



Hydro One Networks Inc.

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HydroOne.com

**Kathleen Burke**

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**BY EMAIL AND RESS**

August 17, 2023

Ms. Nancy Marconi  
Registrar  
Ontario Energy Board  
Suite 2700, 2300 Yonge Street  
P.O. Box 2319  
Toronto, ON M4P 1E4

Dear Ms. Marconi,

**EB-2023-0030 – Hydro One Networks Inc. – Application for 2024 Distribution Rates**

Pursuant to section 78 of the *Ontario Energy Board Act, 1998* and the Ontario Energy Board's Decision on Settlement Proposal and Order on Rates, Revenue Requirement and Charge Determinants (the Decision and Order) in EB-2021-0110, enclosed is Hydro One Distribution's Custom IR Application (the Application) in support of its request for distribution revenue requirement effective January 1, 2024.

An electronic copy of the Application has been submitted using the Board's Regulatory Electronic Submission System.

Sincerely,

A handwritten signature in black ink that reads "Kathleen Burke". The signature is written in a cursive style.

Kathleen Burke

## EXHIBIT LIST

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## APPLICATION

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

**AND IN THE MATTER OF** an Application by Hydro One Networks Inc., for an Order or Orders made pursuant to section 78 of the *Ontario Energy Board Act, 1998* approving just and reasonable rates and other charges for the distribution of electricity, to be effective January 1, 2024.

1. The Applicant, Hydro One Networks Inc. (Hydro One), is an Ontario corporation with its head office in Toronto, Ontario. Hydro One is licensed by the Ontario Energy Board (the OEB or the Board), under licence number ED-2003-0043, to distribute electricity and carry on the business of owning and operating distribution facilities in Ontario in the areas specified in its licence.
2. In the OEB's Decision and Order for Hydro One's Custom Incentive Rate-setting (Custom IR) Application (EB-2021-0110), the OEB approved the proposed Custom IR methodology and determined that this framework would be used to determine Hydro One's distribution revenue requirement for the years 2024 through to 2027 inclusive.<sup>1</sup>
3. This is an Application for Hydro One's 2024 distribution rates and charges determined formulaically, using the Custom IR methodology approved in EB-2021-0010.
4. Hydro One hereby applies to the OEB for an Order approving:

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<sup>1</sup> Decision on Settlement Proposal and Order on Rates, Revenue Requirement and Charge Determinants, EB-2021-0110, Hydro One Networks Inc., November 29, 2022.

- 1 a) The 2024 distribution rates and charges, to be effective on January 1, 2024, by  
2 way of an update to: (i) the base revenue requirement (after deducting for  
3 external revenues) of \$1,775.9M; (ii) the associated customer and load forecast  
4 by rate class as approved by the OEB in the 2023-2027 Custom IR Application  
5 (EB-2021-0110); and (iii) the disposition of Group 1 deferral and variance  
6 accounts of \$13.2M;  
7
- 8 b) The 2024 Retail Transmission Service Rates (RTSR), the Specific Service  
9 Charges and Retail Service Charges in effect for January 1, 2024; and,  
10
- 11 c) Other items or amounts that may be requested by Hydro One in the course of  
12 this proceeding, and as may be granted by the OEB.  
13
- 14 5. Approval of Hydro One's 2024 distribution rates and charges results in an increase  
15 in the total bill of 0.6% or \$0.85 per month for a typical Hydro One medium density  
16 residential (R1) customer consuming 750 kWh monthly<sup>2</sup> and an increase in total bill  
17 of 1.5% or \$6.23 per month for a typical Hydro One General Service Energy less  
18 than 50 kW (GSe < 50 kW) customer consuming 2,000 kWh monthly. More  
19 information regarding the monthly bill impacts are found in Exhibit A-04-01, Section  
20 4.5.  
21
- 22 6. In preparing this Application, Hydro One has been guided by the OEB's Chapter 3  
23 Filing Requirements for Electricity Distribution Rate Applications dated July 15,  
24 2023 and the Handbook for Utility Rate Applications dated October 13, 2016 (the  
25 Filing Requirements).  
26
- 27 7. The written evidence filed with the OEB may be amended from time to time prior to  
28 the OEB's final decision on the Application.

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<sup>2</sup> Effective July 1, 2023, distribution charges for the R1 customers are capped at \$39.49 under the Distribution Rate Protection (DRP) program.

1 **NOTICE AND FORM OF HEARING REQUESTED**

2  
3 8. The Application may be viewed on the internet at the following address:

4 <https://www.hydroone.com/abouthydroone/RegulatoryInformation/dxrates>

5  
6 9. All Hydro One's distribution customers will be affected by this Application due to  
7 updating of the base revenue requirement, RTSRs and Hydro One distribution rate  
8 riders.

9  
10 10. Hydro One requests, in accordance with sections 6(4) and 21(4)(b) of the *Ontario*  
11 *Energy Board Act, 1998*, that this Application be disposed of without a hearing and  
12 hereby provides its consent to same. Hydro One submits that in accordance with  
13 the requirements of section 21(4)(b) of the *Ontario Energy Board Act, 1998*, no  
14 person will be adversely affected in a material way by the outcome of this  
15 proceeding.

16  
17 **PROPOSED EFFECTIVE DATE**

18  
19 11. Hydro One requests that the OEB's Rate Order be effective January 1, 2024. In  
20 order to address the possibility that the requested Rate Order cannot be made  
21 effective by that time, Hydro One requests an interim Rate Order making its current  
22 distribution rates and charges effective on an interim basis as of January 1, 2024,  
23 and approval of a Foregone Revenue Deferral Account to recover any differences  
24 between the interim rates and final rates effective January 1, 2024, based on the  
25 OEB's Decision and Order herein.

26  
27 **CONTACT INFORMATION**

28  
29 12. Hydro One requests that a copy of all documents filed with the OEB by each party  
30 to this Application be served on the Applicant and the Applicant's counsel, as  
31 follows:

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**a) The Applicant:**

Ms. Carla Molina  
Senior Regulatory Coordinator – Regulatory Affairs  
Hydro One Networks Inc.

Mailing Address: 7<sup>th</sup> Floor, South Tower  
483 Bay Street  
Toronto, Ontario M5G 2P5  
Telephone: (416) 345-5317  
Fax: (416) 345-5866  
Email: [Regulatory@HydroOne.com](mailto:Regulatory@HydroOne.com)

**b) The Applicant's Counsel:**

Ms. Raman Dhillon  
Senior Legal Counsel  
Hydro One Networks Inc.

Mailing Address: 8<sup>th</sup> Floor, South Tower  
483 Bay Street  
Toronto, Ontario M5G 2P5  
Telephone: (416) 859-0942  
Fax: (416) 345-6972  
Email: [Raman.Dhillon@HydroOne.com](mailto:Raman.Dhillon@HydroOne.com)

**DATED** at Toronto, Ontario, this 17<sup>th</sup> day of August, 2023.

By its counsel,



---

Raman Dhillon

1 **CERTIFICATION OF EVIDENCE**

2  
3 TO: ONTARIO ENERGY BOARD  
4

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5  
6 The undersigned, Kathleen Burke, being Hydro One's Vice-President, Regulatory  
7 Affairs, hereby certifies for and on behalf of Hydro One that:

- 8
- 9 1. I am a senior officer of Hydro One;
  - 10
  - 11 2. This certificate is given pursuant to Chapter 1 of the OEB's *Filing Requirements*  
12 *for Electricity Distribution Rate Applications*;
  - 13
  - 14 3. The evidence submitted herein is accurate, consistent and complete to the best  
15 of my knowledge; and
  - 16
  - 17 4. The evidence submitted does not contain any personal information filed herein  
18 (as that phrase is defined in the *Freedom of Information and Protection of*  
19 *Privacy Act*), that is not otherwise redacted in accordance with rule 9A of the  
20 OEB's *Rules of Practice and Procedure*.

21  
22 **DATED** this 17<sup>th</sup> day of August, 2023.

23  
24 

25  
26 \_\_\_\_\_  
KATHLEEN BURKE



1                   **CERTIFICATION OF DEFERRAL AND VARIANCE ACCOUNT**  
2   **BALANCES**

3  
4    TO:    ONTARIO ENERGY BOARD  
5

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6  
7    The undersigned, Chris Lopez, being Hydro One's EVP, Chief Financial and Regulatory  
8    Officer, hereby certifies on behalf of Hydro One that:

- 9
- 10       1. This certificate is given pursuant to Chapter 1 of the OEB's *Filing Requirements*  
11         *for Electricity Distribution Rate Applications*; and
  - 12
  - 13       2. Hydro One has the appropriate processes and internal controls for the  
14         preparation, review, verification and oversight of all deferral and variance  
15         accounts.

16  
17    DATED this 17<sup>th</sup> day of August, 2023.

18  
19   

20  
21   \_\_\_\_\_  
  CHRIS LOPEZ

1           **SUMMARY OF OEB DIRECTIVES AND COMPLIANCE WITH PRIOR**  
2   **OEB DECISIONS**

3

4       There are no OEB directives or undertakings from Hydro One's previous proceedings in  
5       respect of this Application.

6

7       Hydro One has adapted the OEB's 2024 IRM Checklist for this Application, which is  
8       provided as Attachment 1 to this Exhibit.

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**2024 ANNUAL UPDATE CHECKLIST**

1

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3 This exhibit has been filed separately in MS Excel format.

## APPLICATION SUMMARY

### 1.0 INTRODUCTION

This Exhibit describes Hydro One's 2024 distribution revenue requirement application (the Application).

The 2024 distribution service revenue requirement (or total revenue requirement) of \$1,819.8M has been determined formulaically, using the Custom IR methodology approved in EB-2021-0110. After deducting for external revenues as approved in EB-2021-0110,<sup>1</sup> it results in a proposed 2024 base revenue requirement of \$1,775.9M as outlined in Table 1 below.

**Table 1 - Base Revenue Requirement (\$M)**

	<b>2024</b>	<b>Section Reference</b>
<b>Total Revenue Requirement</b>	<b>1,819.8</b>	Section 2.0
Deduct: External Revenues	43.9	
<b>Base Revenue Requirement</b>	<b>1,775.9</b>	

Hydro One is requesting that the OEB approve the 2024 distribution rates and charges to be effective as of January 1, 2024.

Approval of the 2024 distribution rates and charges results in an increase in the total bill of 0.6% or \$0.85 per month for a typical Hydro One medium density residential (R1) customer consuming 750 kWh monthly and an increase in the total bill of 1.5% or \$6.23 per month for a typical Hydro One General Service Energy less than 50 kW (GSe < 50 kW) customer consuming 2,000 kWh monthly. More information regarding the monthly bill impacts is found in Section 4.5.

This Exhibit is organized into the following sections:

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<sup>1</sup> Decision on Settlement Proposal and Order on Rates, Revenue Requirement and Charge Determinants, EB-2021-0110, Hydro One Networks Inc., November 29, 2022, Schedule A, Attachment 2.

- 1       • Section 1.0 Introduction
- 2       • Section 2.0 Custom Revenue Cap Index Adjustment
- 3       • Section 3.0 Group 1 Deferral and Variance Accounts (DVA)
  - 4           ○ Section 3.1 Consolidated Group 1 DVA Balance
  - 5           ○ Section 3.2 Allocation of Consolidated Group 1 Balance
  - 6           ○ Section 3.3 Hydro One Distribution Group 1 DVA Balance
  - 7           ○ Section 3.4 Accounts 1588 – RSVA Power and 1589 – RSVA Global
  - 8           Adjustment
  - 9           ○ Section 3.5 Global Adjustment Analysis Workform
  - 10          ○ Section 3.6 Account 1595 Dispositions
- 11      • Section 4.0 Rates
  - 12          ○ Section 4.1 Custom Models to Derive Rates
  - 13          ○ Section 4.2 Load Forecast Charge Determinants
  - 14          ○ Section 4.3 Cost Allocation
  - 15          ○ Section 4.4 Rate Design
  - 16          ○ Section 4.5 Bill Impacts
  - 17          ○ Section 4.6 Tariff of Rates and Charges

## 19      **2.0 CUSTOM REVENUE CAP INDEX ADJUSTMENT**

20      In the OEB’s Decision on Settlement Proposal and Order on Rates, Revenue Requirement  
21      and Charge Determinants (the Decision and Order) for Hydro One’s Custom Application  
22      (EB-2021-0110), the OEB approved the Custom IR methodology for adjusting Hydro  
23      One’s distribution revenue requirement for the years 2024 to 2027, inclusive.<sup>2</sup>

24  
25      The approved formula for the Custom IR for the test year t+1 is equal to the revenue in  
26      year t inflated by the Revenue Cap Index (RCI) set out below as:

$$27 \qquad \qquad \qquad \text{RCI} = I - X + C$$

---

<sup>2</sup> Decision on Settlement Proposal and Order on Rates, Revenue Requirement and Charge Determinants, EB-2021-0110, Hydro One Networks Inc., November 29, 2022.

1 Where:

2 “I” is the Inflation Factor, based on the distribution industry specific weighted two-factor  
 3 input price index;

4 “X” is the Productivity Factor, which includes a Stretch Factor; and

5 “C” is the Custom Capital Factor, based on the incremental revenue necessary to  
 6 support Hydro One’s Distribution System Plan, beyond the amount of revenue  
 7 recovered in rates. The calculation for the Custom Capital Factor is set out in Table 2  
 8 below.

10 **Table 2 - 2024 Capital Factor<sup>3</sup> (\$M)**

	Calculation	2023	2024
Total Capital Related Revenue Requirement (excluding working capital and productivity)	<i>A</i>	1,111.0	1,176.7
OM&A	<i>B</i>	616.3	643.1 <sup>[1]</sup>
Total Revenue Requirement	$D = A + B$	1,727.2	1,819.8 <sup>[2]</sup>
Increase in Capital Related Revenue Requirement	$E = A_{2024} - A_{2023}$		65.7
Increase in Capital Related Revenue Requirement relative to Previous Year’s Total Revenue Requirement	$F = E / D_{2023}$		3.81%
Less Capital Related Revenue Requirement in I-X	$G = \frac{A_{2023}}{D_{2023}} \times (I - X)$		2.80% <sup>[3]</sup>
<b>Capital Factor (C)</b>	$C = F - G$		<b>1.01%</b>

[1] 2024 OM&A = 2023 OM&A \* [1+(I-X)]

[2] 2024 Total Revenue Requirement as per Table 4

[3] The percent increase equals Previous Year’s Capital Related Revenue Requirement multiplied by I-X; and divided by Previous Year’s Total Revenue Requirement, as follows:

$$G = \frac{\$1,111.0M}{\$1,727.2M} \times (4.8\% - 0.45\%)$$

<sup>3</sup> The numbers in the table correspond to the Decision and Order, EB-2021-0110, Schedule A, Table 18, except where otherwise specified.

In accordance with the OEB's Decision and Order for Hydro One's Custom IR Application (EB-2021-0110), the Inflation Factor and the Custom Capital Factor will be updated annually. On June 29, 2023, the OEB released the Inflation Factor to be used by electricity distributors for 2024 rate applications beginning January 1, 2024. This Application reflects the 4.8% Inflation Factor calculated by the OEB for electricity distributors.<sup>4</sup>

Consistent with the OEB's Decision and Order in EB-2021-0110, the Productivity Factor of 0.45% will not be updated over the 2024 to 2027 period.<sup>5</sup> Table 3 summarizes the approved components of the RCI for 2024.

**Table 3 - 2024 Custom Revenue Cap Index (RCI) by Component (%)**

<b>Custom Revenue Cap Index by Component</b>	<b>2024</b>
Inflation Factor (I)	4.80
Productivity Factor (X)	0.45
Custom Capital Factor (C)	1.01 <sup>[1]</sup>
<b>Total Revenue Cap Index (RCI = I + X + C)</b>	<b>5.36</b>

[1] As per Table 2. Includes an approved supplemental stretch on capital of 0.20% as per Decision and Order, EB-2021-0110, November 29, 2022, Schedule A. The supplemental stretch on capital is included in the 2024 approved Total Capital Related Revenue requirement as per Decision and Order, EB-2021-0110, November 29, 2022, Schedule A, Table 18, line 9.

The 2024 total revenue requirement is calculated as shown in Table 4 below. As the 2024 distribution rates were derived using the RCI formula, the OEB's Rate Generator Model was not used.

**Table 4 - 2024 Total Revenue Requirement (\$M)**

<b>Year</b>	<b>Formula</b>	<b>Total Revenue Requirement</b>
<b>2023</b>	OEB-approved 2023 Total revenue requirement <sup>[1]</sup>	1,727.2
<b>2024</b>	2024 Total revenue requirement = 2023 Total revenue requirement x 2024 RCI <sup>[2]</sup> = \$1,727.2 x 1.0536	1,819.8

[1] As per Decision and Order, EB-2021-0110, November 29, 2022, Schedule A, Table 18, line 14

[2] 2024 RCI as per Table 3

<sup>4</sup> OEB Letter, 2024 Inflation Parameters, June 29, 2023.

<sup>5</sup> Decision on Settlement Proposal and Order on Rates, Revenue Requirement and Charge Determinants, EB-2021-0110, Hydro One Networks Inc., November 29, 2022.



1 **3.0 GROUP 1 DEFERRAL AND VARIANCE ACCOUNTS (DVA)**

2  
3 **3.1 CONSOLIDATED GROUP 1 DVA BALANCE**

4 Hydro One's consolidated Group 1 DVA balance as of December 31, 2022 along with  
5 projected carrying charges for 2023 is a debit balance of \$14.3M.<sup>6</sup> The consolidated Group  
6 1 DVA balance is inclusive of Hydro One Distribution<sup>7</sup> and the service areas formerly  
7 served by Orillia Power Distribution Corporation (OPDC) and Peterborough Distribution  
8 Inc. (PDI), herein referred to as Orillia Rate Zone (RZ) and Peterborough RZ (or the  
9 Acquired Utilities).<sup>8</sup> The individual Group 1 Retail Service Variance Account (RSVA)  
10 balances for Hydro One Distribution, Orillia RZ and Peterborough RZ are established  
11 based on an allocation methodology described in Section 3.2 below.

12  
13 Hydro One's Consolidated DVA Continuity Schedule is provided as Attachment 1 of this  
14 Exhibit. Hydro One confirms that the Reporting and Record Keeping Requirements (RRR)  
15 data presented in Attachment 1 is accurate. There are variances between the December  
16 31, 2022 consolidated balances and RRR 2.1.7 data for the following two accounts:  
17 Account 1588 and Account 1589. These variances relate to a reclassification of costs  
18 between the two accounts, as further explained in Section 3.4 below.

19  
20 **3.2 ALLOCATION OF CONSOLIDATED GROUP 1 BALANCE**

21  
22 **3.2.1 TRACKING AND ALLOCATION OF CONSOLIDATED GROUP 1 RSVA**  
23 **BALANCE**

24 Hydro One tracks and records the Group 1 RSVA balance for Hydro One Distribution and  
25 its Acquired Utilities on a consolidated basis. This is because Hydro One receives one  
26 consolidated invoice from the Independent Electricity System Operator (IESO) for the  
27 settlement of commodity, bulk transmission and wholesale settlements for all of its service

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<sup>6</sup> The Group 1 DVA balance as of December 31, 2022 is adjusted for dispositions during 2023, along with projected carrying charges to December 31, 2023.

<sup>7</sup> Hydro One Distribution is inclusive of the Norfolk, Haldimand and Woodstock service areas after their rates were harmonized with Hydro One Distribution starting in 2023 (EB-2021-0110).

<sup>8</sup> The 2024 distribution rates and related charges for the Orillia RZ and Peterborough RZ are simultaneously under review by the OEB in proceeding EB-2023-0059.

1 territories, including those of the Acquired Utilities. As a result, the rate zone specific post-  
2 integration RSVA balances presented on the DVA continuity schedules have been  
3 determined using an approved allocation methodology.<sup>9</sup>

4  
5 Starting in 2023, Norfolk, Haldimand and Woodstock's distribution rates have been  
6 harmonized with Hydro One Distribution (EB-2021-0110), so there is no longer a need to  
7 allocate the RSVA balances to these acquired utilities. As Orillia and Peterborough RZs  
8 are on a ten-year deferred rebasing period, their distribution rates will not be harmonized  
9 with Hydro One until at least the end of their deferred rebasing periods.<sup>10</sup> As such, there  
10 remains a need to allocate the consolidated RSVA balances between Hydro One  
11 Distribution, Orillia RZ and Peterborough RZ to determine the rate zone specific RSVA  
12 balances in 2021 and 2022.

### 13 14 **3.2.2 PLANNED DISPOSITION APPROACH FOR GROUP 1 BALANCE**

15 Under the methodology described in the OEB's Inspection Report dated March 4, 2019,  
16 entitled "Inspection of Compliance of the RPP Settlement Process and Assessment of  
17 DVA Allocation Methodology to Assign Group 1 Balances to the Acquired Utilities", Hydro  
18 One uses the post-integration sales volume (kWh) of each of the utilities as the allocators  
19 to assign the post-integration consolidated RSVA balances to each of Hydro One  
20 Distribution, Orillia RZ and Peterborough RZ.

21  
22 The Inspection Report concluded that Hydro One's Regulated Price Plan (RPP) settlement  
23 process complies with current regulatory requirements and approved the allocation  
24 methodology for the post-integration RSVA balances of the acquired utilities. The  
25 Inspection Report stated that:

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<sup>9</sup> Following the operational integration of Norfolk Power, Haldimand County Hydro and Woodstock Hydro into Hydro One in September 2015/2016, and more recently, the operational integration of OPDC and PDI into Hydro One in June 2021, the RSVA balances for all distribution utilities have been tracked and recorded on a consolidated basis within Hydro One.

<sup>10</sup> The ten-year deferred rebasing period for the Orillia and Peterborough RZs are set to expire on August 31, 2030 and July 31, 2030, respectively.

1 HONI's proposed allocation methodology of using applicable sales volume  
2 as the allocator for Group 1 Accounts 1588 and 1589 balances for  
3 Haldimand County Hydro, Norfolk Power and Woodstock Hydro is  
4 reasonable.<sup>11</sup>  
5

6 Based on the Inspection Report, the OEB accepted that the Group 1 allocation  
7 methodology results in the same rate riders whether the balances are allocated to all  
8 utilities separately or as one single entity.<sup>12</sup> In the Decision and Rate Order in EB-2019-  
9 0044, the OEB accepted Hydro One's disposition approach to establish the total balance  
10 and seek approval to dispose of the accounts for Hydro One Distribution and all other  
11 acquired utilities in the same year.<sup>13</sup>  
12

13 This disposition approach has been accepted by the OEB on an annual basis thereafter,  
14 including the following applications:

- 15 • Approval to dispose of the Group 1 balances as of December 31, 2019 for Hydro  
16 One Distribution and the acquired utilities in 2021 rates, as noted in the Decision  
17 and Order for Hydro One and the acquired utilities' 2021 Rates.<sup>14</sup>
- 18 • Approval to defer Group 1 account disposition as of December 31, 2020 for  
19 Norfolk, Haldimand and Woodstock RZs to the 2023 Custom IR Application to  
20 facilitate review and disposition of all consolidated balances at the same time.<sup>15</sup>
- 21 • Approval to defer the disposition of 2021 Group 1 balances for Orillia and  
22 Peterborough RZs to the 2024 Application to facilitate the review and disposition  
23 of all 2021 Group 1 balances as part of this proceeding.<sup>16</sup>

---

<sup>11</sup> "Inspection of Compliance of the RPP Settlement Process and Assessment of DVA Allocation Methodology to Assign Group 1 Balances to the Acquired Utilities", March 4, 2019, p. 7.

<sup>12</sup> Ibid, p. 6.

<sup>13</sup> Decision and Rate Order, EB-2019-0044, Hydro One Networks Inc., December 12, 2019, pp. 8-9.

<sup>14</sup> Decision and Rate Order, EB-2020-0030, Hydro One Networks Inc., December 17, 2020, revised February 18, 2021, pp. 20-21; and Decision and Rate Order, EB-2020-0031, Hydro One Networks Inc., December 17, 2020, pp. 10-23.

<sup>15</sup> Decision and Order, EB-2021-0033, Hydro One Networks Inc., December 21, 2021, p. 8.

<sup>16</sup> Decision and Order, EB-2022-0040, Hydro One Networks Inc., December 8, 2022, p. 13.

**3.2.3 GROUP 1 DVA BALANCE ALLOCATIONS**

Table 5 below presents the total Group 1 DVA balances by rate zone. The allocation of the consolidated Group 1 balances to Hydro One Distribution, Orillia RZ and Peterborough RZ are consistent with the approved Group 1 allocation methodology.<sup>17</sup>

**Table 5 - Allocated Group 1 Deferral and Variance Account Balances for Hydro One Distribution, Orillia RZ, and Peterborough RZ (\$)**

Deferral Variance Account (DVA)	USofA	Hydro One Distribution	Orillia RZ	Peterborough RZ	Consolidated Total
LV Variance Account	1550	3,954,007	412,094	505,941	4,872,042
Smart Metering Entity Charge Variance Account	1551	(4,790,670)	(50,347)	(119,633)	(4,960,650)
RSVA - Wholesale Market Service Charge	1580	55,254,462	657,432	1,534,611	57,446,505
Variance WMS – Sub-account CBR Class B	1580	(10,501,350)	(108,641)	(239,839)	(10,849,829)
RSVA - Retail Transmission Network Charge	1584	40,876,501	48,939	1,018,699	41,944,139
RSVA - Retail Transmission Connection Charge	1586	(17,225,371)	(273,013)	(49,148)	(17,547,532)
RSVA - Power (excluding Global Adjustment)	1588	(38,941,272)	125,078	(181,240)	(38,997,434)
RSVA - Global Adjustment	1589	(21,600,916)	(814,981)	(1,384,398)	(23,800,296)
Disposition and Recovery/Refund of Regulatory Balances (2019) - HONI	1595	6,176,378	0	0	6,176,378
<b>TOTAL</b>		13,201,770	(3,439)	1,084,992	14,283,322

The Allocation of Consolidated RSVA Balances to Hydro One Distribution, Orillia RZ and Peterborough RZ is provided in Attachment 2 of this Exhibit.

**3.3 HYDRO ONE DISTRIBUTION GROUP 1 DVA BALANCE**

In the 2023 Custom IR Application (EB-2021-0110), the OEB approved the disposition of 2020 Group 1 DVA balances on a final basis over a 3-year period from January 1, 2023 to December 31, 2025. In this Application, the 2022 Group 1 DVA closing balances,

<sup>17</sup> See EB-2023-0059, Application, Exhibit A-04-01, Section 2.2.3, "Recovery of Low Voltage (LV) Variance Account Consolidated Balance", filed on August 17, 2023 with respect to directly allocating the LV balances.

1 inclusive of 2021 and 2022 transactions, for Hydro One Distribution is a debit of \$13.2M.<sup>18</sup>  
2 Table 6 below shows the breakdown of the account balances (see Attachment  
3 3 of this Exhibit for details).

4

5 **Table 6 - Group 1 DVA Balances for Hydro One Distribution (\$)**

Account Descriptions	Account Number	Closing Principal Balance as of Dec 31, 2022 <sup>19</sup>	Total Interest as of Dec 31, 2023 <sup>20</sup>	Total Balance for Disposition as of Dec 31, 2023
		A	B	A+B
LV Variance Account	1550	3,538,602	415,405	3,954,007
Smart Metering Entity Charge Variance Account	1551	(4,520,751)	(269,919)	(4,790,670)
RSVA - Wholesale Market Service Charge	1580	52,288,039	2,966,423	55,254,462
Variance WMS – Subaccount CBR Class B	1580	(9,534,050)	(967,299)	(10,501,350)
RSVA – Retail Transmission Network Charge	1584	38,671,078	2,205,423	40,876,501
RSVA – Retail Transmission Connection Charge	1586	(15,327,760)	(1,897,610)	(17,225,371)
RSVA – Power (excluding Global Adjustment)	1588	(36,205,397)	(2,735,875)	(38,941,272)
RSVA - Global Adjustment	1589	(19,918,340)	(1,682,577)	(21,600,916)
Disposition and Recovery/Refund of Regulatory Balances (2019)	1595	9,026,160	(2,849,783)	6,176,378
<b>Group 1 Sub-Total</b>		<b>18,017,581</b>	<b>(4,815,811)</b>	<b>13,201,770</b>

<sup>18</sup> The Group 1 DVA balances proposed for disposition are as of December 31, 2022, adjusted for dispositions during 2023, along with projected carrying charges to December 31, 2023.

<sup>19</sup> Total closing principal balance as of December 31, 2022 includes 2021 and 2022 principal balances, adjusted for 2023 approved dispositions.

<sup>20</sup> Total interest as of December 31, 2023 includes 2022 closing interest and projected interest on the December 31, 2022 ending balance (inclusive of 2023 approved dispositions).

**3.3.1 VARIANCES WITH CONSOLIDATED RRR 2.1.7 BALANCES**

As Hydro One only submits RRR Group 1 balances on a consolidated basis to the OEB, the consolidated balances for the service areas of Hydro One Distribution, Orillia RZ and Peterborough RZ will not match with the balances allocated to Hydro One Distribution. For a comparison of the RRR data and Hydro One's 2022 Group 1 DVA closing balances on a consolidated basis, please see Attachment 1.

**3.3.2 PRE-SET DISPOSITION THRESHOLD TEST**

In accordance with the filing requirements, Hydro One has provided an analysis of the materiality of the Group 1 DVA balances for Hydro One Distribution, Orillia RZ and Peterborough RZ,<sup>21</sup> as shown in Table 7 below:

**Table 7 - Threshold Test**

	<b>Consolidated</b>	<b>Hydro One Distribution</b>	<b>Orillia RZ</b>	<b>Peterborough RZ</b>
<b>Total Group 1 Balance (\$)</b>	14,283,322	13,201,770	(3,439)	1,084,992
<b>Total kWh (2022 RRR)</b>	37,481,697,174	36,401,006,556	316,888,244	763,802,374
<b>\$/kWh</b>	0.0004	0.0004	(0.0000)	0.0014

Although the OEB pre-set disposition threshold of \$0.001 per kWh has not been exceeded on a consolidated basis, Hydro One requests disposition of the Group 1 DVA balances for all rate zones as of December 31, 2022, on a final basis, due to the following reasons:

1. The disposition threshold for the Peterborough RZ has been met. In addition, the disposition of the Peterborough RZ and Orillia RZ Group 1 DVAs in the 2024 Application is consistent with the expectations set out in the Decision and Order in EB-2022-0040.<sup>22</sup> Therefore, Hydro One believes it is appropriate to dispose of the Peterborough RZ, Orillia RZ and Hydro One Distribution Group 1 DVA balances

<sup>21</sup> Filing Requirements for Electricity Distribution Rate Applications – 2023 Edition for 2024 Rate Applications – Chapter 3, Section 3.2.6.

<sup>22</sup> Decision and Order, EB-2022-0040, December 8, 2022, pp. 7 and 13.

1 together in the 2024 rate applications, as this approach to dispose of the  
2 consolidated Group 1 DVA balance is consistent with past practice based on the  
3 examples of prior OEB decisions provided in Section 3.2.2 of this Exhibit.

4

5 2. Hydro One believes that the disposition of DVA balances, including the disposition  
6 of Account 1595 (2019) to Hydro One legacy customers as described in Section  
7 4.4.7.2 of this Application, will minimize intergenerational inequities as the 2021  
8 and 2022 balances have not been disposed of thus far.

9

10 3. Based on (1) and (2) above, it is appropriate for the OEB to approve the  
11 consolidated balance and the disposition of allocated balances, including Hydro  
12 One Distribution in this proceeding and the Peterborough RZ and Orillia RZ in EB-  
13 2023-0059.

14

### 15 **3.4 ACCOUNTS 1588 – RSVA POWER AND 1589 – RSVA GLOBAL ADJUSTMENT**

16

#### 17 **3.4.1 OEB ACCOUNTING GUIDANCE – FEBRUARY 21, 2019**

18 On February 21, 2019, the OEB issued a new Accounting Guidance related to Accounts  
19 1588 RSVA Power and 1589 RSVA Global Adjustment (GA). The new Accounting  
20 Guidance is effective January 1, 2019 and was to be implemented by August 31, 2019.

21

22 In the 2021 Annual Update proceeding (EB-2020-0030), Hydro One submitted that it  
23 would be able to implement the Accounting Guidance on a prospective basis, once  
24 significant modifications to its current Information Technology (IT) framework were  
25 complete. As OEB staff had also intended to conduct a Phase 2 consultation which may  
26 identify further procedures and data sets to be used in the new settlement methodology,  
27 Hydro One proposed to implement modifications to its IT framework after the Phase 2  
28 consultation (to avoid subsequent and potentially costly re-works of the modified IT  
29 framework) and to implement the Accounting Guidance in a modified manner.<sup>23</sup>

---

<sup>23</sup> Hydro One's Reply Submission, EB-2020-0030, Hydro One Networks Inc., 2021 Annual Rate Update, November 24, 2020, pp. 4-9.

1 In the EB-2020-0030 Decision and Rate Order, the OEB approved Hydro One’s proposal  
2 to adopt the new Accounting Guidance in a modified manner until the OEB otherwise  
3 directs Hydro One. The OEB agreed with Hydro One that changes to its current IT  
4 framework to implement the new Accounting Guidance could be costly and can only be  
5 applied on a prospective basis.<sup>24</sup> Therefore, the OEB accepted Hydro One’s request to  
6 dispose of its 2015 to 2019 Group 1 DVA balances on a final basis.

7  
8 In the OEB’s Decision and Order for the 2023 Custom IR Application (EB-2021-0110), the  
9 OEB approved the disposition of 2020 Group 1 audited balances on a final basis.<sup>25</sup> Hydro  
10 One confirms that it has not made adjustments to the 2020 account balances that were  
11 previously approved by the OEB for disposition on a final basis.

### 12 13 **3.4.2 ADJUSTMENTS TO 1588 AND 1589 ACCOUNT BALANCES**

14 As of January 1, 2021, Hydro One Distribution implemented the Accounting Guidance in  
15 a modified manner on a prospective basis, as approved in EB-2020-0030. In accordance  
16 with the Accounting Guidance, Hydro One recorded RPP declaration items for distribution-  
17 connected customers under commodity revenue.

18  
19 In early 2023, Hydro One identified that the RPP declaration for embedded distributors in  
20 its service territory was not updated to reflect the Accounting Guidance as of January  
21 2021. In particular, the RPP declaration amounts related to the GA portion were mapped  
22 to Class B – non RPP GA revenue on Hydro One’s customer invoices. This approach  
23 differs from the Accounting Guidance, which requires all RPP declaration amounts to be  
24 allocated to commodity revenue. This resulted in a mismatch between revenue and costs  
25 for commodity/GA attributable to the misclassification of GA amounts related to the  
26 embedded distributors.

---

<sup>24</sup> Decision and Rate Order, EB-2020-0030, Hydro One Networks Inc., December 17, 2020, revised February 18, 2021, p. 17.

<sup>25</sup> Decision on Settlement Proposal and Order on Rates, Revenue Requirement and Charge Determinants, EB-2021-0110, Hydro One Networks Inc., November 29, 2022.



To address this issue, Hydro One reclassified the embedded distributors' RPP declaration amounts related to the GA portion to commodity revenue, which resulted in a two-year reclassification adjustment of \$24.8M (in 2021) and \$20.9M (in 2022) from Account 1589 – RSVA GA to Account 1588 – RSVA Power, as shown in Table 8 below.

**Table 8 - Reclassification Adjustments for Hydro One Distribution's Embedded Distributors (\$M)**

	Principal	Interest	Total
<b>2021</b>			
<b>Account 1588 – RSVA Power</b>	24,748,877	67,875	24,816,752
<b>Account 1589 – RSVA GA</b>	(24,748,877)	(67,875)	(24,816,752)
<b>2022</b>			
<b>Account 1588 – RSVA Power</b>	20,162,335	756,256	20,918,591
<b>Account 1589 RSVA GA</b>	(20,162,335)	(756,256)	(20,918,591)

Following this adjustment, Hydro One reviewed all related data and processes and ensured alignment with the Accounting Guidance as of January 1, 2021.

As such, Hydro One Distribution requests disposition of the 2021 and 2022 Group 1 audited balances with the reclassification adjustments on a final basis.

### **3.5 GLOBAL ADJUSTMENT ANALYSIS WORKFORM**

In accordance with Section 3.2.6.3 of the Chapter 3 Filing Requirements, the GA Analysis Workform for Hydro One's consolidated Account 1588 and 1589 balances has been provided to support the reasonability of these account balances. The reasonability of the threshold test for Accounts 1588 and 1589 is determined on a consolidated basis.<sup>26</sup> The consolidated 2020 Account 1588 and 1589 balances for Hydro One Distribution was last

<sup>26</sup> As noted in section 3.2.1 "Tracking and Allocation of Consolidated Group 1 RSVA Balances", only a consolidated GA Workform can be provided.

1 approved for disposition on a final basis in the 2023 Custom IR Application (EB-2021-  
2 0110).

3  
4 In this Application, the 2022 year-end Account 1589 balance of a credit of \$21.6M is below  
5 1% of the total annual IESO GA charges, as shown in Attachment 4 of this Exhibit. Hydro  
6 One provided the reconciliation of any discrepancy between the actual and expected  
7 balance by quantifying the differences in the GA Analysis Workform.

8  
9 As shown on Tab '1588' of the GA Analysis Workform, the Account 1588 balance as a  
10 percentage of Account 4705 is approximately 1%, before taking into consideration similar  
11 reconciliation items disclosed in the GA Analysis Workform.

### 12 13 **3.6 ACCOUNT 1595 DISPOSITIONS**

14 Hydro One continues to record balances in Account 1595 "Disposition and  
15 Recovery/Refund of Regulatory Balances" individually for Hydro One Distribution, Orillia  
16 RZ and Peterborough RZ. Therefore, no allocation is required to determine the 1595 sub-  
17 account dispositions. In accordance with section 3.2.6.5 of the Chapter 3 Filing  
18 Requirements, distributors are expected to provide a detailed explanation, including  
19 quantifying any significant drivers of the residual balance in the 1595 sub-account that is  
20 being disposed. The following residual balance in Account 1595 is proposed to be  
21 disposed on a final basis for Hydro One Distribution:

22  
23 • **1595 (2019) – sub-account for disposition and recovery/refund of balances  
24 from HONI 2018-2022 rates**

25 This account was created to dispose of the approved DVA balances as a result of  
26 the OEB's Decision and Order on Hydro One's 2018-2022 Distribution Rates (EB-  
27 2017-0049). The balance in this account reflects the residual amount from the  
28 2014 Group 1 balances and 2016 Group 2 balances approved for disposition. The  
29 balance was to be disposed of over a period of 18 months, with a sunset date on  
30 December 31, 2020. As per the Chapter 3 Filing Requirement, 2024 is the first

1 rate year in which the residual balance in sub-account 1595 (2019) is eligible for  
2 disposition.

3  
4 There is a residual balance of \$6.2M to be disposed in sub-account 1595 (2019).  
5 This residual balance exceeds the 10% materiality threshold, as a total of -\$54.5M  
6 was approved for disposition in EB-2017-0049. Due to demand volume  
7 differences, a total of -\$60.7M was returned to ratepayers. As a result, the rider  
8 was overdrawn by an excess amount of \$6.2M, which is the residual balance in  
9 sub-account 1595 (2019) requested for disposition in this proceeding. A  
10 breakdown of the residual balance by customer class is provided in Table 9 below.

11  
12 **Table 9 - 1595 (2019) Residual Balance**

Rate Class	Unit	Balances by Rate Class as Approved by the OEB (\$M) <sup>1,2</sup>	Rider Amounts Billed (\$M) <sup>2</sup>	Calculated Variance (\$M)	Calculated Variance (%)
		(A)	(B)	(C=A-B)	(D=C/A)
UR	kWh	(3.5)	(2.9)	(0.6)	17%
R1	kWh	(7.7)	(7.1)	(0.6)	8%
R2	kWh	(8.6)	(8.6)	0.0	0%
Seasonal	kWh	(0.8)	(0.9)	0.2	-23%
UGe	kWh	(2.1)	(2.0)	(0.1)	3%
GSe	kWh	(7.4)	(7.9)	0.5	-7%
UGd <sup>3</sup>	kW	(6.6)	(9.7)	3.0	-45%
GSd <sup>3</sup>	kW	(23.0)	(25.4)	2.4	-10%
Dgen	kW	(0.3)	(0.3)	0.0	-5%
ST <sup>3</sup>	kW	6.3	4.8	1.5	24%
USL	kWh	(0.1)	(0.1)	0.0	-14%
St Lgt	kWh	(0.7)	(0.5)	(0.2)	26%
Sen Lgt	kWh	(0.0)	(0.0)	(0.0)	8%
<b>TOTAL</b>		<b>(54.5)</b>	<b>(60.7)</b>	<b>6.2</b>	<b>-11%</b>

<sup>1</sup> Draft Rate Order, EB-2017-0049, Exhibit 7.0 & 7.1, June 11, 2019.

<sup>2</sup> Sum of annual rate riders for 2019 and 2020.

<sup>3</sup> The ST volumetric amounts shown combine the ST volumetric rider (General) and the ST Non-WMP rider.

1 Hydro One proposes to collect this amount from Hydro One's legacy customers  
2 through a separate rate rider, as further described in Section 4.4.7.2 below. Details  
3 on the derivation of this rate rider are shown in Attachment 10 of this Exhibit.

4

#### 5 **4.0 RATES**

6

#### 7 **4.1 CUSTOM MODELS TO DERIVE RATES**

8 As described in Section 2.0 above, the OEB's Rate Generator Model has not been  
9 applicable to Hydro One as Hydro One is under the revenue cap approach. Consistent  
10 with the past filings of Hydro One's Annual Update applications and 2023-2027 Custom  
11 IR Application, the custom spreadsheets included with this Application are substantively  
12 the same as those included in the OEB's IRM model (where only applicable tabs were  
13 filled out and provided as individual attachments). The custom spreadsheets are as  
14 follows:

15

- 16 • Attachment 5 for the 2024 rate design
- 17 • Attachment 6 for the 2024 sub-transmission (ST) rates
- 18 • Attachment 7 for the 2024 RTSR rates
- 19 • Attachment 8 for the 2024 revenue reconciliation
- 20 • Attachment 9 for DVA riders for Group 1 DVA Balances (excluding 1595)
- 21 • Attachment 10 for the disposition of sub-account 1595 (2019) rider
- 22 • Attachment 11 for the calculation of bill impacts
- 23 • Attachment 12 for the proposed tariffs for 2024

24

#### 25 **4.2 LOAD FORECAST CHARGE DETERMINANTS**

26 The 2024 OEB-approved load forecast is outlined in Table 10 below.<sup>27</sup>

---

<sup>27</sup> Decision on Settlement Proposal and Order on Rates, Revenue Requirement and Charge Determinants, EB-2021-0110, Hydro One Networks Inc., November 29, 2022, Schedule A, Attachment 2, Schedule 2.0.

1

**Table 10 - 2024 OEB-Approved Load Forecast**

Rate Class	Number of Customers	GWh	kW
UR	249,127	2,053	
R1	548,767	5,142	
R2	417,937	4,843	
GSe	88,831	1,990	
GSd	5,393	2,193	7,028,358
UGe	18,524	549	
UGd	1,753	889	2,312,124
St Lgt	5,536	83	
Sen Lgt	19,086	11	
USL	5,793	33	
DGen	1,576	31	217,567
ST	917	15,171	31,012,799
AUR	15,550	119	
AUGe	1,392	41	
AUGd	207	119	334,225
AR	39,198	334	
AGSe	4,213	116	
AGSd	306	229	640,641
<b>TOTAL</b>	<b>1,424,106</b>	<b>33,948</b>	<b>41,545,714</b>

2

3 **4.3 COST ALLOCATION**

4 In accordance with the OEB’s Decision and Order (EB-2021-0110), Hydro One has not  
 5 updated the cost allocation model over the term of the plan. The determination of the 2024  
 6 costs and rates revenue requirement by rate class uses the approved methodology  
 7 consistent with the OEB’s Decision and Order in EB-2021-0110.

8

9 **4.4 RATE DESIGN**

10

11 **4.4.1 FIXED AND VOLUMETRIC RATES**

12 The calculation of the 2024 fixed and volumetric rates taking into account the approved  
 13 2024 forecast number of customers and load, consistent with the OEB-approved  
 14 methodology, is provided in Attachment 5. The derivation of fixed to volumetric revenue  
 15 splits for residential and non-residential rate classes are described below.

1 **a) Residential Rate Classes**

2 The transition to all-fixed distribution rates is now complete for all residential rate classes.  
3 However, as approved by the OEB in EB-2020-0246<sup>28</sup> (and further confirmed in EB-2021-  
4 0110)<sup>29</sup>, the R2 rate class will continue to have a declining volumetric rate until 2032 as a  
5 mitigation measure for those low-volume seasonal customers that would otherwise see  
6 total bill impacts greater than 10%.

7  
8 **b) Non-Residential Rate Classes**

9 Fixed and volumetric distribution charges for non-residential rate classes have been  
10 calculated using the methodology approved by the OEB in EB-2021-0110.<sup>30</sup> Detailed  
11 derivation of distribution rates is shown in Attachment 5.

12  
13 **4.4.2 REVENUE-TO-COST RATIOS**

14 Consistent with the Decision and Order in EB-2021-0110, Hydro One has not performed  
15 any revenue-to-cost ratio adjustments for the 2024 rate year.<sup>31</sup>

16  
17 **4.4.3 SUB-TRANSMISSION (ST) RATES**

18 As described in Section 4.4.4 below, the Retail Transmission Service Rates (RTSRs) are  
19 proposed to be updated and effective January 1, 2024. As a result, the proposed 2024  
20 HVDS-High charge, HVDS-Low charge, and the Common ST Line charge have been  
21 adjusted to reflect the proposed 2024 ST RTSR for Transformation Connection. The  
22 calculation of 2024 ST rates are detailed in Attachment 6.

---

<sup>28</sup> Decision and Order, EB-2020-0246, Implementing the Elimination of the Seasonal Rate Class, November 10, 2021, pp. 6-8.

<sup>29</sup> Decision on Settlement Proposal and Order on Rates, Revenue Requirement and Charge Determinants, EB-2021-0110, Hydro One Networks Inc., November 29, 2022, Schedule A, p. 102 of 117.

<sup>30</sup> Decision on Settlement Proposal and Order on Rates, Revenue Requirement and Charge Determinants, EB-2021-0110, Hydro One Networks Inc., November 29, 2022, Schedule A, pp. 96-97 of 117.

<sup>31</sup> Decision on Settlement Proposal and Order on Rates, Revenue Requirement and Charge Determinants, EB-2021-0110, Hydro One Networks Inc., November 29, 2022, Schedule A, pp. 98-99 of 117.

1 **4.4.4 RETAIL TRANSMISSION SERVICE RATES (RTSRS)**

2 The current (2023) RTSRs are based on the 2022 Uniform Transmission Rates (UTRs),  
3 which were the transmission rates in place at the time Hydro One filed its previous  
4 Application. Hydro One proposes to adjust the RTSRs to reflect the updated costs to Hydro  
5 One for transmission services for 2024 RTSRs based on the currently OEB approved  
6 UTRs.<sup>32</sup> The calculation of the 2024 RTSRs is provided in Attachment 7.

7  
8 Hydro One will update and submit the revised 2024 RTSRs, ST rates (namely HVDS-  
9 High; HVDS-Low; and Common ST Line), and corresponding bill impacts once the 2024  
10 UTRs are issued by the OEB. An updated proposed 2024 tariff schedule will also be  
11 provided.

12  
13 **4.4.5 HOPPER FOUNDRY AND TRANSFORMER COST ALLOWANCE RATE**  
14 **ADDERS**

15 The proposed 2024 Hopper Foundry rate adder reflects the proposed 2024 General  
16 Service Demand rates. The forecast lost revenue related to Hopper Foundry is \$96,468  
17 and results in a rate adder of \$0.0137 per kW. This adder is included in the volumetric rate  
18 shown on the 2024 tariff schedule for the General Service demand (GSd) rate class.

19  
20 As per the Decision and Order in EB-2021-0110, the Customer Supplied Transformer  
21 Allowance (CSTA) rate adders for GSd, UGd, DGen, AUGd, and AGSd rate classes will  
22 remain unchanged at their currently approved values (2023).<sup>33</sup>

23  
24 **4.4.6 REVENUE RECONCILIATION**

25 A revenue reconciliation using proposed 2024 rates, approved billing determinants and  
26 resulting revenue is provided in Attachment 8.

---

<sup>32</sup> Decision and Rate Order, EB-2023-0101, 2023 Uniform Transmission Rates Update, June 1, 2023.

<sup>33</sup> Decision on Settlement Proposal and Order on Rates, Revenue Requirement and Charge Determinants, EB-2021-0110, Hydro One Networks Inc., November 29, 2022, Schedule A, Attachment 2, Schedule 4.3, p. 1.

1 **4.4.7 2024 DVA RATE RIDER DERIVATION**

2 As discussed in Section 3.4.2 above, Hydro One is proposing to dispose of the audited  
3 2021 and 2022 balances with the reclassification adjustments on a final basis. The  
4 derivation of the proposed DVA rate riders is based on the same methodology used for  
5 Hydro One's most recently approved DVA rate riders.<sup>34</sup>

6  
7 Hydro One proposes to dispose of all Group 1 DVA balances through a volumetric rate  
8 rider, over a 12-month period beginning on January 1, 2024.

9  
10 **4.4.7.1 DERIVATION OF RATE RIDERS TO DISPOSE GROUP 1 DVA BALANCES,**  
11 **EXCLUDING ACCOUNT 1595 (2019)**

12 Hydro One has utilized the OEB's DVA Workform (Attachment 9) to dispose of the Group  
13 1 account balances, excluding Account 1595, among all Hydro One existing and new  
14 acquired rate classes, consistent with the approach the DVA riders were developed in EB-  
15 2021-0110.

16  
17 Disposition of the balance in Account 1595, and the allocation of the Global Adjustment  
18 and CBR Class B account balances to transition customers, are further described in the  
19 sections below.

20  
21 **4.4.7.2 DISPOSITION AND RECOVERY/REFUND OF SUB-ACCOUNT 1595 (2019)**

22 As described in Section 3.6 above, the balance in sub-account 1595 (2019) is the residual  
23 balance from the disposition of Group 1 (2014) and Group 2 (2016) DVA balances, as  
24 approved by the OEB, in EB-2017-0049. As such, Hydro One proposes to recover this  
25 amount from Hydro One's legacy customers only (i.e. excluding customers in former  
26 Norfolk, Haldimand and Woodstock service areas). Hydro One has allocated the 1595  
27 account residual balance to the rate classes in proportion to the recovery share as  
28 established when rate riders were implemented in 2019. Similar to the disposition of the

---

<sup>34</sup> Decision on Settlement Proposal and Order on Rates, Revenue Requirement and Charge Determinants, EB-2021-0110, Hydro One Networks Inc., November 29, 2022, Schedule A, Attachment 2, Schedules 6.0 to 6.3.



1 rest of the Group 1 DVA balances, Hydro One proposes to dispose the balance in Account  
2 1595 through a volumetric rate rider over a 12-month period beginning on January 1, 2024.  
3 Detailed derivation of the 1595 (2019) rate rider is found in Attachment 10.

4  
5 **4.4.7.3 DISPOSITION OF GLOBAL ADJUSTMENT (1589) AND CAPACITY BASED**  
6 **RECOVERY- CLASS B SUB-ACCOUNT (1580)**

7 Hydro One has followed the OEB's guidance to dispose of the GA and Capacity Based  
8 Recovery-Class B (CBR-B) balances. Specifically, a portion of the GA and CBR-B  
9 balances have been allocated to customers who transitioned between Class A and Class  
10 B during the balance accumulation period (i.e. 2021-2022) based on customer-specific  
11 consumption levels. Transition customers are only responsible for the customer specific  
12 amount allocated to them and the general GA and CBR-B rate riders will not be applied to  
13 these customers.

14  
15 Hydro One identified 190 such transition customers. Based on the kWh consumption of  
16 these customers during the balance accumulation period, Hydro One determined that  
17 \$1.3M from the total GA variance account balance of \$21.6M, and \$0.15M of the total  
18 CBR-B variance account balance of \$10.5M should be refunded to these transition  
19 customers, which will be settled with each customer individually.<sup>35</sup> The remaining GA  
20 variance account balance of \$20.3M will be refunded through class-specific GA rate riders  
21 to all Class B, non-regulated price plan (Non-RPP), non-wholesale market participant  
22 (Non-WMP), non-local distribution company (Non-LDC) customers, over a 12-month  
23 period beginning on January 1, 2024. Similarly, the remaining CBR-B variance account  
24 balance of \$10.35M will be refunded through class-specific CBR-B rate riders to all class  
25 B, non-WMP customers, over a 12-month period beginning on January 1, 2024.

26  
27 A summary of the GA and CBR-B rate riders is shown in Table 11 below.

---

<sup>35</sup> Refer to tabs 6.1a and 6.2a of the DVA Workform (provided as Attachment 9 to this Exhibit) for the refund amounts for each transition customer.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14

**Table 11 - Allocation of Total GA and CBR B RSVA Balances  
to Transition Customers (\$)**

	<b>GA (1589)</b>	<b>CBR B (1580)</b>
Total RSVA Balance	(21,600,916)	(10,501,350)
Transition Customers Portion of RSVA Balance	(1,278,974)	(146,486)
Balance to be disposed to Current Class B Customers through Rate Rider	(20,321,943)	(10,354,864)

**4.5 BILL IMPACTS**

A summary of the 2024 total bill impacts as a result of the proposed 2024 distribution rates relative to the approved 2023 distribution rates is presented in Table 12. The detailed calculation of 2024 monthly bill impacts by rate class over a range of consumption levels is provided in Attachment 11. As indicated previously, Hydro One will update the bill impacts resulting from the updated RTSRs to reflect the 2024 UTRs once they are issued by the OEB.

As per the Decision and Order in EB-2021-0110, Hydro One will continue to apply mitigation credit to the affected acquired unmetered customers to limit their bill impacts to no more than 10%.

1

**Table 12 - 2024 Total Bill Impacts**

Rate Class	Consumption Level	Monthly Consumption (kWh)	Monthly Peak (kW)	Change in DX Bill	Change in DX Bill	Change in Total Bill	Change in Total Bill
<b>UR</b>	<b>Low</b>	340		\$1.34	3.5%	\$1.40	1.7%
	<b>Typical</b>	750		\$1.67	4.4%	\$1.77	1.3%
	<b>Average</b>	690		\$1.62	4.2%	\$1.72	1.4%
	<b>High</b>	1,260		\$2.08	5.5%	\$2.24	1.1%
<b>R1 (with DRP)</b>	<b>Low</b>	370		\$0.30	0.8%	\$0.42	0.5%
	<b>Typical</b>	750		\$0.60	1.5%	\$0.85	0.6%
	<b>Average</b>	784		\$0.63	1.6%	\$0.89	0.6%
	<b>High</b>	1,650		\$1.32	3.5%	\$1.88	0.8%
<b>R1 (without DRP)</b>	<b>Low</b>	370		\$4.24	6.6%	\$4.42	3.9%
	<b>Typical</b>	750		\$2.42	3.7%	\$2.70	1.7%
	<b>Average</b>	784		\$2.26	3.4%	\$2.54	1.5%
	<b>High</b>	1,650		(\$1.90)	-2.7%	(\$1.39)	-0.5%
<b>R2 (with DRP)</b>	<b>Low</b>	440		\$0.40	1.0%	\$0.45	0.5%
	<b>Typical</b>	750		\$0.67	1.8%	\$0.77	0.6%
	<b>Average</b>	978		\$0.88	2.3%	\$1.00	0.6%
	<b>High</b>	2,110		\$1.90	5.1%	\$2.16	0.7%
<b>R2 (without DRP)</b>	<b>Low</b>	440		\$7.66	10.1%	\$7.81	5.8%
	<b>Typical</b>	750		\$5.71	7.0%	\$5.86	3.2%
	<b>Average</b>	978		\$4.27	5.0%	\$4.43	2.1%
	<b>High</b>	2,110		(\$2.86)	-2.7%	(\$2.66)	-0.7%
<b>Seasonal- UR*</b>	<b>Low</b>	40		\$0.14	0.4%	\$0.15	0.3%
	<b>Average</b>	369		\$0.41	1.0%	\$0.45	0.5%
	<b>High</b>	1,040		\$0.94	2.4%	\$1.07	0.6%
<b>Seasonal-R1*</b>	<b>Low</b>	40		\$5.60	9.0%	\$5.68	8.2%
	<b>Average</b>	369		\$4.02	6.3%	\$4.19	3.7%
	<b>High</b>	1,040		\$0.80	1.2%	\$1.15	0.6%
<b>Seasonal-R2</b>	<b>Low</b>	40		\$6.05	8.9%	\$6.13	8.2%
	<b>Average</b>	369		\$3.98	5.4%	\$4.07	3.3%
	<b>High</b>	1,040		(\$0.25)	-0.3%	(\$0.14)	-0.1%
<b>GSe</b>	<b>Low</b>	60		(\$0.91)	-2.4%	(\$0.90)	-1.9%
	<b>Typical</b>	2,000		\$5.49	3.2%	\$6.23	1.5%
	<b>Average</b>	1,887		\$5.12	3.1%	\$5.81	1.4%
	<b>High</b>	5,570		\$17.27	4.1%	\$19.35	1.7%

2 \* Only difference between rates for the UR/R1 and Seasonal-UR/Seasonal-R1 customers is the Base Rate

3 Adjustment to Recover Past Tax Amounts (effective until June 30, 2023).

Rate Class	Consumption Level	Monthly Consumption (kWh)	Monthly Peak (kW)	Change in DX Bill	Change in DX Bill	Change in Total Bill	Change in Total Bill
<b>UGe</b>	<b>Low</b>	180		(\$0.36)	-1.1%	(\$0.31)	-0.6%
	<b>Typical</b>	2,000		\$4.19	4.5%	\$4.89	1.4%
	<b>Average</b>	2,494		\$5.43	5.0%	\$6.30	1.5%
	<b>High</b>	6,930		\$16.52	6.4%	\$18.98	1.7%
<b>GSd</b>	<b>Low</b>	9,310	55	\$6.92	0.6%	\$10.99	0.4%
	<b>Average</b>	34,334	110	(\$50.95)	-2.2%	(\$51.24)	-0.7%
	<b>High</b>	75,790	250	(\$100.42)	-2.0%	(\$99.06)	-0.6%
<b>UGd</b>	<b>Low</b>	13,900	55	(\$16.88)	-2.4%	(\$15.16)	-0.5%
	<b>Average</b>	42,592	111	(\$94.04)	-7.1%	(\$98.38)	-1.3%
	<b>High</b>	97,610	280	(\$188.01)	-5.8%	(\$192.55)	-1.1%
<b>St Lgt</b>	<b>Low</b>	30		\$0.13	2.0%	\$0.14	1.3%
	<b>Average</b>	1,274		\$5.23	3.5%	\$5.44	1.8%
	<b>High</b>	2,310		\$9.48	3.5%	\$9.86	1.7%
<b>Sen Lgt</b>	<b>Low</b>	20		\$0.05	0.7%	\$0.05	0.5%
	<b>Average</b>	49		\$0.12	1.0%	\$0.12	0.7%
	<b>High</b>	80		\$0.19	1.1%	\$0.20	0.7%
<b>USL</b>	<b>Low</b>	100		(\$0.31)	-0.7%	(\$0.30)	-0.6%
	<b>Average</b>	477		\$1.88	3.7%	\$1.95	1.8%
	<b>High</b>	550		\$2.30	4.4%	\$2.39	2.0%
<b>DGen</b>	<b>Low</b>	10	0.03	(\$1.74)	-0.9%	(\$1.96)	-0.9%
	<b>Average</b>	1,709	12	\$10.25	3.1%	\$11.81	1.9%
	<b>High</b>	8,490	45	\$34.08	4.8%	\$39.33	1.9%
<b>ST</b>	<b>Low</b>	88,780	500	(\$173.66)	-9.5%	(\$138.89)	-0.8%
	<b>Average</b>	1,373,443	2,808	(\$4,657.64)	-129.2%	(\$4,941.07)	-2.4%
	<b>High</b>	2,641,420	13,730	(\$4,706.93)	-28.8%	(\$3,744.07)	-0.8%

<b>Former Woodstock Hydro Customers**</b>							
<b>Rate Class</b>	<b>Consumption Level</b>	<b>Monthly Consumption (kWh)</b>	<b>Monthly Peak (kW)</b>	<b>Change in DX Bill</b>	<b>Change in DX Bill</b>	<b>Change in Total Bill</b>	<b>Change in Total Bill</b>
<b>AUR</b>	<b>Low</b>	310		\$1.73	5.6%	\$1.78	2.5%
	<b>Typical</b>	750		\$1.95	6.4%	\$2.05	1.6%
	<b>Average</b>	636		\$1.89	6.2%	\$1.98	1.8%
	<b>High</b>	1,160		\$2.15	7.2%	\$2.30	1.3%
<b>AUGe</b>	<b>Low</b>	190		\$0.42	1.4%	\$0.44	0.8%
	<b>Typical</b>	2,000		\$4.40	8.1%	\$4.67	1.6%
	<b>Average</b>	2,471		\$5.44	8.9%	\$5.77	1.6%
	<b>High</b>	7,240		\$15.93	12.5%	\$16.90	1.7%
<b>AUGd</b>	<b>Low</b>	9,370	50	(\$15.52)	-5.8%	(\$14.34)	-0.8%
	<b>Average</b>	47,636	134	(\$140.70)	-31.0%	(\$150.42)	-2.0%
	<b>High</b>	137,890	340	(\$431.89)	-47.5%	(\$466.29)	-2.3%
<b>St Lgt</b>	<b>Average</b>	37,079		\$244.84	5.9%	\$281.25	2.8%
<b>USL</b>	<b>Average</b>	1,349		\$8.36	12.1%	\$8.62	3.6%
<b>ST</b>	<b>Average</b>	895,853	3,301	(\$2,016.28)	-45.6%	(\$1,899.79)	-1.3%

1 \*\* Bill impacts for the acquired customers of former Norfolk, Haldimand, and Woodstock service areas are  
2 shown separately because of the entity-specific rate riders currently in place.

<b>Former Norfolk Power Customers**</b>							
<b>Rate Class</b>	<b>Consumption Level</b>	<b>Monthly Consumption (kWh)</b>	<b>Monthly Peak (kW)</b>	<b>Change in DX Bill</b>	<b>Change in DX Bill</b>	<b>Change in Total Bill</b>	<b>Change in Total Bill</b>
<b>AR</b>	<b>Low</b>	290		\$2.07	5.5%	\$2.16	2.9%
	<b>Typical</b>	750		\$2.35	6.3%	\$2.54	1.9%
	<b>Average</b>	692		\$2.32	6.2%	\$2.49	2.0%
	<b>High</b>	1,230		\$2.64	7.2%	\$2.94	1.5%
<b>AGSe</b>	<b>Low</b>	110		\$0.30	0.7%	\$0.32	0.6%
	<b>Typical</b>	2,000		\$5.40	7.3%	\$5.90	1.8%
	<b>Average</b>	2,377		\$6.42	8.0%	\$7.01	1.9%
	<b>High</b>	6,410		\$17.31	11.6%	\$18.91	2.0%
<b>AGSd</b>	<b>Low</b>	13,020	55	(\$23.95)	-6.0%	(\$23.81)	-1.0%
	<b>Average</b>	70,294	181	(\$199.57)	-22.2%	(\$214.82)	-1.9%
	<b>High</b>	129,420	300	(\$387.59)	-28.4%	(\$420.24)	-2.1%
<b>St Lgt</b>	<b>Average</b>	11,389		\$75.29	6.0%	\$77.53	2.8%
<b>Sen Lgt</b>	<b>Average</b>	108		\$1.21	5.6%	\$1.24	3.6%
<b>USL</b>	<b>Average</b>	904		\$5.60	9.7%	\$5.78	3.4%

3 \*\* Bill impacts for the acquired customers of former Norfolk, Haldimand, and Woodstock service areas are  
4 shown separately because of the entity-specific rate riders currently in place.

<b>Former Haldimand County Hydro Customers**</b>							
<b>Rate Class</b>	<b>Consumption Level</b>	<b>Monthly Consumption (kWh)</b>	<b>Monthly Peak (kW)</b>	<b>Change in DX Bill</b>	<b>Change in DX Bill</b>	<b>Change in Total Bill</b>	<b>Change in Total Bill</b>
<b>AR</b>	<b>Low</b>	250		\$2.05	5.5%	\$2.13	3.0%
	<b>Typical</b>	750		\$2.35	6.3%	\$2.54	1.9%
	<b>Average</b>	742		\$2.35	6.3%	\$2.54	1.9%
	<b>High</b>	1,410		\$2.75	7.5%	\$3.09	1.4%
<b>AGSe</b>	<b>Low</b>	90		\$0.24	0.6%	\$0.27	0.5%
	<b>Typical</b>	2,000		\$5.40	7.3%	\$5.90	1.8%
	<b>Average</b>	2,261		\$6.10	7.7%	\$6.67	1.9%
	<b>High</b>	5,430		\$14.66	11.0%	\$16.02	2.0%
<b>AGSd</b>	<b>Low</b>	10,880	55	(\$14.53)	-3.6%	(\$13.17)	-0.6%
	<b>Average</b>	57,529	175	(\$147.04)	-16.7%	(\$155.82)	-1.7%
	<b>High</b>	135,160	375	(\$367.38)	-21.9%	(\$392.98)	-1.8%
<b>St Lgt</b>	<b>Average</b>	31,001		\$204.73	6.0%	\$235.17	2.8%
<b>Sen Lgt</b>	<b>Average</b>	61		\$0.74	5.6%	\$0.76	3.7%
<b>USL</b>	<b>Average</b>	471		\$2.92	6.0%	\$3.01	2.9%

1 \*\* Bill impacts for the acquired customers of former Norfolk, Haldimand, and Woodstock service areas are  
 2 shown separately because of the entity-specific rate riders currently in place.  
 3

4 **4.6 TARIFF OF RATES AND CHARGES**

5 The proposed tariff schedule to be effective and implemented on January 1, 2024 is  
 6 provided in Attachment 12. The 2024 tariff schedule includes the applicable Specific  
 7 Service Charges and Retailer Services Charges based on the OEB-approved inflation  
 8 factor of 4.8% for the 2024 rate year. As discussed in Sections 4.4.4, Hydro One intends  
 9 to reflect the updated RTSRs and ST rates on the proposed 2024 tariff schedule once the  
 10 2024 UTRs are issued by the OEB.

**CONSOLIDATED DVA CONTINUITY SCHEDULE**

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1                   **ALLOCATION OF CONSOLIDATED RSVA BALANCES**

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**HYDRO ONE DVA CONTINUITY SCHEDULE**

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**GA ANALYSIS WORK FORM**

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**2024 RATE DESIGN**

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## **2024 SUB-TRANSMISSION RATES**

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**2024 RETAIL TRANSMISSION SERVICE RATES**

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## **2024 REVENUE RECONCILIATION**

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**GROUP 1 DVA RATE RIDER DERIVATION**

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**RATE RIDER DERIVATION FOR ACCOUNT 1595**

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**2024 BILL IMPACTS**

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1        **2024 PROPOSED TARIFF OF RATES AND CHARGES SCHEDULE**

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## **2023 CURRENT TARIFF OF RATES AND CHARGES SCHEDULE**

**Hydro One Networks Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2023**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2021-0110

**RESIDENTIAL SERVICE CLASSIFICATIONS - HYDRO ONE NETWORKS INC.**  
**SERVICE AREA**

These classifications apply to year-round and seasonal residential properties. A year-round residential property, located in Hydro One Networks Inc.'s service area excluding former Norfolk Power Distribution Inc., Haldimand County Hydro Inc. and Woodstock Hydro Services Inc.'s service areas., is considered to be customer's main place of abode and may include additional buildings served through the same meter, provided they are not rental income units. All of the following criteria must be met:

1. Occupant represents and warrants to Hydro One Networks Inc. that for so long as he/she has year-round residential rate status for the identified dwelling, he/she will not designate another property that he/she owns as a year-round residence for purposes of Hydro One rate classification.
2. Occupier must live in this residence for at least four (4) days of the week for eight (8) months of the year and the Occupier must not reside anywhere else for more than three (3) days a week during eight (8) months of the year.
3. The address of this residence must appear on documents such as the occupant's electric bill, driver's licence, credit card invoice, property tax bill, etc.
4. Occupants who are eligible to vote in Provincial or Federal elections must be enumerated for this purpose at the address of this residence.

A seasonal property is defined as any residential service that does not meet residential year-round criteria. It includes dwellings such as cottages, chalets and camps.

Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's conditions of Service.

**APPLICATION**

Hydro One Networks' residential service area is sub-divided into three density zones according to the following:

- Urban Density Zone is defined as areas containing 3,000 or more customers with a line density of at least 60 customers per circuit kilometer.
- Medium Density Zone is defined as areas containing 100 or more customers with a line density of at least 15 customers per circuit kilometer.
- Low Density Zone is defined as areas other than Urban or Medium Density Zone.

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.

November 29, 2022

**Hydro One Networks Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2023**  
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EB-2021-0110

**URBAN DENSITY - UR**

**MONTHLY RATES AND CHARGES - Delivery Component**

Service Charge	\$	38.10
Base Rate Adjustment to Recover Past Tax Amounts (applicable to year-round high-density customers) - effective until June 30, 2023	\$	0.83
Base Rate Adjustment to Recover Past Tax Amounts (applicable to Seasonal customers) - effective until June 30, 2023	\$	1.79
Smart Metering Entity Charge - effective until December 31, 2027	\$	0.42
Rate Rider for Disposition of Group 2 Deferral/Variance Accounts (2023) - effective until December 31, 2025	\$	(0.11)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2023) - effective until December 31, 2025	\$/kWh	(0.0007)
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until December 31, 2025 (see Note 13)	\$/kWh	(0.0009)
Retail Transmission Rate - Network Service Rate (see Note 4)	\$/kWh	0.0120
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Note 5)	\$/kWh	0.0083

**MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

November 29, 2022

**Hydro One Networks Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2023**  
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EB-2021-0110

**MEDIUM DENSITY - R1\*\***

**MONTHLY RATES AND CHARGES - Delivery Component**

Service Charge	\$	60.72
Base Rate Adjustment to Recover Past Tax Amounts (applicable to year-round medium-density customers) - effective until June 30, 2023	\$	1.56
Base Rate Adjustment to Recover Past Tax Amounts (applicable to Seasonal customers) - effective until June 30, 2023	\$	1.79
Smart Metering Entity Charge - effective until December 31, 2027	\$	0.42
Distribution Volumetric Rate	\$/kWh	0.0056
Rate Rider for Disposition of Group 2 Deferral/Variance Accounts (2023) - effective until December 31, 2025	\$	(0.21)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2023) - effective until December 31, 2025	\$/kWh	(0.0007)
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until December 31, 2025 (see Note 13)	\$/kWh	(0.0009)
Retail Transmission Rate - Network Service Rate (see Note 4)	\$/kWh	0.0111
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Note 5)	\$/kWh	0.0077

\*\*The rates set out above do not reflect the impact of the Distribution Rate Protection program on R1 customers per Ontario Regulation 198/17.

**MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

November 29, 2022

**Hydro One Networks Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2023**  
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EB-2021-0110

**LOW DENSITY - R2\*\***

**MONTHLY RATES AND CHARGES - Delivery Component**

Service Charge* - applicable to year-round low-density customers	\$	123.74
Service Charge - applicable to Seasonal customers	\$	65.79
Base Rate Adjustment to Recover Past Tax Amounts (applicable to year-round low-density customers) - effective until June 30, 2023	\$	4.42
Base Rate Adjustment to Recover Past Tax Amounts (applicable to Seasonal customers) - effective until June 30, 2023	\$	1.79
Smart Metering Entity Charge - effective until December 31, 2027	\$	0.42
Distribution Volumetric Rate	\$/kWh	0.0198
Rate Rider for Disposition of Group 2 Deferral/Variance Accounts (2023) - effective until December 31, 2025	\$	(0.44)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2023) - effective until December 31, 2025	\$/kWh	(0.0007)
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until December 31, 2025 (see Note 13)	\$/kWh	(0.0009)
Retail Transmission Rate - Network Service Rate (see Note 4)	\$/kWh	0.0103
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Note 5)	\$/kWh	0.0073

\*Under the Ontario Energy Board Act, 1998 and associated Regulations, every qualifying year-round customer with a principal residence is eligible to receive Rural or Remote Rate Protection (RRRP). The service charge shown for eligible R2 customers will be reduced by the applicable RRRP credit, currently at \$60.50.

\*\*The rates set out above do not reflect the impact of the Distribution Rate Protection program on R2 customers per Ontario Regulation 198/17.

**MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

November 29, 2022

**Hydro One Networks Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2023**  
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EB-2021-0110

**GENERAL SERVICE CLASSIFICATIONS - HYDRO ONE NETWORKS INC.**  
**SERVICE AREA**

These classifications apply to properties located in Hydro One Networks Inc.'s service area, which excludes former Norfolk Power Distribution Inc., Haldimand County Hydro Inc. and Woodstock Hydro Services Inc.'s service areas with one exception - Sub-Transmission (ST). The ST rate class applies to properties located in Hydro One Networks Inc. service area as well as former Norfolk Power Distribution Inc., Haldimand County Hydro Inc. and Woodstock Hydro Service Inc.'s service areas. General Service classification applies to any service that does not fit the description of residential classes. It includes combination type services where a variety of uses are made of the service by the owner of one property, and all multiple services except residential. Class A and Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

**APPLICATION**

Hydro One Networks' General Service area is sub-divided into two density zones according to the following:

- Urban Density Zone is defined as areas containing 3,000 or more customers with a line density of at least 60 customers per circuit kilometer.
- Non-Urban Density Zone is defined as areas other than Urban Density Zone.

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.

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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.

**Hydro One Networks Inc.**  
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**URBAN GENERAL SERVICE ENERGY BILLED - UGe**

This classification applies to a non-residential account located in an Urban Density Zone whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW.

**MONTHLY RATES AND CHARGES - Delivery Component**

Service Charge	\$	25.51
Base Rate Adjustment to Recover Past Tax Amounts - effective until June 30, 2023	\$	0.81
Smart Metering Entity Charge - effective until December 31, 2027	\$	0.42
Distribution Volumetric Rate	\$/kWh	0.0330
Base Rate Adjustment to Recover Past Tax Amounts - effective until June 30, 2023	\$/kWh	0.0010
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2023) - effective until December 31, 2025	\$/kWh	(0.0007)
Rate Rider for Disposition of Group 2 Deferral/Variance Accounts (2023) - effective until December 31, 2025	\$/kWh	(0.0001)
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until December 31, 2025 (see Note 13)	\$/kWh	(0.0009)
Retail Transmission Rate - Network Service Rate (see Note 4)	\$/kWh	0.0094
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Note 5)	\$/kWh	0.0069

**MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

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**GENERAL SERVICE ENERGY BILLED - GSe**

This classification applies to a non-residential account not located in an Urban Density Zone whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW.

**MONTHLY RATES AND CHARGES - Delivery Component**

Service Charge	\$	32.78
Base Rate Adjustment to Recover Past Tax Amounts - effective until June 30, 2023	\$	1.11
Smart Metering Entity Charge - effective until December 31, 2027	\$	0.42
Distribution Volumetric Rate	\$/kWh	0.0688
Base Rate Adjustment to Recover Past Tax Amounts - effective until June 30, 2023	\$/kWh	0.0022
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2023) - effective until December 31, 2025	\$/kWh	(0.0007)
Rate Rider for Disposition of Group 2 Deferral/Variance Accounts (2023) - effective until December 31, 2025	\$/kWh	(0.0003)
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until December 31, 2025 (see Note 13)	\$/kWh	(0.0009)
Retail Transmission Rate - Network Service Rate (see Note 4)	\$/kWh	0.0088
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Note 5)	\$/kWh	0.0065

**MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

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**URBAN GENERAL SERVICE DEMAND BILLED - UGd**

This classification applies to a non-residential account located in an Urban Density Zone whose average monthly maximum demand is equal to or greater than, or is forecast to be equal to or greater than, 50 kW. Hydro One establishes billing determinants for demand customers' Distribution charges at the greater of 100 per cent of kW and 90 per cent of kVA where kVA metering is installed. When a customer's power factor is known to be less than 90 per cent, a kVA meter of equivalent electronic meter shall be used for measuring and billing.

**MONTHLY RATES AND CHARGES - Delivery Component**

Service Charge	\$	96.47
Base Rate Adjustment to Recover Past Tax Amounts - effective until June 30, 2023	\$	3.92
Distribution Volumetric Rate	\$/kW	11.3288
Base Rate Adjustment to Recover Past Tax Amounts - effective until June 30, 2023	\$/kW	0.4134
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (General) (2023) - effective until December 31, 2025 (see Note 9)	\$/kW	(0.1053)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (Non-WMP) (2023) - effective until December 31, 2025 (see Note 10)	\$/kW	(0.1473)
Rate Rider for Disposition of Group 2 Deferral/Variance Accounts (2023) - effective until December 31, 2025	\$/kW	(0.0421)
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until December 31, 2025 (see Note 13)	\$/kWh	(0.0009)
Retail Transmission Rate - Network Service Rate (see Note 4)	\$/kW	3.4793
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Note 5)	\$/kW	2.5043

**MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

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**GENERAL SERVICE DEMAND BILLED - GSd**

This classification applies to a non-residential account not located in an Urban Density Zone whose average monthly maximum demand is equal to or greater than, or is forecast to be equal to or greater than, 50 kW. Hydro One establishes billing determinants for demand customers' Distribution charges at the greater of 100 per cent of kW and 90 per cent of kVA where kVA metering is installed. When a customer's power factor is known to be less than 90 per cent, a kVA meter or other equivalent electronic meter shall be used for measuring and billing.

**MONTHLY RATES AND CHARGES - Delivery Component**

Service Charge	\$	105.55
Base Rate Adjustment to Recover Past Tax Amounts - effective until June 30, 2023	\$	4.34
Distribution Volumetric Rate	\$/kW	19.5196
Base Rate Adjustment to Recover Past Tax Amounts - effective until June 30, 2023	\$/kW	0.7338
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (General) (2023) - effective until December 31, 2025 (see Note 9)	\$/kW	(0.0855)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (Non-WMP) (2023) - effective until December 31, 2025 (see Note 10)	\$/kW	(0.1195)
Rate Rider for Disposition of Group 2 Deferral/Variance Accounts (2023) - effective until December 31, 2025	\$/kW	(0.0710)
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until December 31, 2025 (see Note 13)	\$/kWh	(0.0009)
Retail Transmission Rate - Network Service Rate (see Note 4)	\$/kW	2.6938
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Note 5)	\$/kW	1.9727

**MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

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**DISTRIBUTED GENERATION - DGen**

This classification applies to an embedded retail generation facility connected to the distribution system that is not classified as MicroFIT generation. Hydro One establishes billing determinants for demand customers' Distribution charges at the greater of 100 per cent of kW and 90 per cent of kVA where kVA metering is installed. When a customer's power factor is known to be less than 90 per cent, a kVA meter or other equivalent electronic meter shall be used for measuring and billing. Class A and Class B consumers are defined in accordance with O. Reg. 429/04.

**MONTHLY RATES AND CHARGES - Delivery Component**

Service Charge	\$	199.26
Base Rate Adjustment to Recover Past Tax Amounts - effective until June 30, 2023	\$	1.74
Distribution Volumetric Rate	\$/kW	11.4780
Base Rate Adjustment to Recover Past Tax Amounts - effective until June 30, 2023	\$/kW	0.0883
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (General) (2023) - effective until December 31, 2025 (see Note 9)	\$/kW	(0.0394)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (Non-WMP) (2023) - effective until December 31, 2025 (see Note 10)	\$/kW	(0.0565)
Rate Rider for Disposition of Group 2 Deferral/Variance Accounts (2023) - effective until December 31, 2025	\$/kW	(0.0930)
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until December 31, 2025 (see Note 13)	\$/kWh	(0.0009)
Retail Transmission Rate - Network Service Rate (see Note 4)	\$/kW	1.4784
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Note 5)	\$/kW	0.8465

**MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

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#### SUB TRANSMISSION - ST

This classification applies to either:

- Embedded supply to Local Distribution Companies (LDCs). "Embedded" meaning receiving supply via Hydro One Distribution assets, and where Hydro One is the host distributor to the embedded LDC. Situations where the LDC is supplied via Specific Facilities are included. OR
- Load which:
  - is three-phase; and
  - is connected to and supplied from Hydro One Distribution assets between 44 kV and 13.8 kV inclusive, where 44 kV and 13.8 kV are the voltage of the primary side of the local transformer; local transformer can be Hydro One-owned or customer-owned; and
  - is greater than 500 kW (monthly measured maximum demand averaged over the most recent calendar year or whose forecasted monthly average demand over twelve consecutive months is greater than 500 kW).

Hydro One establishes billing determinants for demand customers' Distribution charges at the greater of 100 per cent of kW and 90 per cent of kVA where kVA metering is installed. When a customer's power factor is known to be less than 90 per cent, a kVA meter or other equivalent electronic meter shall be used for measuring and billing.

Class A and Class B consumers are defined in accordance with O. Reg. 429/04.

#### MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	824.28
Meter Charge (for Hydro One ownership) (see Note 11)	\$	417.59
Local Transformation Charge (per transformer) (see Note 15)	\$	200.00
Base Rate Adjustment to Recover Past Tax Amounts (Applicable to Hydro One legacy customers only) (see Note 16) - effective until June 30, 2023	\$	36.18
Facility Charge for connection to Common ST Lines (44 kV to 13.8 kV) (see Notes 1, 8 and 14)	\$/kW	1.5442
Base Rate Adjustment to Recover Past Tax Amounts (Applicable to Hydro One legacy customers only) (see Notes 1 and 16) - effective until June 30, 2023	\$/kW	0.0540
Facility Charge for connection to Specific ST Lines (44 kV to 13.8 kV) (see Note 2)	\$/km	621.8744
Facility Charge for connection to high-voltage (> 13.8 kV secondary) delivery High Voltage Distribution Station (see Notes 1 and 14)	\$/kW	2.9907
Facility Charge for connection to low-voltage (< 13.8 kV secondary) delivery High Voltage Distribution Station (see Notes 1 and 14)	\$/kW	4.9203
Facility Charge for connection to low-voltage (< 13.8 kV secondary) Low Voltage Distribution Station (see Notes 3 and 14)	\$/kW	1.9296
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (General) (2023) - effective until December 31, 2025 (see Notes 1 and 9)	\$/kW	(0.1340)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (Non-WMP) (2023) - effective until December 31, 2025 (see Notes 1 and 10)	\$/kW	(0.1880)
Rate Rider for Disposition of Group 2 Deferral/Variance Accounts (2023) (Applicable to Hydro One legacy customers only) (see Notes 1 and 16) - effective until December 31, 2025	\$/kW	(0.0072)

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Rate Rider for Disposition of Global Adjustment Account (2023) - effective until December 31, 2025 (see Note 13)	\$/kWh	(0.0009)
Rate Rider for Disposition of Account 1595 (former Woodstock GS >1,000kW Customers only) (see Note 1) - effective until December 31, 2025	\$/kW	0.0277
Rate Rider for Disposition of Account 1595 (former Woodstock GS 50-999kW Customers only) (see Note 1) - effective until December 31, 2025	\$/kW	0.0327
Rate Rider for Disposition of Account 1595 (former Norfolk GS 50-4,999kW Customers only) (see Note 1) - effective until December 31, 2025	\$/kW	0.0327
Rate Rider for Disposition of Account 1592 (former Norfolk GS 50-4,999kW Customers only) (see Note 1) - effective until December 31, 2025	\$/kW	(0.0618)
Rate Rider for Disposition of Account 1592 (former Halidmand GS 50-4,999kW Customers only) (see Note 1) - effective until December 31, 2025	\$/kW	(0.0603)
Rate Rider for Disposition of Account 1592 (former Woodstock GS 50-999kW Customers only) (see Note 1) - effective until December 31, 2025	\$/kW	(0.0392)
Rate Rider for Disposition of Account 1592 (former Woodstock GS >1,000kW Customers only) (see Note 1) - effective until December 31, 2025	\$/kW	(0.0438)
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (former Woodstock 50-999kW Customer only) (2022) (see Note 1) - effective until December 31, 2023	\$/kW	0.6839
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (former Woodstock >1,000kW Customers only) (2022) (see Note 1) - effective until December 31, 2023	\$/kW	0.5521
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (former Norfolk 50-4,999kW Customer only) (2022) (see Note 1) - effective until December 31, 2023	\$/kW	0.2853
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (former Haldimand 50-4,999kW Customer only) (2022) (see Note 1) - effective until December 31, 2023	\$/kW	(0.0575)
Retail Transmission Service Rates (see Notes 6 and 7)		
Retail Transmission Rate - Network Service Rate (see Note 4)	\$/kW	4.6545
Retail Transmission Rate - Line Connection Service Rate (see Note 5)	\$/kW	0.6056
Retail Transmission Rate - Transformation Connection Service Rate (see Note 5)	\$/kW	2.8924

**MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

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**UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION**

This classification applies to properties located in Hydro One Networks Inc. service area as well as former Norfolk Power Distribution Inc., Haldimand County Hydro Inc. and Woodstock Hydro Services Inc.'s service areas.

Unmetered Scattered Load classification applies to an account taking electricity at 750 volts or less whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. The amount of electricity consumed by unmetered connections will be based on detailed information/documentation provided by the device's manufacturer and will be agreed to by Hydro One and the customer and may be subject to periodic monitoring of actual consumption. Eligible unmetered loads include cable TV amplifiers, bus shelters, telephone booths, railway crossings and other small fixed loads. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

**APPLICATION**

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

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

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Global Adjustment and the HST.

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**MONTHLY RATES AND CHARGES - Delivery Component**

Service Charge	\$	38.29
Base Rate Adjustment to Recover Past Tax Amounts (Applicable to Hydro One legacy customers only) (see Note 16) - effective until June 30, 2023	\$	0.89
Distribution Volumetric Rate	\$/kWh	0.0240
Base Rate Adjustment to Recover Past Tax Amounts (Applicable to Hydro One legacy customers only) (see Note 16) - effective until June 30, 2023	\$/kWh	0.0006
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2023) - effective until December 31, 2025	\$/kWh	(0.0007)
Rate Rider for Disposition of Group 2 Deferral/Variance Accounts (2023) (Applicable to Hydro One legacy customers only) (see Note 16) - effective until December 31, 2025	\$/kWh	(0.0003)
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until December 31, 2025 (see Note 13)	\$/kWh	(0.0009)
Rate Rider for Disposition of Account 1595 (Applicable to former Woodstock USL customers only) - effective until December 31, 2025	\$/kWh	(0.0002)
Rate Rider for Disposition of Account 1595 (Applicable to former Norfolk USL customers only) - effective until December 31, 2025	\$/kWh	(0.0007)
Rate Rider for Disposition of Account 1592 (Applicable to former Norfolk USL customers only) - effective until December 31, 2025	\$/kWh	(0.0008)
Rate Rider for Disposition of Account 1592 (Applicable to former Haldimand USL customers only) - effective until December 31, 2025	\$/kWh	(0.0007)
Rate Rider for Disposition of Account 1592 (Applicable to former Woodstock USL customers only) - effective until December 31, 2025	\$/kWh	(0.0003)
Retail Transmission Rate - Network Service Rate (see Note 4)	\$/kWh	0.0075
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Note 5)	\$/kWh	0.0052

**MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

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## **SENTINEL LIGHTING SERVICE CLASSIFICATION**

This classification is applicable to all Hydro One Networks' customers, including customers in former Norfolk Power Distribution Inc. and Haldimand County Hydro Inc. service areas who have separate service to a sentinel light. The energy consumption for sentinel lights is estimated based on Networks' profile for sentinel lighting load, which provides the amount of time each month that the sentinel lights are operating. Class B consumers are defined in accordance to 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, it should be noted that 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.

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**MONTHLY RATES AND CHARGES - Delivery Component**

Service Charge	\$	3.15
Base Rate Adjustment to Recover Past Tax Amounts (Applicable to Hydro One legacy customers only) (see Note 16) - effective until June 30, 2023	\$	0.14
Distribution Volumetric Rate	\$/kWh	0.1727
Base Rate Adjustment to Recover Past Tax Amounts (Applicable to Hydro One legacy customers only) (see Note 16) - effective until June 30, 2023	\$/kWh	0.0078
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2023) - effective until December 31, 2025	\$/kWh	(0.0007)
Rate Rider for Disposition of Group 2 Deferral/Variance Accounts (2023) (Applicable to Hydro One legacy customers only) (see Note 16) - effective until December 31, 2025	\$/kWh	(0.0005)
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until December 31, 2025 (see Note 13)	\$/kWh	(0.0009)
Rate Rider for Disposition of Account 1595 (Applicable to former Norfolk Sentinel Light customers only) - effective until December 31, 2025	\$/kWh	(0.0005)
Rate Rider for Disposition of Account 1592 (Applicable to former Norfolk Sentinel Light customers only) - effective until December 31, 2025	\$/kWh	(0.0018)
Rate Rider for Disposition of Account 1592 (Applicable to former Haldimand Sentinel Light customers only) - effective until December 31, 2025	\$/kWh	(0.0055)
Retail Transmission Rate - Network Service Rate (see Note 4)	\$/kWh	0.0065
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Note 5)	\$/kWh	0.0048

**MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

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## **STREET LIGHTING SERVICE CLASSIFICATION**

This classification is applicable to all Hydro One Networks' customers, including customers in former Norfolk Power Distribution Inc., Haldimand County Hydro Inc. and Woodstock Hydro Services Inc.'s service areas, who have streetlights, which are devices owned by or operated for a road authority and/or municipal corporation. The energy consumption for street lights is estimated based on Networks' profile for street lighting load, which provides the amount of time each month that the street lights are operating. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

## **APPLICATION**

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

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

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

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**MONTHLY RATES AND CHARGES - Delivery Component**

Service Charge	\$	3.15
Base Rate Adjustment to Recover Past Tax Amounts (Applicable to Hydro One legacy customers only) (see Note 16) - effective until June 30, 2023	\$	0.11
Distribution Volumetric Rate	\$/kWh	0.1130
Base Rate Adjustment to Recover Past Tax Amounts (Applicable to Hydro One legacy customers only) (see Note 16) - effective until June 30, 2023	\$/kWh	0.0034
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2023) - effective until December 31, 2025	\$/kWh	(0.0007)
Rate Rider for Disposition of Group 2 Deferral/Variance Accounts (2023) (Applicable to Hydro One legacy customers only) (see Note 16) - effective until December 31, 2025	\$/kWh	(0.0004)
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until December 31, 2025 (see Note 13)	\$/kWh	(0.0009)
Rate Rider for Disposition of Account 1595 (Applicable to former Woodstock Street Light customers only) - effective until December 31, 2025	\$/kWh	0.0001
Rate Rider for Disposition of Account 1595 (Applicable to former Norfolk Street Light customers only) - effective until December 31, 2025	\$/kWh	(0.0004)
Rate Rider for Disposition of Account 1592 (Applicable to former Norfolk Street Light customers only) - effective until December 31, 2025	\$/kWh	(0.0011)
Rate Rider for Disposition of Account 1592 (Applicable to former Haldimand Street Light customers only) - effective until December 31, 2025	\$/kWh	(0.0028)
Rate Rider for Disposition of Account 1592 (Applicable to former Woodstock Street Light customers only) - effective until December 31, 2025	\$/kWh	(0.0013)
Retail Transmission Rate - Network Service Rate (see Note 4)	\$/kWh	0.0064
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Note 5)	\$/kWh	0.0048

**MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

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**ACQUIRED RESIDENTIAL SERVICE CLASSIFICATIONS**

These classifications apply to Residential and Seasonal properties in the service areas of former Norfolk Power, Haldimand county Hydro, and Woodstock Hydro, which are utilities acquired by Hydro One Networks after 2013. It may include additional buildings served through the same meter, provided they are not rental income units. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

**APPLICATION**

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

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

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Global Adjustment and the HST.

**ACQUIRED URBAN DENSITY - AUR**

This classification applies to residential accounts in acquired service areas (after 2013) with urban density and currently includes customers in the former Woodstock Hydro Services Inc.'s service area.

**MONTHLY RATES AND CHARGES - Delivery Component**

Service Charge	\$	31.46
Smart Metering Entity Charge - effective until December 31, 2027	\$	0.42
Rate Rider for Disposition of Account 1592 - effective until December 31, 2025	\$	(0.40)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2023) - effective until December 31, 2025	\$/kWh	(0.0007)
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until December 31, 2025 (see Note 13)	\$/kWh	(0.0009)
Rate Rider for Disposition of Account 1595 - effective until December 31, 2025	\$/kWh	(0.0002)
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2022) - effective until December 31, 2023	\$/kWh	0.0003
Retail Transmission Rate - Network Service Rate (see Note 4)	\$/kWh	0.0124
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Note 5)	\$/kWh	0.0085

**MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	\$/kWh	0.0004

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Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25



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**ACQUIRED MIXED DENSITY - AR**

This classification applies to residential accounts in acquired service areas (after 2013) with mixed-density (that is, combination of Urban, Medium and Low density areas) and currently includes customers in the former Norfolk Power Distribution Inc. and Haldimand County Hydro Inc.'s service territories.

**MONTHLY RATES AND CHARGES - Delivery Component**

Service Charge	\$	38.20
Smart Metering Entity Charge - effective until December 31, 2027	\$	0.42
Rate Rider for Disposition of Account 1592 (Applicable to former Norfolk Residential customers only) - effective until December 31, 2025	\$	(0.43)
Rate Rider for Disposition of Account 1592 (Applicable to former Haldimand Residential customers only) - effective until December 31, 2025	\$	(0.46)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2023) - effective until December 31, 2025	\$/kWh	(0.0007)
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until December 31, 2025 (see Note 13)	\$/kWh	(0.0009)
Rate Rider for Disposition of Account 1595 (Applicable to former Norfolk Residential customers only) - effective until December 31, 2025	\$/kWh	(0.0001)
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (former Norfolk Residential Customers only) (2022) - effective until December 31, 2023	\$/kWh	0.0004
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (former Haldimand Residential Customers only) (2022) - effective until December 31, 2023	\$/kWh	0.0003
Retail Transmission Rate - Network Service Rate (see Note 4)	\$/kWh	0.0118
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Note 5)	\$/kWh	0.0082

**MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

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## **ACQUIRED GENERAL SERVICE CLASSIFICATIONS**

Acquired General Service classification applies to any service that does not fit the description of acquired residential classes. It includes combination type services where a variety of uses are made of the service by the owner of one property, and all multiple services except residential. Class A and Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

## **APPLICATION**

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

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

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

If included in the following listing of monthly rates and charges, the rate rider for the disposition of WMS - Sub-account CBR Class B is not applicable to wholesale market participants (WMP), customers that transitioned between Class A and Class B during the variance account accumulation period, or to customers that were in Class A for the entire period. Customers who transitioned are to be charged or refunded their share of the variance disposed through customer specific billing adjustments. This rate rider is to be consistently applied for the entire period to the sunset date of the rate rider. In addition, this rate rider is applicable to all new Class B customers.

If included in the following listing of monthly rates and charges, the rate rider for the disposition of Global Adjustment is only applicable to non-RPP Class B customers. It is not applicable to WMP, customers that transitioned between Class A and Class B during the variance account accumulation period, or to customers that were in Class A for the entire period. Customers who transitioned are to be charged or refunded their share of the variance disposed through customer specific billing adjustments. This rate rider is to be consistently applied for the entire period to the sunset date of the rate rider. In addition, this rate rider is applicable to all new non-RPP Class B customers.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Global Adjustment and the HST.

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**ACQUIRED URBAN DENSITY GENERAL SERVICE ENERGY BILLED - AUGE**

This classification applies to non-residential accounts in acquired service areas (after 2013) with urban density and currently includes customers located in former Woodstock Hydro Services Inc's service territory, whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW.

**MONTHLY RATES AND CHARGES - Delivery Component**

Service Charge	\$	26.36
Smart Metering Entity Charge - effective until December 31, 2027	\$	0.42
Distribution Volumetric Rate	\$/kWh	0.0152
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2023) - effective until December 31, 2025	\$/kWh	(0.0007)
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until December 31, 2025 (see Note 13)	\$/kWh	(0.0009)
Rate Rider for Disposition of Account 1595 - effective until December 31, 2025	\$/kWh	(0.0002)
Rate Rider for Disposition of Account 1592 - effective until December 31, 2025	\$/kWh	(0.0003)
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2022) - effective until December 31, 2023	\$/kWh	0.0037
Retail Transmission Rate - Network Service Rate (see Note 4)	\$/kWh	0.0095
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Note 5)	\$/kWh	0.0069

**MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

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**ACQUIRED MIXED DENSITY GENERAL SERVICE ENERGY BILLED - AGSE**

This classification applies to non-residential accounts in acquired service areas (after 2013) with mixed-density (that is, combination of Urban, Medium and Low density areas) and currently includes customers located in former Norfolk Power Distribution Inc. and Haldimand County Hydro Inc.'s service territories, whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW.

**MONTHLY RATES AND CHARGES - Delivery Component**

Service Charge	\$	39.96
Smart Metering Entity Charge - effective until December 31, 2027	\$	0.42
Distribution Volumetric Rate	\$/kWh	0.0183
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (2023) - effective until December 31, 2025	\$/kWh	(0.0007)
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until December 31, 2025 (see Note 13)	\$/kWh	(0.0009)
Rate Rider for Disposition of Account 1595 (Applicable to former Norfolk GS<50kW customers only) - effective until December 31, 2025	\$/kWh	(0.0001)
Rate Rider for Disposition of Account 1592 (Applicable to former Norfolk GS<50kW customers only) - effective until December 31, 2025	\$/kWh	(0.0004)
Rate Rider for Disposition of Account 1592 (Applicable to former Haldimand GS<50kW customers only) - effective until December 31, 2025	\$/kWh	(0.0004)
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (former Norfolk GS<50kW Customers only) (2022) - effective until December 31, 2023	\$/kWh	0.0081
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (former Haldimand GS<50kW Customers only) (2022) - effective until December 31, 2023	\$/kWh	(0.0002)
Retail Transmission Rate - Network Service Rate (see Note 4)	\$/kWh	0.0093
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Note 5)	\$/kWh	0.0068

**MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

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**ACQUIRED URBAN DENSITY GENERAL SERVICE DEMAND BILLED - AUGD**

This classification applies to non-residential accounts in acquired service areas (after 2013) with Urban density and currently includes customers located in former Woodstock Hydro Services Inc.'s service territory and whose average monthly maximum demand is equal to or greater than, or is forecast to be equal to or greater than, 50 kW. Hydro One establishes billing determinants for demand customers' Distribution charges at the greater of 100 per cent of kW and 90 per cent of kVA where kVA metering is installed. When a customer's power factor is known to be less than 90 per cent, a kVA meter of equivalent electronic meter shall be used for measuring and billing.

**MONTHLY RATES AND CHARGES - Delivery Component**

Service Charge	\$	146.47
Distribution Volumetric Rate	\$/kW	2.8482
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (General) (2023) - effective until December 31, 2025 (see Note 9)	\$/kW	(0.0972)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (Non-WMP) (2023) - effective until December 31, 2025 (see Note 10)	\$/kW	(0.1351)
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until December 31, 2025 (see Note 13)	\$/kWh	(0.0009)
Rate Rider for Disposition of Account 1595 - effective until December 31, 2025	\$/kW	0.0327
Rate Rider for Disposition of Account 1592 - effective until December 31, 2025	\$/kW	(0.0392)
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2022) - effective until December 31, 2023	\$/kW	0.6839
Retail Transmission Rate - Network Service Rate (see Note 4)	\$/kW	3.2057
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Note 5)	\$/kW	2.3000

**MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

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**ACQUIRED MIXED DENSITY GENERAL SERVICE DEMAND BILLED - AGSD**

This classification applies to non-residential accounts in acquired service areas (after 2013) with mixed-density (that is, combination of Urban, Medium and Low density areas) and currently includes customers located in former Norfolk Power Distribution Inc. and Haldimand County Hydro Inc.'s service territories and whose average monthly maximum demand is equal to or greater than, or is forecast to be equal to or greater than, 50 kW. Hydro One establishes billing determinants for demand customers' Distribution charges at the greater of 100 per cent of kW and 90 per cent of kVA where kVA metering is installed. When a customer's power factor is known to be less than 90 per cent, a kVA meter of equivalent electronic meter shall be used for measuring and billing.

**MONTHLY RATES AND CHARGES - Delivery Component**

Service Charge	\$	170.26
Distribution Volumetric Rate	\$/kW	4.6406
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (General) (2023) - effective until December 31, 2025 (see Note 9)	\$/kW	(0.0980)
Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (Non-WMP) (2023) - effective until December 31, 2025 (see Note 10)	\$/kW	(0.1364)
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until December 31, 2025 (see Note 13)	\$/kWh	(0.0009)
Rate Rider for Disposition of Account 1595 (Applicable to former Norfolk GS 50-4,999kW customers only) - effective until December 31, 2025	\$/kW	0.0327
Rate Rider for Disposition of Account 1592 (Applicable to former Norfolk GS 50-4,999kW customers only) - effective until December 31, 2025	\$/kW	(0.0618)
Rate Rider for Disposition of Account 1592 (Applicable to former Haldimand GS 50-4,999kW customers only) - effective until December 31, 2025	\$/kW	(0.0603)
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (former Norfolk GS 50-4,999kW Customers only) (2022) - effective until December 31, 2023	\$/kW	0.2853
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (former Haldimand GS 50-4,999kW Customers only) (2022) - effective until December 31, 2023	\$/kW	(0.0575)
Retail Transmission Rate - Network Service Rate (see Note 4)	\$/kW	2.7608
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Note 5)	\$/kW	2.0306

**MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate (WMS) - not including CBR (see Note 12)	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers (see Note 12)	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP) (see Note 12)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

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**microFIT SERVICE CLASSIFICATION**

This classification applies to an electricity generation facility, located in Hydro One Networks Inc. service area as well as former Norfolk Power Distribution Inc., Haldimand County Hydro Inc. and Woodstock Hydro Services Inc.'s service areas, contracted under the Independent Electricity System Operator's microFIT program and connected to the distributor's distribution system. Further servicing details are available in the distributor's Conditions of Service.

**APPLICATION**

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

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

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

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Global Adjustment and the HST.

**MONTHLY RATES AND CHARGES - Delivery Component**

Service Charge	\$	4.55
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## ALLOWANCES

### CUSTOMER-SUPPLIED TRANSFORMATION ALLOWANCE

Applicable to customers providing their own transformers and the primary voltage is under 50 kV

Demand Billed - per kW of billing demand/month	\$/kW	(0.60)
Energy Billed - per kWh of billing energy/month	\$/kWh	(0.0014)

### TRANSFORMER LOSS ALLOWANCE

Applicable to non-ST customers requiring a billing adjustment for transformer losses as the result of being metered on the primary side of a transformer. The following uniform values shall be applied to measured demand and energy to calculate transformer losses for voltages up to and including 50 kV (as metered on the primary side).

For installations up to and including bank capacity of 400 kVA	%	(1.50)
For bank capacities over 400 kVA	%	(1.00)

Applicable to ST customers requiring a billing adjustment for transformer losses as the result of being metered on the secondary side of a transformer. The uniform value of 1% shall be added to measured demand and energy (as measured on the secondary side) to adjust for transformer losses.

Alternately, transformer losses may be determined from transformer test data, and measured demand and energy adjusted accordingly.

For services which are not demand metered, an assumed demand of 50% of the transformer capacity will be used to calculate the loss allowance. Where several transformers are involved, the bank capacity is assumed to be the arithmetic sum of all transformer capacities.

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**LOSS FACTORS**

Residential - UR	1.057
Residential - R1	1.076
Residential - R2	1.105
General Service - UGe	1.067
General Service - GSe	1.096
General Service - UGd	1.050
General Service - GSd	1.061
Distributed Generation - Dgen	1.061
Unmetered Scattered Load	1.092
Sentinel Lights	1.092
Street Lights	1.092
Acquired Residential - AUR	1.043
Acquired General Service - AUGe	1.043
Acquired General Service - AUGd	1.033
Acquired Residential - AR	1.064
Acquired General Service - AGSe	1.064
Acquired General Service - AGSd	1.053
Sub Transmission - ST	
Distribution Loss Factors	
Embedded Delivery Points (metering at station)	1.000
Embedded Delivery Points (metering away from station)	1.028
Total Loss Factors	
Embedded Delivery Points (metering at station)	1.006
Embedded Delivery Points (metering away from station)	1.034

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**SPECIFIC SERVICE CHARGES**

**APPLICATION**

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

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

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Global Adjustment and the HST.

**Customer Administration**

Easement letter - letter request	\$	92.51
Easement letter - web request	\$	25.00
Returned cheque charge	\$	7.00
Account set up charge/change of occupancy charge (plus credit agency costs, if applicable)	\$	38.00
Special meter reads (retailer requested off-cycle read)	\$	90.00
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
Collection - reconnect at meter - during regular hours	\$	65.00
Collection - reconnect at meter - after regular hours	\$	185.00
Collection - reconnect at pole - during regular hours	\$	185.00
Collection - reconnect at pole - after regular hours	\$	415.00

**Other**

Service call - customer owned equipment - during regular hours	\$	210.00*
Service call - customer owned equipment - after regular hours	\$	775.00*
Specific charge for access to power poles - telecom	\$	36.05
Reconnect completed after regular hours (customer/contract driven) - at meter	\$	245.00
Reconnect completed after regular hours (customer/contract driven) - at pole	\$	475.00
Additional service layout fee - basic/complex (more than one hour)	\$	595.20
Pipeline crossings	\$	2,499.29
Water crossings	\$	3,717.21
	\$	\$4,965.66 plus
Railway crossings		Railway Feedthrough Costs

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Overhead line staking per meter	\$	4.42
Underground line staking per meter	\$	3.18
Subcable line staking per meter	\$	2.78
Central metering - new service <45 kw	\$	100.00
Conversion to central metering <45 kw	\$	1,612.75
Conversion to central metering >=45 kw	\$	1,512.75
Connection impact assessments - net metering	\$	3,329.86
Connection impact assessments - embedded LDC generators	\$	2,996.97
Connection impact assessments - small projects <= 500 kw	\$	3,405.38
Connection impact assessments - small projects <= 500 kw, simplified	\$	2,054.41
Connection impact assessments - greater than capacity allocation exempt projects - capacity allocation required projects	\$	9,011.83
Connection impact assessments - greater than capacity allocation exempt projects - TS review for LDC capacity allocation required projects	\$	5,969.89
Specific charge for access to power poles - LDC	\$	see below
Specific charge for access to power poles - generators	\$	see below
Specific charge for access to power poles - municipal streetlights	\$	2.04
Sentinel light rental charge	\$	10.00
Sentinel light pole rental charge	\$	7.00

\*Base Charge only. Additional work on equipment will be based on actual costs.

Specific Charge for LDCs Access to the Power Poles (\$/pole/year)

LDC rate for 10' of power space	\$	90.60
LDC rate for 15' of power space	\$	108.72
LDC rate for 20' of power space	\$	120.80
LDC rate for 25' of power space	\$	129.43
LDC rate for 30' of power space	\$	135.90
LDC rate for 35' of power space	\$	140.93
LDC rate for 40' of power space	\$	144.96
LDC rate for 45' of power space	\$	148.25
LDC rate for 50' of power space	\$	151.00
LDC rate for 55' of power space	\$	153.32
LDC rate for 60' of power space	\$	155.31

Specific Charge for Generator Access to the Power Poles (\$/pole/year)

Generator rate for 10' of power space	\$	90.60
Generator rate for 15' of power space	\$	108.72
Generator rate for 20' of power space	\$	120.80
Generator rate for 25' of power space	\$	129.43
Generator rate for 30' of power space	\$	135.90
Generator rate for 35' of power space	\$	140.93
Generator rate for 40' of power space	\$	144.96
Generator rate for 45' of power space	\$	148.25
Generator rate for 50' of power space	\$	151.00
Generator rate for 55' of power space	\$	153.32
Generator rate for 60' of power space	\$	155.31

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**RETAIL SERVICE CHARGES (if applicable)**

**APPLICATION**

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

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

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

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Global Adjustment and the HST.

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	\$	111.66
Monthly fixed charge, per retailer	\$	44.67
Monthly variable charge, per customer, per retailer	\$	1.11
Distributor-consolidated billing monthly charge, per customer, per retailer	\$	0.66
Retailer-consolidated billing monthly credit, per customer, per retailer	\$	(0.66)
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	\$	0.56
Processing fee, per request, applied to the requesting party	\$	1.11
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)	\$	4.47
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)	\$	2.23

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**NOTES**

1. The basis of the charge is the customer's monthly maximum demand. For an ST customer with multiple delivery points served from the same Transformer Station or High Voltage Distribution Station, the aggregated demand will be the applicable billing determinant. Demand is not aggregated between stations.
2. The basis of the charge is kilometers of line, within the supplied LDC's service area, supplying solely that LDC.
3. The basis of the charge is the "non-coincident demand" at each delivery point of the customer supplied by the station. This is measured as the kW demand at the delivery point at the time in the month of maximum load on the delivery point. For a customer connected through two or more distribution stations, the total charge for the connection to the shared distribution stations is the sum of the relevant charges for each of the distribution stations.
4. The monthly billing determinant for the RTSR Network Service rate is:
  - a. For energy-only metered customers: the customer's metered energy consumption adjusted by the total loss factor as approved by the Ontario Energy Board.
  - b. For interval-metered customers: the peak demand from 7 AM to 7 PM (local time) on IESO business days in the billing period. The rates shown are to be adjusted by the total loss factor as approved by the Ontario Energy Board.
  - c. For non-interval-metered demand billed customers: the non-coincident peak demand in the billing period. The rates shown are to be adjusted by the total loss factor as approved by the Ontario Energy Board.
5. The monthly billing determinant for the RTSR Line and Transformation Connection Service rates:
  - a. For energy-only metered customers: the customer's metered energy consumption adjusted by the total loss factor as approved by the Ontario Energy Board.
  - b. For all demand billed customers: the non-coincident peak demand in the billing period. The rates shown are to be adjusted by the total loss factor as approved by the Ontario Energy Board.
  - c. For customers with load displacement generation above 1 MW, or 2 MW for renewable generation, installed after October 1998, RTSR connection is billed at the gross demand level.
6. Delivery point with respect to RTSR is defined as the low side of the Transformer Station that steps down voltage from above 50 kV to below 50 kV. For customer with multiple interval-metered delivery points served from the same Transformer Station, the aggregated demand at the said delivery points on the low side of the Transformer Station will be the applicable billing determinant.
7. The loss factors, and which connection service rates are applied, are determined based on the point at which the distribution utility or customer is metered for its connection to Hydro One Distribution's system. Hydro One Distribution's connection agreements with these distribution utilities and customers will establish the appropriate loss factors and connection rates to apply from Hydro One Distribution's tariff schedules.
8. The Common ST Lines rate also applies to Distributors which use lines in the 12.5 kV to 4.16 kV range from HVDSs or LVDSs.
9. Rate Rider for Disposition of Group 1 Deferral/Variance Accounts (General) is charged based on appropriate billing kW.
10. Rate Rider for Disposition of Group 1 Deferral/Variance Account (non-WMP) applies to non-WMP Class A or Class B customers.

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11. The Meter charge is applied per metering facility at delivery points for which Hydro One owns the metering.
12. The Wholesale Market Service Rate and the Rural or Remote Electricity Rate Protection Charge are applied solely to non-Wholesale Market Participants. For Class A customers, distributors shall bill the actual CBDR costs to Class A customers in proportion to their contribution to peak. These rates pertain to the IESO's defined point of sale; consequently, appropriate loss factors as approved by the Ontario Energy Board must be applied to the customers metered energy.
13. The Global Adjustment rate rider applies to metered energy consumption, as approved by the Ontario Energy Board, for non-LDC, non-RPP and Class B customers that are charged Wholesale Market Service Charges by Hydro One Distribution.
14. For customers with load displacement generation at 1MW or above, or 2MW or above for renewable generation, installed after October 1998, the ST volumetric charges are billed at the gross demand level.
15. Local Transformation Charge applies to customers in the ST class who make use of Hydro One owned local transformation facilities.
16. Legacy customers are Hydro One Networks Inc. customers located outside the service areas of former Norfolk Power Distribution Inc., Haldimand County Hydro Inc., Woodstock Hydro Services Inc., Orillia Power Distribution Corporation, and Peterborough Distribution Inc..