
[25] EB-2020-0249/EB-2018-0219, VECC_SUB_PUC_20210323, March 23, 2021, pp. 2-6
[26] EB-2020-0249/EB-2018-0219, CCC.Submission.PUC.SSG, March 22, 2021, p. 5

This results in a maximum price variability of $1,150,035 on a total Project cost of $33,495,218 (or +/- 3.4%) which is within the range of price variabilities the OEB has approved in respect of other ICM applications.[27]

PUC Distribution also submitted that it provided a sensitivity analysis showing a range in the net present value of annual net benefits to customers from VVO savings (2022-2041) based on scenarios of 2%, 2.7%, and 4% VVO savings, all of which show that its customers are better off with the SSG Project than without it. PUC Distribution identified additional benefits, such as improved reliability. PUC Distribution also noted that the EPC Contract contains a liquidated damages clause which will have the effect of reducing the total cost of the SSG Project if specific targeted VVO savings are not achieved.[28]

With respect to its planning process, PUC Distribution replied with the following details:

- The assumptions and technologies used in its engineering studies were reviewed as part of the Request for Proposal (RFP) process. This culminated in the execution of a maximum price limit contract (EPC Contract) with defined performance obligations and liquidated damages tied to those obligations.[29]

- PUC Distribution did not pursue a smaller scope pilot because it would require all of its customers to pay for a pilot that only a small subset of customers would benefit from.[30]

Timing

SEC submitted that the SSG Project is projected to result in changes to the utility's distribution system, and as such, would normally be considered in the context of a Distribution System Plan and a rebasing application. However, SEC noted that if the utility waits until rebasing, the NRCan Contribution may be lost.[31]

OEB staff was comfortable with the timing of the application but proposed certain updates that PUC Distribution should file as part of its 2022 IRM application.

CCC submitted that the expected in-service date of December 31, 2022 is based on OEB approval in March 2021 – if the in-service date was any later it would not qualify as a 2022 ICM project, and PUC Distribution would be required to file its funding request as part of it 2023 rebasing application. CCC also submitted that the Project should be

[27] EB-2020-0249/EB-2018-0219, PUC_ReplySUB_20210401, April 1, 2021, pp. 14-15
[28] Ibid, pp. 5-6
[29] Ibid, p. 11
[30] Ibid, p. 12
[31] EB-2020-0249/EB-2018-0219, SEC_Final Argument_PUC_20210322, March 22, 2021, pp. 2-3

brought forward in PUC Distribution's 2023 rebasing application in the context of a new Distribution System Plan.[32]

In its reply submission, PUC Distribution emphasized that the timing of this application is driven by the need to obtain approval by a certain date in order not to lose out on the NRCan funding.[33]

With respect to the in-service date of the SSG Project, PUC Distribution stated that it does not expect an April or May OEB approval to alter the expected in-service date of December 31, 2022. PUC Distribution also accepted the updates proposed by OEB staff for the 2022 rate application.[34]

Impact on Customers and Customer Engagement

SEC submitted that customer engagement in relation to this Project is suspect – customers were not given a full picture. However, the City of Sault Ste. Marie has been actively involved in reviewing the Project from its inception and throughout, so SEC believes the City is cognizant of the economic and other benefits of the Project.[35]

CCC submitted that it does not accept that PUC Distribution can "secure, or is willing to secure its promise for "no net bill increases" for all of its customers."[36] CCC's conclusions are based on certain concerns and considerations which are outlined in its submission.[37] Some examples include:

- PUC Distribution is relying on studies that were undertaken between 2014-2016 – the relevance of those reports should be reassessed.
- In the utility's 2018 Distribution System Plan, smart grid investments were given the lowest priority amongst its customers.
- Some customers are expected to see bill increases, particularly low-volume consumers.[38]

OEB staff submitted that it is unclear if customers were told that, in order to see an overall reduction in their bills, a certain level of benefits would need to be achieved.[39]

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[32] EB-2020-0249/EB-2018-0219, CCC.Submission.PUC.SSG, March 22, 2021, pp.4-5
[33] EB-2020-0249/EB-2018-0219, PUC_ReplySUB_20210401, April 1, 2021, p. 10
[34] Ibid, p. 16
[35] EB-2020-0249/EB-2018-0219, SEC_Final Argument_PUC_20210322, March 22, 2021, p. 3-4
[36] EB-2020-0249/EB-2018-0219, CCC.Submission.PUC.SSG, March 22, 2021, p. 4
[37] See Ibid, pp. 4-6 for the full discussion
[38] EB-2020-0249/EB-2018-0219, CCC.Submission.PUC.SSG, March 22, 2021, pp. 5-6
[39] EB-2020-0249/EB-2018-0219, OEBstaff_SUB_ICM_PUC Distribution_20210322, March 22, 2021, p. 7

PUC Distribution acknowledged that certain customers, particularly those that use very low volumes of electricity, may see slight bill increases. However, most customers will see no net bill increase and, on aggregate across all customers, the estimated savings of 2.70% energy consumption from VVO will result in a net present value of benefits to customers of $12.51M.[40] PUC Distribution also clarified that for the 2018 Distribution System Plan, the lower ranking for smart grid investments was for those specifically aimed at connecting renewable generation, and PUC Distribution would continue to follow this practice.[41]

Conditions

VECC submitted that if the OEB decides to approve the request, conditions should be applied that include the shareholder sharing some risk with the utility's customers if the benefits are not achieved.[42]

Conditions of approval set out in the submissions of intervenors and OEB staff are outlined in section 5 of this Decision.

PUC Distribution submitted that it is "willing to propose as part of its next cost of service application an appropriate metric and performance targets to symmetrically link VVO performance of the SSG Project to the utility's allowable ROE in respect of the SSG Project." [43]

Findings

The OEB approves PUC Distribution's application for ICM funding for the SSG Project and the associated rate riders, effective May 1, 2022. The OEB accepts the net capital cost forecast of $24,828,660 and the revenue requirement calculation of $875,610 for determining the ICM rate riders.

The OEB finds that the SSG Project is in the public interest, delivering direct benefits to customers through reduction in energy consumption, reliability improvements and improved planning and data reporting systems. The Project's proposed execution approach is innovative, locally supported and has secured significant funding from NRCan provided that OEB approval is obtained by May 31, 2021 and the project is executed by March 31, 2023.

The three individual components of the SSG Project (VVO, DA and AMI) have been successfully implemented by other utilities in parts of their system in the past. However,

[40] EB-2020-0249/EB-2018-0219, PUC_ReplySUB_20210401, April 1, 2021, p. 13
[41] Ibid, pp. 11-12
[42] EB-2020-0249/EB-2018-0219, VECC_SUB_PUC_20210323, March 23, 2021, p. 6
[43] EB-2020-0249/EB-2018-0219, PUC_ReplySUB_20210401, April 1, 2021, p. 7

what is innovative and unique about this application is that PUC Distribution is proposing to implement all three components in one single project through its entire system.

As described in more detail in the following sections, the OEB finds that PUC Distribution has met the ICM eligibility criteria of materiality, need and prudence. However, the risks associated with this Project need to be effectively managed and mitigated.

Some intervenors proposed that this Project be deferred to provide an opportunity for more technical assessments, an updated Distribution System Plan, more cost certainty, or to examine the possibility of executing the Project in a phased approach. The OEB finds that, on balance, this Project presents a unique innovative opportunity utilizing the NRCan Contribution to execute this Project, and that risks can be mitigated through appropriate measures. Delaying the Project or executing it in phases would forgo the NRCan Contribution, would not enable PUC Distribution to achieve a “no net bill increase” for its customers, and/or would require that all customers pay for a pilot that benefits a small sub-set of customers.

Regarding the issue of risk sharing, the OEB finds that PUC Distribution shall file all available information on the proposed Project performance metrics that it intends to track, along with proposed targets, in its next rebasing application. This shall include an appropriate metric and targets to symmetrically link the VVO performance of the Project to PUC Distribution’s allowable ROE for this Project.

Approval of PUC Distribution’s Amended Application is subject to certain conditions described in Section 5.

4 INCREMENTAL CAPITAL MODULE (ICM)

4.1 Background

The OEB's ICM policy[44] was established to address the treatment of a distributor's capital investment needs that arise during a Price Cap IR rate-setting plan and which are incremental to a calculated materiality threshold. An ICM is a means by which a distributor can collect additional revenue from customers to fund capital expenditures in the years between cost of service applications. The ICM is available for discretionary or non-discretionary projects and is not limited to extraordinary or unanticipated investments. However, ICM funding is not available for typical annual capital programs, nor is it available for projects that do not have a significant influence on the operations of the distributor.

To qualify for ICM funding, a distributor must satisfy the OEB's well-established eligibility criteria of materiality, need and prudence as outlined in the ACM Report.[45] PUC Distribution addressed these criteria in its submissions.

In its submission, OEB staff discussed the three ICM criteria, and some of the inherent risks of the Project, performance targets/metrics and the treatment of liquidated damages.

The intervenors' submissions did not specifically discuss the ICM criteria. As noted in the previous section, some intervenors discussed the benefits of the proposed SSG Project. Most intervenors discussed the Project risks, and some proposed certain conditions that should be included if the OEB approves the SSG Project.

In its reply submission, PUC Distribution noted that no party disagreed that the ICM criteria were met.

The Half-Year Rule

The OEB's policy allows for a full year's depreciation, capital cost allowance, and return on capital, for all years of a Price Cap IR plan *except* the final year prior to rebasing.[46] In the final year prior to rebasing, the standard half-year rule is used for calculation of the

[44] The OEB's policy for the funding of incremental capital is set out in the *Report of the Board New Policy Options for the Funding of Capital Investments: The Advanced Capital Module*, September 18, 2014 (ACM Report) and the subsequent *Report of the OEB New Policy Options for the Funding of Capital Investments: Supplemental Report* (Supplemental Report) (collectively referred to as the ICM policy).
[45] ACM Report, p. 17
[46] Supplemental Report pp. 7-11. When the half-year rule is applied, only half of the annual depreciation and CCA is allowed for depreciation and tax/PILs purposes. This ensures that the distributor recovers only a half-year of return on depreciation and capital as per the intent of the half-year rule.

depreciation and return on capital, and associated taxes/payments in lieu (PILs) are treated as if it was the first year that an asset enters service.[47]

4.2 ICM Criteria - Materiality

The ICM criteria addresses materiality in two steps. The first step requires that the ICM capital exceeds the ICM "materiality threshold formula"[48], which serves to define the level of capital expenditures that a distributor should be able to manage within current rates. Any incremental capital amounts approved for recovery must fit within the total eligible incremental capital amount and must clearly have a significant influence on the operations of the distributor.[49] A second, project-specific, materiality test provides that minor expenditures, in comparison to the overall capital budget, should be considered ineligible for ICM treatment. Moreover, a certain degree of project expenditure over and above the OEB-defined threshold calculation is expected to be absorbed within the total capital budget.[50]

<u>Eligible Incremental Capital and Project-Specific Materiality Threshold</u>

PUC Distribution is forecasting a total capital budget of $33,495,218 for 2022 including the proposed SSG Project. The OEB-defined materiality threshold for PUC Distribution is $5,414,316. [51] The maximum available eligible incremental capital amount is $28,080,902, calculated as the difference between the forecasted 2022 capital budget and the OEB-defined materiality threshold.[52]

PUC Distribution noted that the proposed $24,828,660 ICM amount for the SSG Project is above the materiality threshold and within the maximum eligible incremental capital. Further, the SSG Project ICM amount is not a minor expenditure in comparison to PUC Distribution's overall capital budget and is clearly outside of the utility's typical annual capital programs. Therefore, PUC Distribution submitted that it has met the ICM "materiality" criteria.[53]

OEB staff submitted that if the OEB approves the SSG Project, PUC Distribution should be required to provide an updated ICM Model as part of its 2022 IRM application to

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[47] ACM Report, p. 23
[48] The ICM materiality threshold formula refers to the updated multi-year materiality threshold formula as defined on p. 19 of the Supplemental Report.
[49] ACM Report, p. 17
[50] Ibid
[51] The OEB-defined materiality threshold is the product of depreciation expense included in rates and the materiality threshold percentage ($5,414,316 = $3,780,329 x 143%). The materiality threshold is based on an updated price cap index of 1.90% (inflation rate of 2.2% minus a stretch factor of 0.3%).
[52] $28,080,902 = $33,495,218 – $5,414,316
[53] EB-2020-0249/EB-2018-0219, PUC_ARGChief_20210312, March 12, 2021, pp. 8-9

update for the following:

- The OEB-approved inflation factor applicable for 2022 rates
- Any changes to PUC Distribution's forecasted 2022 capital budget, if applicable
- Actual 2020 demand data on Tab 3 of the ICM Model

OEB staff submitted that these changes would ensure that both the materiality threshold and maximum eligible incremental capital are appropriately calculated, based on the most up-to-date information. OEB staff noted that, despite the forthcoming updates in 2022, the maximum amount of capital for the SSG Project recoverable under the ICM is unlikely to change as a result of these updates. OEB staff noted that the net cost of the SSG Project being requested under the ICM is well within the maximum eligible incremental capital amount of $28,080,902. OEB staff also noted its expectation that PUC Distribution will provide an update on the in-service date at the time of the 2022 IRM update.

OEB staff submitted that the SSG Project makes up a significant portion of PUC Distribution's 2022 forecast capital budget[54] and therefore satisfies the project-specific materiality threshold.

PUC Distribution agreed that if the OEB approves the SSG Project, it would file the updates noted by OEB staff as part of its 2022 IRM application.[55]

Significant Influence on Operations and Accelerated CCA

OEB staff submitted that the as-filed ICM project (SSG Project) would, absent other factors, have a significant influence on the utility's operations. The incremental revenue requirement is calculated as $875,610 and the revenue requirement from PUC Distribution's last rebasing application was $19.1 million.[56] However, OEB staff noted that the as-filed revenue requirement applies legacy capital cost allowance (CCA) rules, rather than accelerated CCA, to the Payments in Lieu of Taxes (PILs) component of the ICM revenue requirement.[57]

OEB staff calculated that the revenue requirement for the ICM, if revised to incorporate accelerated CCA would be $38,212, which would not appear to have a significant

[54] 74% = $24,828,660/$33,495,218
[55] EB-2020-0249/EB-2018-0219, PUC_ReplySUB_20210401, April 1, 2021, p. 16
[56] EB-2017-0071
[57] EB-2020-0249/EB-2018-0219, OEBstaff_SUB_ICM_PUC Distribution_20210322, March 22, 2021, p. 13

influence on the operations of PUC Distribution in 2022.[58]

OEB staff noted that while the Filing Requirements generally require accelerated CCA to be excluded from the calculation of the ICM revenue requirement, the Filing Requirements also indicate that the OEB **may** consider accelerated CCA in assessing the impact of the proposed capital project on the operations of the utility in determining if ICM funding is warranted (**emphasis added**).[59]

OEB staff submitted that accelerated CCA should not be applied to the ICM revenue requirement for 2022. Instead, the ICM revenue requirement impact from accelerated CCA should be recorded in Account 1592, Sub-account CCA Changes.[60]

OEB staff submitted that the disposition of a forecasted balance in Account 1592 in relation to the SSG Project can be addressed in PUC Distribution's 2023 cost of service application. OEB staff further submitted that disposition of Account 1592 in relation to the SSG Project in PUC Distribution's 2023 cost of service application along with consideration of any potential ICM true-up and the inclusion of the SSG Project into rate base would assist in providing a more complete picture of the SSG Project.[61]

OEB staff indicated its support of the SSG Project with a revenue requirement excluding accelerated CCA based on i) the merits of the Project, ii) the Project having significant influence on the utility's operations over the life of the Project, and iii) the forfeiting of the NRCan Contribution if the application is not approved.

PUC Distribution submitted that OEB staff erred in calculating the revenue requirement with the inclusion of accelerated CCA and that OEB staff did not properly adjust the accelerated CCA amount by the half-year rule to properly calculate the impact on the ICM revenue requirement.[62]

PUC Distribution provided its calculation of the impact of applying accelerated CCA with the half-year rule on the ICM revenue requirement and noted that this results in a revenue requirement of $702,347, which exceeds the utility's materiality threshold. PUC Distribution submitted that the SSG Project passes the materiality component of the ICM test regardless of whether accelerated CCA is applied or not.[63]

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[58] Ibid
[59] Filing Requirements for Electricity Distribution Rate Applications – 2020 Edition for 2021 Rate Applications – Chapter 3 Incentive Rate-setting Applications, May 14, 2020, Pages 30-31
[60] EB-2020-0249/EB-2018-0219, OEBstaff_SUB_ICM_PUC Distribution_20210322, March 22, 2021, p. 14
[61] EB-2020-0249/EB-2018-0219, OEBstaff_SUB_ICM_PUC Distribution_20210322, March 22, 2021, p. 15
[62] EB-2020-0249/EB-2018-0219, PUC_ReplySUB_20210401, April 1, 2021, p. 8
[63] Ibid, p. 9

Findings

The OEB finds that materiality criterion is met for this ICM application.

There are two OEB tests for ICM applications to address materiality. The first test requires that the ICM amount be within the Maximum Eligible Incremental Capital. The Maximum Eligible Incremental Capital is the difference between the forecasted total capital expenditures for 2022 and the materiality threshold calculated using the formula established by the OEB in the ICM policy. The OEB accepts the calculations of $5,414,316 for the ICM materiality threshold and of $28,080,902 for the Maximum Eligible Incremental Capital. These values were updated for the 2021 inflation factor. No parties took exception to these calculations. The ICM amount in this application of $24,828,660 is below the Maximum Eligible Incremental Capital, and therefore this materiality test has been met.

The OEB notes that there is a significant difference between OEB staff's calculation including the impact of accelerated CCA on the ICM revenue requirement and the calculation provided by PUC Distribution in its reply submission. These calculations both arose during submissions and, therefore, have had limited testing. The OEB therefore concludes that it is appropriate to exclude the impact of accelerated CCA from the calculation of the ICM revenue requirement. PUC Distribution shall continue to record the impact of accelerated CCA in Account 1592 for all of its capital projects, including the SSG Project, and bring the balance forth for disposition in PUC Distribution's 2023 cost of service application.

The second project-specific test states that minor expenditures compared to the utility's overall capital budget would not be eligible for ICM treatment. The SSG project ICM amount ($24,828,660) is significant (74%) compared to PUC Distribution's overall capital budget which is $33,495,218 and would, therefore, be eligible for ICM treatment. The OEB also notes that the capital expenditures approved for PUC Distribution as part of 2018 cost of service rate application were $5.4 million.

The OEB disagrees with the use of the materiality threshold from the Chapter 2 Filing Requirements for determining whether an ICM project has a significant influence on the operation of a utility. The Chapter 2 materiality threshold is for the purpose of determining whether explanations needed to be provided in a cost of service rate application for variances, and therefore was established for a different use. However, the SSG Project will clearly have a significant influence on the operation of the distributor when considering its size relative to PUC Distribution's capital budget.

Based on the above, the OEB finds that the SSG Project meets the materiality criterion.

The OEB does not find it necessary for PUC Distribution to file an updated ICM model as part of its 2022 IRM application. The OEB is approving rate riders in this proceeding that will be effective May 1, 2022. The rate riders to be utilized are those that were provided in the updated ICM Model filed by OEB staff in its interrogatories and confirmed by PUC Distribution.

The ICM funding being approved is based on the half-year rule for 2022, and the OEB has required PUC Distribution to file a rebasing application for 2023. So, the ICM rate riders will only be effective in the 2022 rate year and have been calculated as a half-year of the revenue requirement. The approved funding is also based on PUC Distribution's forecast of costs for the Project. The OEB concludes that any updated parameters for 2022 are not likely to be material to the rate riders being approved.

The OEB also requires PUC Distribution to establish the generic ICM sub-accounts. Per the ICM policy, these sub-accounts are subject to the assets being used or useful (i.e. in-service). If the assets for the Project are not in-service in 2022, they are treated as construction work in progress. On that basis, if the Project does not go into service in 2022, the actual capital amount to be recorded in the capital-related ICM sub-accounts would be zero. As part of PUC Distribution's 2023 rebasing rate application, the OEB can assess the impact of the in-service date for the Project. Per the ICM policy, if there are significant variances between the revenue requirement based on actual in-service capital and the revenues collected through the ICM rate riders, the OEB may decide to true up any differences.

4.3 ICM Criteria – Need

In order to qualify for ICM funding for a particular project, a distributor must demonstrate that there is a need for the incremental funding.

The OEB's ACM Report requires a three-fold test to demonstrate need:

- The Means Test
- Amounts must be based on discrete projects and should be directly related to the claimed driver
- The amounts must be clearly outside of the base upon which the rates were derived.[64]

[64] ACM Report, p. 17

Means Test

If a distributor's most recently available regulated return on equity (ROE) exceeds 300 basis points above the deemed ROE embedded in the distributor's rates, then funding for any incremental capital project would not be allowed.

PUC Distribution's deemed ROE approved by the OEB as part of its 2018 cost of service proceeding is 9.00%. Its historical ROE for 2019 was 8.87% and its forecasted ROE for 2020, 2021 and 2022 is 7.89%, 7.04% and 7.60%, respectively.[65]

OEB staff noted that, under typical circumstances, a distributor applying for a 2022 ICM would have 2020 actual ROE results but, in this case, PUC Distribution provided its 2019 actuals which are the most recent available given the timing of the filing. OEB staff submitted that, given that PUC Distribution did not over-earn in its last actual historical year (2019) and is not forecasting to over-earn in 2020, PUC Distribution passes the Means Test.[66]

PUC Distribution submitted that no party disagreed that PUC Distribution passes the Means Test.[67]

Discrete Project and Unfunded Through Base Rates

PUC Distribution noted that the SSG Project was not included in its most recent cost of service application because the status of the NRCan Contribution was unknown at that time. The SSG Project is therefore outside of the base upon which current rates were derived and the incremental capital amount being requested in this application is directly related to the cost of deploying the SSG Project.[68]

OEB staff agreed that the SSG Project would introduce certain new smart grid technologies that are not currently implemented anywhere in PUC Distribution's system. OEB staff submitted that the SSG Project is discrete and unfunded through base rates.[69]

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[65] EB-2020-0249/EB-2018-0219, PUC_ARGChief_20210312, March 12, 2021, p. 12
[66] EB-2020-0249/EB-2018-0219, OEBstaff_SUB_ICM_PUC Distribution_20210322, March 22, 2021, p. 17
[67] EB-2020-0249/EB-2018-0219, PUC_ReplySUB_20210401, April 1, 2021, p. 5
[68] EB-2020-0249/EB-2018-0219, PUC_Amended APPL_ICM_20201028, October 29, 2020, pp. 14 and 49
[69] EB-2020-0249/EB-2018-0219, OEBstaff_SUB_ICM_PUC Distribution_20210322, March 22, 2021, pp. 17-18

PUC Distribution submitted that no party disagreed that the SSG Project is a discrete project and unfunded through base rates.[70]

Claimed Driver

In its Argument in Chief, PUC Distribution stated that it addressed the need criterion in the Amended Application and its submission focused on elaborating on key points made in the Amended Application.

PUC Distribution described the expectations of customers for cost control, improved reliability and communication with their utility, as well as better service options in how they interact with their utility. Additionally, increasing development of distributed energy resource technologies and electric vehicle use is expected to continue the growing operational performance and delivery requirements of distribution system operators.[71] PUC Distribution believes the SSG Project will contribute to the four main performance outcomes of the OEB's Scorecard (i.e., Customer Focus, Operational Effectiveness, Public Policy Responsiveness, and Financial Performance).[72]

OEB staff submitted that the need for the SSG Project has been reasonably established. OEB staff accepted that there are generally increasing expectations from customers and agreed that there are potential benefits of the SSG Project that may be realized.[73]

OEB staff also agreed that the objectives that the SSG Project seeks to achieve are reasonably in line with certain objectives of the OEB Act.

Findings

The OEB finds that the need for funding for the SSG Project has been reasonably established.

The OEB finds that the SSG Project meets the three-fold test for project need, according to OEB's ACM Report, for the following reasons:

- The Means Test

  PUC Distribution's regulated ROE for 2019 was 8.87% and this is forecast to drop to 7.89% for 2020. This is within 300 basis points of the deemed ROE

[70] EB-2020-0249/EB-2018-0219, PUC_ReplySUB_20210401, April 1, 2021, p. 5
[71] EB-2020-0249/EB-2018-0219, PUC_Amended APPL_ICM_20201028, October 29, 2020, p. 46
[72] Ibid, p. 47
[73] EB-2020-0249/EB-2018-0219, OEBstaff_SUB_ICM_PUC Distribution_20210322, March 22, 2021, p. 19

embedded in the distribution rates, and therefore the OEB agrees the means test is met.

- Discrete Project

  The OEB agrees that the amount requested is based on a discrete project. It is a novel project and therefore not part of an ongoing capital program.

- Outside of Base Rates

  The OEB agrees the amount requested is unfunded through base rates. The OEB accepts PUC Distribution's explanation that the SSG Project was not included in its 2018 cost of service rate application because the participation of NRCan was uncertain at the time.

However, the OEB finds that it would have been helpful to have a better understanding as to where the SSG Project fits within PUC Distribution's overall capital investment priorities, which is typically done through the development and implementation of a comprehensive Distribution System Plan. The estimated cost of the SSG Project represents a significant investment relative to the size of the utility. A detailed up-to-date Distribution System Plan would have been helpful in supporting the presumption that this Project has a higher priority than other capital investments. This issue is addressed later under the conditions of approval.

4.4 ICM Criteria - Prudence

A distributor needs to establish that the incremental capital amount it proposes to incur is prudent. To satisfy the prudence test, a distributor must demonstrate that its decision to incur the incremental capital represents the most cost-effective option for its customers (though, not necessarily the least initial cost option).[74]

PUC Distribution considered three options before coming to the determination to proceed with the SSG Project and provided a discussion of each option. Option 1 was to complete the SSG Project over two years following OEB approval. Option 2 was to develop the SSG Project over a period of ten years. Option 3 was to not proceed with the SSG Project.

Option 2 was not considered acceptable as it would result in PUC Distribution forfeiting the NRCan Contribution and therefore the total project cost would be borne by PUC Distribution's customers. Additionally, the anticipated benefits would be delayed by up to nine years. Option 3 was not recommended because it would keep PUC Distribution

[74] ACM Report, p. 17

from modernizing its grid and keeping up with the technological advances facing all utilities which would be contrary to good utility practice.[75] Option 1 was chosen as it allows customers to realize the benefits of the Project sooner and allows for access to the NRCan Contribution, thereby reducing the capital cost of the Project.

OEB staff submitted that, while at a high-level option 1 appears to be the most prudent option, there are also several risks associated with the SSG Project. OEB staff provided a discussion on a non-exhaustive list of risks and provided its thoughts on each, summarized as follows:[76]

- The total net benefit to customers is highly dependent on how much reduction in energy consumption the VVO implementation is able to achieve and the fact that benefits will vary amongst customers (i.e., low consumption customers will not receive as much benefit). OEB staff noted that the anticipated 2.70% reduction is an estimate and a more conservative estimate of 2.0% may be more appropriate. However, generally speaking, the SSG Project can reasonably be expected to deliver positive value to customers (on aggregate) in the long run.[77]
- VVO will be implemented fully, but the scope of the DA component may be reduced to keep the costs within the maximum price of the EPC Contract. Given that the reliability benefits of DA are not included as part of the “no net bill increase” calculation, the approach to implementing DA is reasonable.[78]
- There are certain customers connected to the 34.5kV system that would not receive the benefits of VVO, however, they will receive the potential benefit of increased reliability from the implementation of DA. OEB staff submitted that the SSG Project will provide net positive benefits to PUC Distribution’s customers as a whole.[79]
- There is a portion of the Project cost which is not subject to a fixed or maximum price and therefore it is reasonable to assume that a portion may change in some manner. OEB staff submitted that while the Project costs are variable in some way, this is not unlike other ICM proposals filed with the OEB. At the time of rebasing, any distributor that has an approved ICM from a previous application

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[75] EB-2020-0249/EB-2018-0219, PUC_Amended APPL_ICM_20201028, October 29, 2020, pp. 51-52
[76] EB-2020-0249/EB-2018-0219, OEBstaff_SUB_ICM_PUC Distribution_20210322, March 22, 2021, pp. 19-25
[77] Ibid, pp. 21-23
[78] EB-2020-0249/EB-2018-0219, OEBstaff_SUB_ICM_PUC Distribution_20210322, March 22, 2021, pp. 23-24
[79] Ibid, p. 24

> must compare actual capital spending with the OEB-approved amount and provide an explanation for variances.[80]

PUC Distribution submitted that no party disagreed that the SSG Project meets the Prudence test.[81]

Findings

The OEB finds that PUC Distribution has demonstrated that its plan to proceed with the SSG Project is prudent. The SSG Project is a significant step towards PUC Distribution's grid modernization which is the primary driver for this Project. This includes reducing energy/commodity costs for end-use consumers, improving reliability, and improving operational control and data availability. The individual project components (VVO, DA and AMI) are technically sound and have been implemented by other utilities.

This prudence was demonstrated at various stages of the SSG Project. First, PUC Distribution conducted a detailed assessment of three alternatives to meet the Project need and concluded that developing the project over two years following OEB approval and utilizing NRCan Contribution represented the preferred alternative. The NRCan Contribution makes it possible to implement the project with a "no net bill increase" to customers.

Second, in order to secure a competitive price for the Project, PUC Distribution conducted a competitive, public tendering process to select a contractor for EPC services. The EPC Contract, dated October 7, 2020, includes a liquidated damages clause which could result in reducing the Project cost for customers if the Project is delayed or if certain targeted energy savings (VVO component) are not achieved.

Third, PUC Distribution completed a sensitivity analysis to show that some small variation in the projected energy savings would still result in benefits to PUC Distribution's customers arising from the SSG Project.

[80] Ibid, pp. 24-25
[81] EB-2020-0249/EB-2018-0219, PUC_ReplySUB_20210401, April 1, 2021, p. 5

5 CONDITIONS OF APPROVAL

Submissions on Conditions of Approval

SEC, VECC, and OEB staff identified certain conditions that should be required if the OEB approves the SSG Project.

SEC proposed that the OEB include conditions that limit the risks being taken by the customers of PUC Distribution, and provided a list of those conditions in its submissions.[82]

VECC submitted that, if the OEB decides to approve the proposed SSG Project, conditions should be applied that include the shareholder sharing the risk with PUC Distribution's customers if the net benefits are not achieved.[83]

OEB staff submitted that if the OEB approves this Project, it would be appropriate to establish metrics that link performance measures to revenues. OEB staff recommended that PUC Distribution file all available information on the proposed metrics that it intends to track in relation to the SSG Project as part of its 2023 rebasing application. Further, PUC Distribution should be required to propose performance targets in its 2023 rebasing application, including how much risk PUC Distribution believes is reasonable for it to bear if it does not deliver on its savings forecasts.[84]

In its reply submission, PUC Distribution stated that it is willing to propose, as part of its next cost of service application, appropriate metrics and performance targets to link VVO performance of the SSG Project to PUC Distribution's allowable ROE in respect of the SSG Project. However, any risk sharing proposal would need to be symmetrical. If PUC Distribution accepts downside risk based on VVO savings performance being less than target, then PUC Distribution must also have the upside benefit if VVO savings are higher than target.[85]

In addition to filing an updated ICM Model as part of its 2022 IRM application for certain items as noted in the Materiality section of this Decision, PUC Distribution stated that it would agree to certain conditions of approval which are outlined in its submission.[86]

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[82] The conditions of approval as proposed by SEC are listed in its submission, EB-2020-0249/EB-2018-0219, SEC_Final Argument_PUC_20210322, March 22, 2021, pp. 5-6
[83] EB-2020-0249/EB-2018-0219, VECC_SUB_PUC_20210323, March 23, 2021, p.6
[84] EB-2020-0249/EB-2018-0219, OEBstaff_SUB_ICM_PUC Distribution_20210322, March 22, 2021, pp. 26-27
[85] EB-2020-0249/EB-2018-0219, PUC_ReplySUB_20210401, April 1, 2021, p. 7
[86] Ibid, pp. 16-17

Findings

In order to manage the risks associated with this Project and appropriately monitor its progress, the OEB approval is subject to the following conditions:

1. PUC Distribution shall file its next rebasing application for 2023 rates no later than August 31, 2022.
2. PUC Distribution shall file an updated Distribution System Plan at the time of its next rebasing application which demonstrates how the SSG Project is being accommodated through the re-prioritization of other capital expenditures.
3. PUC Distribution shall provide a detailed report as part of its next rebasing application, which compares the SSG Project costs and benefits as implemented to what was forecast in this application.
4. PUC Distribution shall file all available information on the proposed Project performance metrics that it intends to track, along with proposed targets, in its next rebasing application. This shall include an appropriate metric and targets to symmetrically link the VVO performance of the Project to PUC's allowable ROE for this Project.
5. PUC Distribution shall post on its public website a report, within 18 months of Project completion, and with annual updates for 10 years thereafter which shows the actual benefits of the SSG Project, broken down by customer class.
6. Any EPC Contract liquidated damages resulting from "performance" or "delay" shall be used to reduce the Project capital cost and would be settled at the time of the next rebasing.
7. The OEB does not find it necessary for PUC Distribution to file an updated ICM model as part of its 2022 IRM application. As noted in the findings on Materiality, the rate riders to be utilized are those that were provided in the updated ICM Model filed by OEB staff in its interrogatories.[87] PUC Distribution shall include the approved ICM rate riders on its proposed tariff for its 2022 rate application.

[87] Confirmed by PUC Distribution

6 ACCOUNTING ORDER

In its application, PUC Distribution indicated that it would record actual ICM amounts in the generic Account 1508 sub-accounts established for ICMs. There is no Accounting Order with respect to these accounts because they were established in the ICM policy.

PUC Distribution also provided an updated draft Accounting Order to reflect ICM sub-accounts, including those related to the NRCan funding that will be required and the journal entries that will be recorded if the ICM is approved for inclusion in rate base at rebasing.[88]

OEB staff submitted it does not have any concerns with the draft accounting order as provided in PUC Distribution's undertaking responses.

Findings

The OEB approves the draft accounting order provided by PUC Distribution which includes the journal entries for the ICM generic sub-accounts from the ICM policy and for the NRCan funding, which is a unique aspect of the Project.

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[88] EB-2020-0249, PUC_Undertakings_TC_20210226 (Appendix JTC1.2)

7 ORDER

THE ONTARIO ENERGY BOARD ORDERS THAT:

1. The Ontario Energy Board approves the amended and restated Incremental Capital Module (ICM) application filed by PUC Distribution Inc. for new rates effective **May 1, 2022**, subject to the conditions set out below.

2. The Accounting Order set out in Schedule A of this Decision and Order is approved.

3. PUC Distribution Inc. shall file its next rebasing application for 2023 rates no later than **August 31, 2022**.

4. PUC Distribution Inc. shall file an updated Distribution System Plan at the time of its next rebasing application which demonstrates how the SSG Project is being accommodated through the re-prioritization of other capital expenditures.

5. PUC Distribution Inc. shall provide a detailed report as part of its next rebasing application, which compares the SSG Project costs and benefits as implemented to what was forecast in this application.

6. PUC Distribution Inc. shall file all available information on the proposed Project performance metrics that it intends to track, along with proposed targets, in its next rebasing application. This shall include an appropriate metric and targets to symmetrically link the VVO performance of the Project to PUC Distribution Inc.'s allowable ROE for this Project.

7. PUC Distribution Inc. shall post on its public website a report, within 18 months of Project completion, and with annual updates for 10 years thereafter which shows the actual benefits of the SSG Project, broken down by customer class.

8. PUC Distribution shall include the approved ICM rate riders on its proposed tariff for its 2022 rate application.

9. Any EPC Contract liquidated damages resulting from “performance” or “delay” shall be used to reduce the Project capital cost and would be settled at the time of the next rebasing.

Cost Awards

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

1. Intervenors shall submit their cost claims with the OEB and forward to PUC Distribution Inc. by **May 6, 2021**.

2. PUC Distribution Inc. shall file with the OEB and forward to intervenors any objections to the claimed costs by **May 17, 2021**.

3. Intervenors, to which PUC Distribution Inc. filed an objection to the claimed costs, shall file with the OEB and forward to PUC Distribution Inc. any responses to any objections for cost claims by **May 25, 2021**.

4. PUC Distribution Inc. shall pay the OEB's costs incidental to this proceeding upon receipt of the OEB's invoice.

How to File Materials

Parties are responsible for ensuring that any documents they file with the OEB, such as applicant and intervenor evidence, interrogatories and responses to interrogatories or any other type of document, **do not include personal information** (as that phrase is defined in the *Freedom of Information and Protection of Privacy Act*), unless filed in accordance with rule 9A of the OEB's *Rules of Practice and Procedure*.

Please quote file number, **EB-2020-0249/EB-2018-0219**, for all materials filed and submit them in searchable/unrestricted PDF format with a digital signature through the OEB's web portal at https://p-pes.ontarioenergyboard.ca/PivotalUX/.

- Filings should clearly state the sender's name, postal address, telephone number, fax number and e-mail address.
- Please use the document naming conventions and document submission standards outlined in the Regulatory Electronic Submission System (RESS) Document Guidelines found at www.oeb.ca/industry.
- Parties are encouraged to use RESS. Those who have not yet set up an account, or require assistance using the web portal can contact registrar@oeb.ca for assistance.

All communications should be directed to the attention of the Registrar at the address below and be received by end of business on the required date.

With respect to distribution lists for all electronic correspondence and materials related to this proceeding, parties must include the Case Manager, Georgette Vlahos at Georgette.Vlahos@oeb.ca and OEB Counsel, Ljuba Djurdjevic at Ljuba.Djurdjevic@oeb.ca.

Email: registrar@oeb.ca
Tel: 1-877-632-2727 (Toll free)

DATED at Toronto April 29, 2021

ONTARIO ENERGY BOARD

Original Signed By

Christine E. Long
Registrar

SCHEDULE A

TO DECISION AND ORDER

ACCOUNTING ORDER

PUC DISTRIBUTION INC.

EB-2020-0249/EB-2018-0219

April 29, 2021

PUC Distribution Inc. - 2022 ICM Application – The Sault Smart Grid project

PUC Distribution Inc. (“PUC”) shall establish nine (9) deferral sub-accounts to capture the accounting treatment for the ICM application EB-2020-0249/EB-2018-0219 for The Sault Smart Grid Project (the “Project”). The following is a list of the nine (9) accounts with their descriptions, including a request for approval of three (3) additional sub-accounts to record capital contribution amounts received against the Project.

1) Account 1508 Other Regulatory Assets, Sub-account Incremental Capital Expenditures
This sub-account shall be used to record actual ICM capital amounts, subject to the assets being used or useful (i.e. in service). For incremental capital assets under construction, the normal accounting treatment will continue as construction work in progress prior to these assets going into service and hence, being eligible for recording in this sub-account.

2) Account 1508 Other Regulatory Assets, Sub-account ICM Carrying Charges
Carrying charges calculated based on the actual revenue requirement associated with the approved ICM shall be recorded in this sub-account. Carrying charges shall be calculated using simple interest applied to the opening balances in *Account 1508 Other Regulatory Assets, Sub-account Incremental Capital Expenditures*. The interest rate shall be the rate prescribed by the Board.

3) Account 1508 Other Regulatory Assets, Sub-account ICM Depreciation Expense
This account shall be used to record the depreciation expense associated with the eligible capital amounts recorded in *Account 1508 Other Regulatory Assets, Sub-account Incremental Capital Expenditures*.

4) Account 1508 Other Regulatory Assets, Sub-account Accumulated Depreciation
This account shall be credited with the amounts charged to *Account 1508 Other Regulatory Assets, Sub-account Depreciation Expense*.

5) Account 1508 Other Regulatory Assets, Sub-account ICM Rate Rider Revenue

Amounts recorded in this account shall include the actual rate rider revenues collected in relation to the Board-approved rate riders determined for the ICM project.

6) Account 1508 Other Regulatory Assets, Sub-account ICM Rate Rider Carrying Charges

This account shall be used to record the carrying charges that apply to *Account 1508 Other Regulatory Assets, Sub-account ICM Rate Rider Revenues*. Carrying charges shall be calculated using simple interest applied to the opening balances in the account and shall be recorded monthly in a sperate carrying charges sub-account f this account. The interest rate shall be the rate prescribed by the Board.

PUC Distribution shall establish three (3) new sub-accounts to record amounts associated with capital contributions received for the Project. These three (3) new accounts will capture capital contributions, associated carrying charges and amortization, as described below.

7) Account 1508 Other Regulatory Assets, Sub-account Deferred Revenue – Contributed Capital

This sub-account shall be used to record amounts received in contributed capital for the Project.

8) Account 1508 Other Regulatory Assets, Sub-account Deferred Revenue Carrying Charges

This sub-account shall be used to record carrying charges on *Account 1508 Other Regulatory Assets, Sub-account Deferred Revenue – Contributed Capital*. Carrying charges shall be calculated using simple interest applied to the opening balances in the account. The interest rate shall be the rate prescribed by the Board.

9) Account 1508 Other Regulatory Assets, Sub-account Deferred Revenue Amortization

This sub-account shall be used to record the amortization associated with the capital contribution amounts recorded *Account 1508 Other Regulatory Assets, Sub-account Deferred Revenue – Contributed Capital.*

The following outlines the accounting entries in the year the Project assets are placed into service:

OEB #	**Description**
Dr: 1508	Other Regulatory Assets - Sub-account Incremental Capital Expenditures
Cr: 2055	Construction Work in Progress

To record the transfer of construction work in progress relating to the ICM capital expenditures.

Dr: 1508	Other Regulatory - Sub-account ICM Capital Expenditures Carrying Charges
Cr. 1525	Misc. Deferred Debits/Credits

To record carrying charges on the ICM capital expenditures.

Dr: 1508	Other Regulatory - Sub-account "ICM Depreciation Expense"
Cr: 1508	Other Regulatory - Sub-account "Accumulated Depreciation"

To record depreciation expense related to the ICM capital expenditures.

Dr: 1100	Cash/Accounts Receivable
Cr: 1508	Other Regulatory - Sub-account "ICM Rate Riders

To record the collection of ICM rate rider billings.

Dr: 1525	Misc. Deferred Debits/Credits
Cr: 1508	Other Regulatory - sub-account "ICM Rate Rider Carrying Charges"

To record carrying charges on the ICM rate riders collected

Dr: 1110	Account Receivable
Cr: 1508	Other Regulatory – Sub-account “Deferred Revenue – Contributed Capital”

To record the amount received in contributed capital for the Project.

Dr: 1525	Misc. Deferred Debits/Credits
Cr: 1508	Other Regulatory - Sub-account "Deferred Revenue -Carrying Charges"

To record carrying charges on the contributed capital received for the Project.

Dr: 1508	Other Regulatory – Sub-account “Deferred Revenue – Contributed Capital”
Cr: 1508	Other Regulatory - Sub-account "Deferred Revenue Amortization"

To record the amortization associated with contributed capital for the Project.

The following outlines the entries upon approval of the ICM included with PUC's next Cost of Service rebasing application planned for 2023:

OEB #	**Description**
Dr: 1600-1990	1606-1990 PP&E Accounts
Cr: 1508	Other Regulatory Assets - Sub-account Incremental Capital Expenditures

To transfer the ICM capital expenditures into the applicable fixed asset accounts.

Dr: 5705 Depreciation Expense
Cr: 1508 Other Regulatory - Sub-account "ICM Depreciation Expense"
To transfer the ICM depreciation expense to the depreciation expense account.

Dr: 1508 Other Regulatory - Sub-account "Accumulated Depreciation"
Cr: 2105 Accumulated Depreciation
To transfer accumulated depreciation to the accumulated depreciation account.

Dr: 1508 Other Regulatory - Sub-account "ICM Rate Riders
Cr: 4080 Distribution Revenue
To transfer previously collected funds to a revenue account.

Dr: 1508 Other Regulatory - Sub-account "Deferred Revenue -Carrying Charges"
Dr: 1508 Other Regulatory - sub-account "ICM Rate Rider Carrying Charges"
Dr: 1525 Misc. Deferred Debits/Credits
Cr: 1508 Other Regulatory - Sub-account ICM Capital Expenditures Carrying Charges
To reverse carrying charges, which would be included in a revenue requirement true-up, as approved.

Dr: 1508 Other Regulatory – Sub-account "Deferred Revenue – Contributed Capital"
Cr: 2440 Deferred Revenue Liability
To transfer contributed capital for the Project to deferred revenue.

Dr: 1508 Other Regulatory - Sub-account "Deferred Revenue Amortization"
Cr: 4245 Government and Other Assistance Directly Credited to Income
To transfer the amortization of deferred revenue to income.

Appendix H

PUC_ICM_SmartGrid_(EB-2020-0249/EB-2018-0219)

Ontario Energy Board

Capital Module
Applicable to ACM and ICM

Note: Depending on the selections made below, certain worksheets in this workbook will be hidden.

Version 5.01

Utility Name	PUC Distribution Inc.		
Assigned EB Number	EB-2020-0249		
Name of Contact and Title	Tyler Kasubeck, Regulatory Financial Analyst		
Phone Number	705-759-3009		
Email Address	regulatory@ssmpuc.com		
Is this Capital Module being filed in a CoS or Price-Cap IR Application?	**Price-Cap IR**	**Rate Year**	**2022**
Indicate the Price-Cap IR Year (1, 2, 3, 4, etc) in which PUC Distribution Inc. is applying:	**4**	**Next OEB Scheduled Rebasing Year**	**2023**
PUC Distribution Inc. is applying for:	**ICM Approval**		
Last Rebasing Year:	**2018**		
The most recent complete year for which actual billing and load data exists	**2019**		
Current IPI	**2.20%**		
Strech Factor Assigned to Middle Cohort*	**III**		
Stretch Factor Value	**0.30%**		
Price Cap Index	**1.90%**		

Based on the inputs above, the growth factor utilized in the Materiality Threshold Calculation will be determined by:

Revenues Based on 2019 Actual Distribution Demand

Revenues Based on 2018 Board-Approved Distribution Demand

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.

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.

**As per ACM/ICM policy, the middle cohort stretch factor is applied to all ACM/ICM applications.*

OEB policies regarding rate-setting and rebasing following distributor consolidations could allow a distributor to not rebase rates for up to ten years. A distributor could also apply for and receive OEB approval to defer rebasing. If a distributor is under Price Cap IR for more than four years after rebasing and applies for an ICM, this spreadsheet will need to be adapted to accommodate those circumstances. The distributor should contact OEB staff to discuss the circumstances so that a customized model can be provided.

Ontario Energy Board

Capital Module

Applicable to ACM and ICM

PUC Distribution Inc.

Select the appropriate rate classes as they appear on your most recent Board-Approved Tariff of Rates and Charges, excluding the MicroFit Class.

How many classes are on your most recent Board-Approved Tariff of Rates and Charges? **6**

Select Your Rate Classes from the **Blue Cells** below. Please ensure that a rate class is assigned to **each shaded cell.**

	Rate Class Classification
1	RESIDENTIAL
2	GENERAL SERVICE LESS THAN 50 kW
3	GENERAL SERVICE 50 TO 4,999 KW
4	UNMETERED SCATTERED LOAD
5	SENTINEL LIGHTING
6	STREET LIGHTING

Ontario Energy Board

Capital Module
Applicable to ACM and ICM

PUC Distribution Inc.

Input the billing determinants associated with PUC Distribution Inc.'s Revenues Based on 2019 Actual Distribution Demand. Input the current approved distribution rates. Sheets 4 & 5 calculate the NUMERATOR portion of the growth factor calculation.

		2019 Actual Distribution Demand			Current Approved Distribution Rates		
Rate Class	**Units**	**Billed Customers or Connections**	**Billed kWh**	**Billed kW (if applicable)**	**Monthly Service Charge**	**Distribution Volumetric Rate kWh**	**Distribution Volumetric Rate kW**
RESIDENTIAL	$/kWh	29,897	296,035,266		32.13		
GENERAL SERVICE LESS THAN 50 kW	$/kWh	3,388	91,718,380		21.27	0.0255	
GENERAL SERVICE 50 TO 4,999 KW	$/kW	362	240,708,316	594,560	117.45		6.9056
UNMETERED SCATTERED LOAD	$/kWh	23	866,480		13.02	0.0393	
SENTINEL LIGHTING	$/kW	351	206,826	605	3.65		34.0175
STREET LIGHTING	$/kW	8,037	2,410,546	7,056	1.40		9.1619

Ontario Energy Board

Capital Module
Applicable to ACM and ICM

PUC Distribution Inc.

Calculation of pro forma 2018 Revenues. No input required.

Rate Class	2019 Actual Distribution Demand			Current Approved Distribution Rates										
	Billed Customers or Connections	Billed kWh	Billed kW (if applicable)	Monthly Service Charge	Distribution Volumetric Rate kWh	Distribution Volumetric Rate kW	Service Charge Revenue	Distribution Volumetric Rate Revenue kWh	Distribution Volumetric Rate Revenue kW	Revenues from Rates	Service Charge % Revenue	Distribution Volumetric Rate % Revenue kWh	Distribution Volumetric Rate % Revenue kW	Total % Revenue
	A	B	C	D	E	F	G	H	I	J	K = G / J	L = H / J	M = I / J	N
RESIDENTIAL	29,897	296,035,266		32.13	0.0000	0.0000	11,527,087	0	0	11,527,087	100.0%	0.0%	0.0%	58.8%
GENERAL SERVICE LESS THAN 50 kW	3,388	91,718,380		21.27	0.0255	0.0000	864,753	2,338,819	0	3,203,572	27.0%	73.0%	0.0%	16.3%
GENERAL SERVICE 50 TO 4,999 KW	362	240,708,316	594,560	117.45	0.0000	6.9056	510,203	0	4,105,791	4,615,994	11.1%	0.0%	88.9%	23.5%
UNMETERED SCATTERED LOAD	23	866,480		13.02	0.0393	0.0000	3,594	34,053	0	37,646	9.5%	90.5%	0.0%	0.2%
SENTINEL LIGHTING	351	206,826	605	3.65	0.0000	34.0175	15,374	0	20,586	35,960	42.8%	0.0%	57.2%	0.2%
STREET LIGHTING	8,037	2,410,546	7,056	1.40	0.0000	9.1619	135,022	0	64,645	199,667	67.6%	0.0%	32.4%	1.0%
Total	**42,058**	**631,945,814**	**602,221**				**13,056,032**	**2,372,871**	**4,191,022**	**19,619,926**				**100.0%**

Ontario Energy Board

Capital Module

Applicable to ACM and ICM

PUC Distribution Inc.

Applicants Rate Base

Last COS Rebasing: 2018

Average Net Fixed Assets						
Gross Fixed Assets - Re-based Opening	$	106,264,141	A			
Add: CWIP Re-based Opening			B			
Re-based Capital Additions	$	5,358,355	C			
Re-based Capital Disposals			D			
Re-based Capital Retirements			E			
Deduct: CWIP Re-based Closing	-$	420,179	F			
Gross Fixed Assets - Re-based Closing	$	111,202,317	G			
Average Gross Fixed Assets				$	108,733,229	H = (A + G) / 2
Accumulated Depreciation - Re-based Opening	$	13,880,189	I			
Re-based Depreciation Expense	$	3,780,329	J			
Re-based Disposals			K			
Re-based Retirements			L			
Accumulated Depreciation - Re-based Closing	$	17,660,518	M			
Average Accumulated Depreciation				$	15,770,354	N = (I + M) / 2
Average Net Fixed Assets				**$**	**92,962,876**	O = H - N
Working Capital Allowance						
Working Capital Allowance Base	$	89,269,060	P			
Working Capital Allowance Rate		7.5%	Q			
Working Capital Allowance				**$**	**6,695,180**	R = P * Q
Rate Base				**$**	**99,658,055**	S = O + R
Return on Rate Base						
Deemed ShortTerm Debt %		4.00%	T	$	3,986,322	W = S * T
Deemed Long Term Debt %		56.00%	U	$	55,808,511	X = S * U
Deemed Equity %		40.00%	V	$	39,863,222	Y = S * V
Short Term Interest		2.29%	Z	$	91,287	AC = W * Z
Long Term Interest		4.12%	AA	$	2,299,311	AD = X * AA
Return on Equity		9.00%	AB	$	3,587,690	AE = Y * AB
Return on Rate Base				**$**	**5,978,287**	AF = AC + AD + AE
Distribution Expenses						
OM&A Expenses	$	11,543,633	AG			
Amortization	$	3,780,329	AH			
Ontario Capital Tax			AI			
Grossed Up Taxes/PILs	$	586,716	AJ			
Low Voltage			AK			
Transformer Allowance	$	82,800	AL			
			AM			
			AN			
			AO			
				$	**15,993,478**	AP = SUM (AG : AO)
Revenue Offsets						
Specific Service Charges	-$	2,698,600	AQ			
Late Payment Charges			AR			
Other Distribution Income			AS			
Other Income and Deductions			AT	**-$**	**2,698,600**	AU = SUM (AQ : AT)
Revenue Requirement from Distribution Rates				**$**	**19,273,165**	AV = AF + AP + AU
Rate Classes Revenue						
Rate Classes Revenue - Total (Sheet 4)				$	19,619,926	AW

Ontario Energy Board

Capital Module
Applicable to ACM and ICM

PUC Distribution Inc.

Input the billing determinants associated with PUC Distribution Inc.'s Revenues Based on 2018 Board-Approved Distribution Demand. This sheet calculates the DENOMINATOR portion of the growth factor calculation.
Pro forma Revenue Calculation.

Rate Class	2018 Board-Approved Distribution Demand			Current Approved Distribution Rates										
	Billed Customers or Connections	Billed kWh	Billed kW	Monthly Service Charge	Distribution Volumetric Rate kWh	Distribution Volumetric Rate kW	Service Charge Revenue	Distribution Volumetric Rate Revenue kWh	Distribution Volumetric Rate Revenue kW	Total Revenue By Rate Class	Service Charge % Revenue	Distribution Volumetric Rate % Revenue kWh	Distribution Volumetric Rate % Revenue kW	Total % Revenue
	A	B	C	D	E	F	G	H	I	J	$K = G / J_{total}$	$L = H / J_{total}$	$M = I / J_{total}$	N
RESIDENTIAL R1	29,816	288,323,799		32.13	0.0000	0.0000	11,495,857	0	0	11,495,857	58.2%	0.0%	0.0%	58.2%
GENERAL SERVICE LESS THAN 50 kW	3,431	92,411,463		21.27	0.0255	0.0000	875,728	2,356,492	0	3,232,221	4.4%	11.9%	0.0%	16.4%
GENERAL SERVICE 50 TO 4,999 KW	357	244,620,598	614,743	117.45	0.0000	6.9056	503,156	0	4,245,169	4,748,325	2.5%	0.0%	21.5%	24.0%
UNMETERED SCATTERED LOAD	22	944,731		13.02	0.0393	0.0000	3,437	37,128	0	40,565	0.0%	0.2%	0.0%	0.2%
SENTINEL LIGHTING	354	209,800	593	3.65	0.0000	34.0175	15,505	0	20,172	35,678	0.1%	0.0%	0.1%	0.2%
STREET LIGHTING	8,070	2,398,221	7,030	1.40	0.0000	9.1619	135,576	0	64,408	199,984	0.7%	0.0%	0.3%	1.0%
Total	**42,050**	**628,908,612**	**622,366**				**13,029,260**	**2,393,620**	**4,329,750**	**19,752,630**				**100.0%**

Ontario Energy Board

Capital Module
Applicable to ACM and ICM

PUC Distribution Inc.

Current Revenue from Rates

This sheet is used to determine the applicant's most current allocation of revenues (after the most recent revenue to cost ratio adjustment, if applicable) to appropriately allocate the incremental revenue requirement to the classes.

	Current OEB-Approved Base Rates			2019 Actual Distribution Demand										
Rate Class	**Monthly Service Charge**	**Distribution Volumetric Rate kWh**	**Distribution Volumetric Rate kW**	**Re-based Billed Customers or Connections**	**Re-based Billed kWh**	**Re-based Billed kW**	**Current Base Service Charge Revenue**	**Current Base Distribution Volumetric Rate kWh Revenue**	**Current Base Distribution Volumetric Rate kW Revenue**	**Total Current Base Revenue**	**Service Charge % Total Revenue**	**Distribution Volumetric Rate % Total Revenue**	**Distribution Volumetric Rate % Total Revenue**	**Total % Revenue**
	A	**B**	**C**	**D**	**E**	**F**	**G**	**H**	**I**	**J**	**L = G / J_{total}**	**M = H / J_{total}**	**N = I / J_{total}**	**O**
RESIDENTIAL R1	32.13	0	0	29,897	296,035,266	0	11,527,087	0	0	11,527,087	58.75%	0.00%	0.00%	58.8%
GENERAL SERVICE LESS THAN 50 kW	21.27	0.0255	0	3,388	91,718,380	0	864,753	2,338,819	0	3,203,572	4.41%	11.92%	0.00%	16.3%
GENERAL SERVICE 50 TO 4,999 KW	117.45	0	6.9056	362	240,708,316	594,560	510,203	0	4,105,791	4,615,994	2.60%	0.00%	20.93%	23.5%
UNMETERED SCATTERED LOAD	13.02	0.0393	0	23	866,480	0	3,594	34,053	0	37,646	0.02%	0.17%	0.00%	0.2%
SENTINEL LIGHTING	3.65	0	34.0175	351	206,826	605	15,374	0	20,586	35,960	0.08%	0.00%	0.10%	0.2%
STREET LIGHTING	1.40	0	9.1619	8,037	2,410,546	7,056	135,022	0	64,645	199,667	0.69%	0.00%	0.33%	1.0%
Total							**13,056,032**	**2,372,871**	**4,191,022**	**19,619,926**				**100.0%**

No Input Required.

Final Materiality Threshold Calculation

$$Threshold\ Value\ (\%) = 1 + \left[\left(\frac{RB}{d}\right) \times (g + PCI \times (1+g))\right] \times \left((1+g) \times (1+PCI)\right)^{n-1} + 10\%$$

Cost of Service Rebasing Year		**2018**	
Price Cap IR Year in which Application is made		**4**	n
Price Cap Index		**1.90%**	PCI
Growth Factor Calculation			
Revenues Based on 2019 Actual Distribution Demand		**$19,619,926**	
Revenues Based on 2018 Board-Approved Distribution Demand		**$19,752,630**	
Growth Factor		**-0.67%**	$g\ (Note\ 1)$
Dead Band		**10%**	
Average Net Fixed Assets			
Gross Fixed Assets Opening	$	106,264,141	
Add: CWIP Opening	$	-	
Capital Additions	$	5,358,355	
Capital Disposals	$	-	
Capital Retirements	$	-	
Deduct: CWIP Closing	-$	420,179	
Gross Fixed Assets - Closing	$	111,202,317	
Average Gross Fixed Assets	$	108,733,229	
Accumulated Depreciation - Opening	$	13,880,189	
Depreciation Expense	$	3,780,329	
Disposals	$	-	
Retirements	$	-	
Accumulated Depreciation - Closing	$	17,660,518	
Average Accumulated Depreciation	$	15,770,354	
Average Net Fixed Assets	$	92,962,876	
Working Capital Allowance			
Working Capital Allowance Base	$	89,269,060	
Working Capital Allowance Rate		8%	
Working Capital Allowance	$	6,695,180	
Rate Base	**$**	**99,658,055**	RB
Depreciation	**$**	**3,780,329**	d

Threshold Value (varies by Price Cap IR Year subsequent to CoS rebasing)

Price Cap IR Year 2019	**142%**
Price Cap IR Year 2020	**142%**
Price Cap IR Year 2021	**143%**
Price Cap IR Year 2022	**143%**
Price Cap IR Year 2023	**144%**
Price Cap IR Year 2024	**144%**
Price Cap IR Year 2025	**144%**
Price Cap IR Year 2026	**145%**
Price Cap IR Year 2027	**145%**
Price Cap IR Year 2028	**146%**

Threshold CAPEX $Threshold\ Value \times d$

Price Cap IR Year 2019	**$**	**5,369,612**
Price Cap IR Year 2020	**$**	**5,384,334**
Price Cap IR Year 2021	**$**	**5,399,234**
Price Cap IR Year 2022	**$**	**5,414,316**
Price Cap IR Year 2023	**$**	**5,429,581**
Price Cap IR Year 2024	**$**	**5,445,032**
Price Cap IR Year 2025	**$**	**5,460,670**
Price Cap IR Year 2026	**$**	**5,476,498**
Price Cap IR Year 2027	**$**	**5,492,519**
Price Cap IR Year 2028	**$**	**5,508,734**

Note 1: The growth factor g is annualized, depending on the number of years between the numerator and denominator for the calculation. Typically, for ACM review in a cost of service and in the fourth year of Price Cap IR, the ratio is divided by 2 to annualize it. No division is normally required for the first three years under Price Cap IR.

Ontario Energy Board

Capital Module
Applicable to ACM and ICM

PUC Distribution Inc.

Identify ALL Proposed ACM and ICM projects and related CAPEX costs in the relevant years

	Cost of Service	Price Cap IR	Price Cap IR	Price Cap IR	Price Cap IR
	Test Year 2018	Year 1 2019	Year 2 2020	Year 3 2021	Year 4 2022
CAPEX[1]	$ 5,388,176	$ 5,275,803	$ 9,100,376	$ 6,096,546	$ 33,495,218
Materiality Threshold		$ 5,369,612	$ 5,384,334	$ 5,399,234	$ 5,414,316
Maximum Eligible Incremental Capital (Forecasted Capex less Threshold)		$ -	$ 3,716,042	$ 697,312	$ 28,080,902

		Test Year 2018	Year 1 2019			Year 2 2020			Year 3 2021			Year 4 2022		
Project Descriptions:	Type		Proposed ACM/ICM	Amortization Expense	CCA	Proposed ACM/ICM	Amortization Expense	CCA	Proposed ACM/ICM	Amortization Expense	CCA	Proposed ACM/ICM	Amortization Expense	CCA
												$ 24,828,660	$ 695,799	$ 2,722,959
Total Cost of ACM/ICM Projects			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 24,828,660	$ 695,799	$ 2,722,959
Maximum Allowed Incremental Capital			$ -			$ -			$ -			$ 24,828,660		

1. For the Cost of Service Test Year, CAPEX refers to the CAPEX approved in the DSP. For subsequent Price CAP IR years, the CAPEX to be entered is the actual CAPEX. For the current Price Cap IR year, the CAPEX to be entered is the proposed CAPEX including any ICM/updated ACM project CAPEX for the year.

Ontario Energy Board

Capital Module
Applicable to ACM and ICM

PUC Distribution Inc.

Incremental Capital Adjustment **Rate Year:** 2022

Current Revenue Requirement

Current Revenue Requirement - Total	$	19,273,165	A

Eligible Incremental Capital for ACM/ICM Recovery

	Total Claim	Eligible for ACM/ICM (Half Year* Prorated Amount) *(from Sheet 10b)*	
Amount of Capital Projects Claimed	$ 24,828,660	$ 12,414,330	B
Depreciation Expense	$ 695,799	$ 347,900	C
CCA	$ 2,722,959	$ 1,361,480	V

**The half year rule is applied as the distributor is scheduled to rebase in the next rate year.*

ACM/ICM Incremental Revenue Requirement Based on Eligible Amount in Rate Year

Return on Rate Base

Incremental Capital			$	12,414,330	B
Depreciation Expense (prorated to Eligible Incremental Capital)			$	347,900	C
Incremental Capital to be included in Rate Base (average NBV in year)			$	12,240,380	D = B - C/2
	% of capital structure				
Deemed Short-Term Debt	4.0%	E	$	489,615	G = D * E
Deemed Long-Term Debt	56.0%	F	$	6,854,613	H = D * F
	Rate (%)				
Short-Term Interest	2.29%	I	$	11,212	K = G * I
Long-Term Interest	4.12%	J	$	282,410	L = H * J
Return on Rate Base - Interest			$	293,622	M = K + L
	% of capital structure				
Deemed Equity %	40.00%	N	$	4,896,152	P = D * N
	Rate (%)				
Return on Rate Base -Equity	9.00%	O	$	440,654	Q = P * O
Return on Rate Base - Total			$	734,276	R = M + Q

Amortization Expense

Amortization Expense - Incremental	C	$	347,900	S

Grossed up Taxes/PILs

Regulatory Taxable Income		O	$	440,654	T
Add Back Amortization Expense (Prorated to Eligible Incremental Capital)		S	$	347,900	U
Deduct CCA (Prorated to Eligible Incremental Capital)			$	1,361,480	V
Incremental Taxable Income			-$	572,926	W = T + U - V
Current Tax Rate	26.5%	X			
Taxes/PILs Before Gross Up			-$	151,825	Y = W * X
Grossed-Up Taxes/PILs			-$	206,565	Z = Y / (1 - X)

Incremental Revenue Requirement

Return on Rate Base - Total	Q	$	734,276	AA
Amortization Expense - Total	S	$	347,900	AB
Grossed-Up Taxes/PILs	Z	-$	206,565	AC
Incremental Revenue Requirement		$	875,610	AD = AA + AB + AC

Ontario Energy Board

Capital Module
Applicable to ACM and ICM

PUC Distribution Inc.

Calculation of incremental rate rider. Choose one of the 3 options: Fixed and Variable Rate Riders

Rate Class	Service Charge % Revenue	Distribution Volumetric Rate % Revenue kWh	Distribution Volumetric Rate % Revenue kW	Service Charge Revenue	Distribution Volumetric Rate Revenue kWh	Distribution Volumetric Rate Revenue kW	Total Revenue by Rate Class	Billed Customers or Connections	Billed kWh	Billed kW	Service Charge Rate Rider	Distribution Volumetric Rate kWh Rate Rider	Distribution Volumetric Rate kW Rate Rider	
	From Sheet 7	*From Sheet 7*	*From Sheet 7*	Col C * Col I_{total}	Col D* Col I_{total}	Col E* Col I_{total}	*Col I_{total}*	*From Sheet 4*	*From Sheet 4*	*From Sheet 4*	Col F / Col K / 12	Col G / Col L	Col H / Col M	
RESIDENTIAL	58.75%	0.00%	0.00%	514,438	0	0	514,438	29,897	296,035,266		1.43	0.0000	0.0000	*Note: As per the OEB's letter issued July 16, 201*
GENERAL SERVICE LESS THAN 50 kW	4.41%	11.92%	0.00%	38,593	104,378	0	142,971	3,388	91,718,380		0.95	0.0011	0.0000	
GENERAL SERVICE 50 TO 4,999 KW	2.60%	0.00%	20.93%	22,770	0	183,236	206,005	362	240,708,316	594,560	5.24	0.0000	0.3082	
UNMETERED SCATTERED LOAD	0.02%	0.17%	0.00%	160	1,520	0	1,680	23	866,480		0.58	0.0018	0.0000	
SENTINEL LIGHTING	0.08%	0.00%	0.10%	686	0	919	1,605	351	206,826	605	0.16	0.0000	1.5182	
STREET LIGHTING	0.69%	0.00%	0.33%	6,026	0	2,885	8,911	8,037	2,410,546	7,056	0.06	0.0000	0.4089	
Total	**66.54%**	**12.09%**	**21.36%**	**582,673**	**105,898**	**187,040**	**875,610**	**42,058**	**631,945,814**	**602,221**				
							875,610							
							From Sheet 11, E93							