



Ontario
Energy
Board

Commission
de l'énergie
de l'Ontario

DECISION AND RATE ORDER

EB-2020-0012

ELEXICON ENERGY INC. - WHITBY RATE ZONE

Application for rates and other charges to be effective January 1, 2021

By Delegation, Before: Theodore Antonopoulos

December 10, 2020

1 INTRODUCTION AND SUMMARY

Through this Decision and Rate Order, the Ontario Energy Board (OEB) approves the incentive rate-setting mechanism (IRM) application filed by Elexicon Energy Inc. (Elexicon Energy) for its Whitby Rate Zone (Whitby RZ) for new rates effective January 1, 2021.

On December 20, 2018,¹ the OEB approved the amalgamation of Veridian Connections Inc. and Whitby Hydro Electric Corporation and the proposal to defer rebasing for ten years.

Elexicon Energy serves approximately 42,000 mostly residential and commercial electricity customers in the legacy Whitby RZ consisting of the Town of Whitby, the Village of Brooklin, and the hamlets of Ashburn and Myrtle. The company is seeking the OEB's approval for the rates it charges to distribute electricity to its customers, as is required of licensed and rate-regulated distributors in Ontario.

A distributor may choose one of three rate-setting methodologies approved by the OEB. Each of these is explained in the [Handbook for Utility Rate Applications](#).

Elexicon Energy's application for the Whitby RZ is based on the Annual IR Index option to set rates for 2021. The Annual IR Index is based on inflation less the OEB's highest stretch factor assessment of a distributor's efficiency. In accordance with the OEB-approved 2021 parameters for an Annual IR Index adjustment, Elexicon Energy applied for an increase of 1.60% to distribution rates of the Whitby RZ.

As a result of this Decision, there will be a monthly total bill decrease of \$2.05 for a residential customer consuming 750 kWh, effective January 1, 2021. The decrease does not factor in applicable taxes or the Ontario Electricity Rebate.²

¹ EB-2018-0236, Decision and Order, December 20, 2018

² O.Reg 363/16. S. 3, effective November 1, 2019

2 THE PROCESS

This Decision is being issued by delegated authority, without a hearing, under section 6 of the *Ontario Energy Board Act, 1998* (the OEB Act).

The OEB follows a standardized and streamlined process for hearing IRM applications filed under the Annual IR Index option. In each adjustment year of an Annual IR Index term, the OEB prepares a Rate Generator Model that includes, as a placeholder, information from the distributor's past proceedings and annual reporting requirements.³ A distributor will then review and complete the Rate Generator Model, and include it with its application.

Elexicon Energy filed its application for the Whitby RZ on August 7, 2020 under section 78 of the OEB Act and in accordance with the Chapter 3 of the OEB's [Filing Requirements for Incentive Rate-Setting Applications](#) (Filing Requirements).

The application was supported by pre-filed written evidence and a completed Rate Generator Model. During the course of the proceeding, the applicant responded to OEB staff questions through emails and phone calls and, where required, updated and clarified the evidence.

³ The Rate Generator Model is a Microsoft Excel workbook that is used to update base rates, retail transmission service rates and, if applicable, shared tax saving adjustments. It also calculates rate riders for the disposition of deferral and variance account balances. During the course of an IRM proceeding, the Rate Generator Model may be updated in order to make any necessary corrections, or to incorporate new rate-setting parameters as they become available.

3 ORGANIZATION OF THE DECISION

In this Decision, the OEB addresses the following issues, and provides reasons for approving or denying Elexicon Energy's proposals relating to each of them:

- Annual IR Index Adjustment
- Shared Tax Adjustments
- Retail Transmission Service Rates
- Group 1 Deferral and Variance Accounts
- Lost Revenue Adjustment Mechanism Variance Account Balance

In the final section, the OEB addresses the steps to implement the final rates that flow from this Decision.

This Decision does not address rates and charges approved by the OEB in previous proceedings, which are not part of the scope of an IRM proceeding (such as specific service charges⁴ and loss factors). No further approvals are required to continue to include these items on a distributor's Tariff of Rates and Charges.

⁴ Certain Service Charges are subject to annual inflationary adjustments to be determined by the OEB through a generic order. The Decision and Order EB-2020-0285, issued December 3, 2020 established the adjustment for energy retailer service charges, effective January 1, 2021. The Order EB-2020-0288, issued December 10, 2020, set the Wireline Pole Attachment Charge for January 1, 2021 on an interim basis.

4 ANNUAL IR INDEX ADJUSTMENT

For the Whitby RZ, Elexicon Energy seeks to increase its rates, effective January 1, 2021, based on a mechanistic rate adjustment using the OEB-approved *inflation minus X-factor* formula applicable to Annual Index IR applications.

The components of the Annual IR Index adjustment formula applicable to the Whitby RZ are set out in Table 4.1, below. Inserting these components into the formula results in a 1.60% increase to Elexicon Energy's rates for the Whitby RZ: **1.60% = 2.20% - (0.00% + 0.60%)**.

Table 4.1: Annual Index IR Adjustment Formula

Components		Amount
Inflation Factor ⁵		2.20%
X-Factor	Productivity ⁶	0.00%
	Stretch (0.00% – 0.60%) ⁷	0.60%

A maximum inflation factor of 2.20% applies to all Annual IR Index applications for the 2021 rate year, provided that a utility does not elect a lower inflation factor to be used.

The X-factor is the sum of the productivity factor and the stretch factor. It is a productivity offset that will vary among different groupings of distributors. Subtracting the X-factor from inflation ensures that rates decline in real, constant-dollar terms, providing distributors with a tangible incentive to improve efficiency or else experience declining net income.

The productivity component of the X-factor is based on industry conditions over a historical study period and applies to all Price Cap IR and Annual IR Index applications for the 2021 rate year.

⁵ For the 2021 Inflation Factor, see Ontario Energy Board 2021 Electricity Distribution Rate applications webpage – November 9, 2020

⁶ Report of the OEB – “Rate Setting Parameters and Benchmarking under the Renewed Regulatory Framework for Ontario’s Electricity Distributors” EB-2010-0379, Issued November 21, 2013, corrected December 4, 2013

⁷ The stretch factor groupings are based on the Report to the Ontario Energy Board – “Empirical Research in Support of Incentive Rate-Setting: 2019 Benchmarking Update”, prepared by Pacific Economics Group LLC., August 2020

The OEB has established five stretch factor groupings, each within a range from 0.00% to 0.60%. The stretch factor assigned to any particular distributor is based on the distributor's total cost performance as benchmarked against other distributors in Ontario. The most efficient distributor would be assigned the lowest stretch factor of 0.00%. Conversely, a higher stretch factor would be applied to a less efficient distributor (in accordance with its cost performance relative to expected levels) to reflect the incremental productivity gains that the distributor is expected to achieve. For Annual IR Index applications, the OEB applies a default stretch factor of 0.60%.

In light of the continued uncertainty regarding the severity and duration of the COVID-19 emergency, and its impact on electricity utilities and customers alike, for 2021 rate adjustment applications, the OEB allowed utilities the discretion of applying either the calculated inflation factor in accordance with the OEB-approved methodology or a lower value. Utilities were also given the discretion to forego the inflationary increase entirely.⁸

The OEB required all utilities that filed (or were planning to file) 2021 rate adjustment applications to file a letter on the record of their rates proceedings, indicating the inflation factor that the utility has elected.

On November 17, 2020, Elexicon Energy filed a letter advising the OEB that for its Whitby RZ it is electing an inflation factor of 2.20% for 2021 rates, resulting in a rate adjustment of 1.60%.⁹

Findings

The OEB finds that Elexicon Energy's request for a 1.60% rate adjustment is in accordance with the annually updated parameters set by the OEB, as well as the process established for the implementation of the 2021 inflation factor. The adjustment is approved, and the new rates for Elexicon Energy's Whitby RZ shall be effective January 1, 2021.

The adjustment applies to distribution rates (fixed and variable) uniformly across all customer classes.¹⁰

⁸ [OEB Letter, 2021 Inflation Parameters, issued November 9, 2020](#)

⁹ EB-2020-0012 Letter re: Elexicon Energy's 2021 Inflation Parameters, November 17, 2020

¹⁰ Price Cap IR and Annual IR Index adjustments do not apply to the following rates and charges: rate riders, rate adders, low voltage service charges, retail transmission service rates, wholesale market service rate, smart metering entity charge, rural or remote electricity rate protection charge, standard supply service – administrative charge, transformation and primary metering allowances, loss factors, specific service charges, microFIT charge, and retail service charges.

5 SHARED TAX ADJUSTMENTS

In any adjustment year of a Price Cap IR term, a change in legislation may result in a change to the amount of taxes payable by a distributor. With regard to IRM applications, the OEB has long held that the impact of such legislated tax changes be shared 50/50 between shareholders and ratepayers. The shared tax change amount, whether in the form of a credit or a debit, will be assigned to customer rate classes in the same proportions as the OEB-approved distribution revenue by rate class from the distributor's last cost of service proceeding.

On July 25, 2019, the OEB issued a letter¹¹ providing accounting guidance with respect to recent changes in capital cost allowance (CCA) rules. The guidance provides that impacts from changes in CCA rules will not be assessed in IRM applications, and that any request for disposition of amounts related to CCA changes is to be deferred to the distributor's next cost-base rate application. A distributor's request for disposition of shared tax adjustment amounts in an IRM application should, therefore, be comprised only of impacts for tax changes unrelated to CCA (such as changes in corporate income tax rates).

The application identifies a total tax decrease of \$100,344, resulting in a shared amount of \$50,172 to be refunded to ratepayers.

Elexicon Energy provided evidence to show that, once the amounts associated with shared tax savings were allocated to different rate classes, due to rounding, the amounts that were forecasted to be ultimately refunded by rate riders were substantially different than the amounts that would have been refunded had the calculated rate riders not been subject to rounding. This difference was most pronounced in the general service < 50 kW (GS < 50 kW) and unmetered scattered load rate classes. This difference results from the fact that the total amount of shared tax savings is relatively small, and so rounding produces a proportionally greater impact. Accordingly, Elexicon Energy has proposed to record the total amount to be refunded to the ratepayers of the Whitby RZ into the Disposition and Recovery of Regulatory Balances Control Account (Account 1595) for disposition at a later date, when these relatively small amounts will be aggregated with other amounts.

¹¹ OEB Accounting Direction Regarding Bill C-97 and Other Changes in Regulatory or Legislated Tax Rules for Capital Cost Allowance, July 25, 2019.

Findings

The OEB directs the disposition of the calculated shared tax savings of \$50,172 as calculated in the 2021 IRM Rate Generator Model for the Whitby RZ.

The OEB notes that, as per the Filing Requirements, distributors only become eligible to seek disposition of these residual balances two years after the expiry of the rate rider,¹² (i.e. in the fourth rate year after the year the rate rider expires), which may lead to intergenerational inequities associated with these amounts being transferred to Account 1595. The OEB recognizes that, while the impacts of rounding may lead to differences in amounts ultimately returned to customers when calculated as a percentage of the amounts that would have been returned without the effect of rounding, those impacts in absolute terms are negligible. The OEB's view is that the effects of intergenerational inequity outweigh those generated by rounding differences.

The amount shall be refunded through a fixed monthly rate rider for residential customers, and through riders calculated on a volumetric basis for all other customers over a one-year period from January 1, 2021, to December 31, 2021.

¹² Filing Requirements, p. 35, Appendix A

6 RETAIL TRANSMISSION SERVICE RATES

Distributors charge retail transmission service rates (RTSRs) to their customers in order to recover the amounts they pay to a transmitter, a host distributor, or both, for transmission services. All transmitters charge Uniform Transmission Rates (UTRs) to distributors connected to the transmission system. Host distributors charge host-RTSRs to distributors embedded within the host's distribution system. Each of these rates is OEB-approved.

Elexicon Energy's Whitby RZ is partially embedded within Hydro One Networks Inc.'s distribution system and is requesting approval to adjust the RTSRs that it charges its customers to reflect the currently approved rates that it pays for transmission services included in Table 6.1 and Table 6.2.

Table 6.1: UTRs¹³

UTRs (2020)	per kW
Network Service Rate	\$3.92
<u>Connection Service Rates</u>	
Line Connection Service Rate	\$0.97
Transformation Connection Service Rate	\$2.33

Table 7.2: Hydro One Networks Inc. Sub-Transmission Host-RTSRs¹⁴

Sub-Transmission Host RTSRs (2020)	per kW
Network Service Rate	\$3.3980
<u>Connection Service Rates</u>	
Line Connection Service Rate	\$0.8045
Transformation Connection Service Rate	\$2.0194

¹³ EB-2020-0180, Decision and Order, July 31, 2020

¹⁴ EB-2019-0043, Decision and Order, December 17, 2019

Findings

Elexicon Energy's proposed adjustment to the Whitby RZ RTSRs is approved. The Whitby RZ RTSRs were adjusted to reflect the OEB-approved interim 2020 UTRs and final 2020 host-RTSRs.

The OEB notes the interim 2020 UTRs and Hydro One Networks Inc.'s 2020 host sub-transmission RTSRs were incorporated into the rate model to adjust the RTSRs that Elexicon Energy will charge its customers in the Whitby RZ.

The differences resulting from the approval of final 2020 UTRs, as well as from the approval of new 2021 UTRs and new 2021 RTSRs for Hydro One Networks Inc. will be captured in Accounts RSVA – Retail Transmission Network Charge 1584 and Retail Transmission Connection Charge 1586.

7 GROUP 1 DEFERRAL AND VARIANCE ACCOUNTS

In each year of an IRM term, the OEB will review a distributor's Group 1 deferral and variance accounts in order to determine whether their total balance should be disposed.¹⁵ OEB policy requires that Group 1 accounts be disposed if they exceed (as a debit or credit) a pre-set disposition threshold of \$0.001 per kWh, unless a distributor justifies why balances should not be disposed.¹⁶ If the balance does not exceed the threshold, a distributor may elect to request disposition.

The requested 2019 actual year-end total balance for Elexicon Energy's Group 1 accounts for the Whitby RZ, including interest projected to December 31, 2020, is a credit of \$1,477,750. This amount represents a total credit claim of \$0.0017 per kWh, which exceeds the disposition threshold, and the utility has requested disposition of this credit amount over a one-year period.

a) Global Adjustment Variance Account

One of the components of the commodity costs billed by the Independent Electricity System Operator (IESO), which is included in Group 1 accounts, is the Global Adjustment (GA).¹⁷

Different customer groups pay the GA in different ways:

- For Regulated Price Plan (RPP) customers, the GA is incorporated into the standard commodity rates customers pay. Therefore, there is no separate variance account for the GA.
- "Class A" customers are allocated GA costs based on the percentage their demand contributes to the top five Ontario system peaks. As distributors settle with Class A customers based on actual GA costs, there is no resulting variance.

¹⁵ Group 1 accounts track the differences between the costs that a distributor is billed for certain IESO and host distributor services (including the cost of power) and the associated revenues that the distributor receives from its customers for these services. The total net difference between these costs and revenues is disposed to customers through a temporary charge or credit known as a rate rider.

¹⁶ Report of the OEB – "Electricity Distributors' Deferral and Variance Account Review Initiative (EDDVAR)." EB-2008-0046, July 31, 2009.

¹⁷ The GA is established monthly by the IESO to reflect the difference between the wholesale market price for electricity and regulated rates for:

- Ontario Power Generation's nuclear and hydroelectric generating stations
- payments for building or refurbishing infrastructure such as gas-fired and renewable facilities and other nuclear
- contracted rates paid to a number of generators across the province
- the cost of delivering conservation programs.

- "Class B" non-RPP customers are billed GA based on the electricity they consume in a month at the IESO published GA price. Distributors track any difference between the billed amounts and actual costs for these customers in the GA Variance Account for disposal, once audited.

Under the general principle of cost causality, customer groups that cause variances which are recorded in Group 1 accounts should be responsible for paying (or receiving credits) for their disposal. A customer's movement from one group to another should not prevent that customer from paying/receiving a debit/credit balance.

The OEB approved the disposition of the share of 2017 GA balance relating to customers that transitioned from Class B to Class A in 2017 as part of its decision and order for rates effective January 1, 2020 (2020 Decision).¹⁸ As a result, the requested disposition amount of \$23,075 does not include GA amounts that would have been allocated to those customers.

Elexicon Energy proposes the recovery of its GA variance account balance of \$353,120 as at December 31, 2019, including interest to December 31, 2020 for its Whitby RZ.

b) Capacity Based Recovery Class B Sub-account

The balance of the Group 1 accounts includes the Capacity Based Recovery (CBR) sub-account for Class B customers in the credit amount of \$97,478, relating to the IESO's wholesale energy market for the CBR program. The Whitby RZ had Class A customers during the period from January 2017 to December 2019 so it applied to have the balance of this account disposed through a separate kWh rate rider for Class B customers in order to ensure proper allocation between Class A and Class B customers.

As some customers were reclassified between Class A and Class B during the period from January 2017 to December 2019, Elexicon Energy requested to refund a portion of CBR Class B costs by way of 12 equal installments.¹⁹

c) Group 1 Accounts

The Group 1 accounts being sought for disposition (excluding GA) include the following flow through variance accounts: Low Voltage Charges, Smart Meter Entity Charges, Wholesale Market Service Charges, Retail Transmission Service Charges, Commodity Power Charges, and Account 1595 residual balances. As proposed by Whitby Hydro, these Group 1 accounts have a total credit balance of \$1,477,750, which results in a

¹⁸ EB-2019-0130, Decision and Order, p. 8

¹⁹ 2021 IRM Rate Generator Model Tab 6.2a "CBR B_Allocation"

refund to customers. This balance combined with the balance for the GA account results in the total credit balance for Group 1 accounts of \$1,830,870.

The balances proposed for disposition reconcile with the amounts reported as part of the OEB's *Electricity Reporting and Record-Keeping Requirements*.²⁰ Elexicon Energy further submits that its proposal for a one-year disposition period is in accordance with the OEB's policy.²¹

In 2018, the OEB suspended its approvals of Group 1 rate riders on a final basis pending the development of further accounting guidance on commodity pass-through variance accounts.²² The OEB issued accounting guidance²³ on the commodity accounts on February 21, 2019. In this letter, the OEB indicated that it expects distributors to consider the accounting guidance in the context of historical balances that have not yet been disposed on a final basis. Distributors are expected to make any adjustments needed prior to filing for final disposition.

In each of its 2019 and 2020 rate applications, Elexicon Energy did not request for the disposition of 2017 and 2018 Group 1 balances for its Whitby RZ because the disposition thresholds were not met. In its 2020 rate application, Elexicon Energy stated that it followed a methodology for settlement and accounting of its commodity accounts, which differed from the OEB's methodology outlined in its February 2019 accounting guidance on Accounts 1588 and 1589. Elexicon Energy requested the adoption of the OEB's accounting guidance be extended to align with the implementation of the new Customer Information System (CIS).

In the 2020 Decision and Rate Order, the OEB noted that the implementation of the accounting guidance is mandatory and approved the extension of the implementation of the accounting guidance to align with the implementation date of the new CIS.²⁴ In this application, Elexicon Energy filed an analysis comparing the balances generated under the two methodologies for 2018 calendar year and four months of 2019 and concluded that the differences are within the materiality thresholds as suggested in the accounting guidance for 2018 calendar year.

²⁰ Electricity Reporting and Record Keeping Requirements, Version dated May 3, 2016.

²¹ Report of the OEB – "Electricity Distributors' Deferral and Variance Account Review Initiative (EDDVAR)." EB-2008-0046, July 31, 2009.

²² OEB letter to all rate-regulated licensed electricity distributors – "Re: OEB's Plan to Standardize Processes to Improve Accuracy of Commodity Pass-Through Variance Accounts." July 20, 2018.

²³ Accounting Procedures Handbook Update – Accounting Guidance Related to Commodity Pass-Through Accounts 1588 & 1589, February 21, 2019.

²⁴ Decision and Rate Order, EB-2019-0130, December 12, 2019, page 8.

In the current application, Elexicon Energy has requested final disposition of Account 1588 and 1589 balances as at December 31, 2019, as well as projected interest to December 31, 2020. Elexicon Energy states that the implementation of the new CIS has been delayed due to the COVID-19 environment but noted that the alignment will take place in the latter part of 2020.

Elexicon Energy states that it has conducted a fulsome review of its existing processes against the accounting guidance for both 2019 and 2018.²⁵ Elexicon Energy has summarized the differences in methodologies on how the unaccounted for energy is split between RPP and Non-RPP kWhs and the resulting dollar impact.²⁶ The evidence on the record indicates that for the Whitby RZ, Elexicon Energy has made adjustments in the 2019 DVA continuity schedule for Account 1588 and 1589 to incorporate the differences between its methodology and the OEB's methodology. In addition, Elexicon Energy states that it will incorporate any adjustments related to the impacts of differences in methodologies for going forward periods, into continuity schedules as part of future rate proceeding(s) until the implementation of the new CIS which enables the utility to fully adopt the OEB's methodology.

However, Elexicon Energy does not propose including the 2018 adjustments in Accounts 1588 and 1589 because the adjustment amounts are below the suggested materiality thresholds as explained in the [Accounts 1588 and 1589 Q&A's](#) related to the accounting guidance. Elexicon Energy - has provided the 2018 adjustments and calculated materiality thresholds for the Whitby RZ as follows: ²⁷

Table 7.1: Summary of the 2018 Differences for Accounts 1588 and 1589

	2018 Difference between the utility's methodology and the OEB's methodology	Materiality Thresholds as Suggested in the accounting guidance	The Calculation Method of Materiality Thresholds
Account 1588	(\$191,320)	\$254,032	0.5% of USoA 4705 balance of 2018
Account 1589	(\$161,952)	\$162,066	0.5% of USoA 4707 balance of 2018

²⁵ Application, page 16.

²⁶ Appendix J, Supplemental Evidence – 1588/1589 Accounting Guidance For 155/189, page 6.

²⁷ Appendix J, Supplemental Evidence – 1588/1589 Accounting Guidance For 1588/1589, page 8.

Elexicon Energy states that the materiality thresholds apply to the historical balances that have not yet been disposed and the 2018 balances for Accounts 1588 and 1589 should not be adjusted because it falls into the first scenario as stated in Q&A #28.²⁸ It noted that the 2018 adjustments for both accounts are below the calculated materiality thresholds.

In its response to an OEB staff question,²⁹ Elexicon Energy calculated the bill impacts for residential and GS < 50 customers with respect to the 2018 adjustments for Accounts 1588 and 1589 as shown below:

Table 7.2: Summary of Bill Impacts for the 2018 Differences

	Bill Impact after Tax and Ontario Energy Rebate for 2018 Difference - Account 1588	Bill Impact after Tax and Ontario Energy Rebate for 2018 Difference - Account 1589
Residential Customer	\$ (0.12)	\$ (0.43)
GS < 50 kW Customer	\$ (0.32)	\$ (1.14)

Customers that are charged in accordance with the RPP program would be affected by the adjustments pertaining to Account 1588 by receiving an additional \$0.12 monthly credit for residential customers and an additional \$0.32 monthly credit for GS < 50 customers. Customers that are not charged under RPP, including those that are contracted with energy retailers, would be affected by the adjustments pertaining to both Account 1588 and 1589 and they would receive an additional \$0.55 monthly credit for residential customers and an additional \$1.46 monthly credit for GS < 50 kW customers.

In responding to the OEB staff's question regarding whether Elexicon Energy has considered making the 2018 adjustments as part of the balances requested for disposition in this proceeding, Elexicon Energy stated that it does not feel that an adjustment for historical years is required in light of the current guidance.³⁰ In addition, it noted that, with the exception of Street Lighting, all customers in the Whitby RZ will already be receiving a net bill reduction based on the current 2021 rate application.³¹

²⁸ Accounts 1588 and 1589 Q&As, Question 28.

²⁹ Response to the OEB staff's questions, dated October 20, 2020, Question #2.

³⁰ Ibid.

³¹ Ibid.

Findings

The OEB notes that these one-time historical adjustments should be made so that the customers' rates reflect the accurate pass-through commodity costs which are in line with the OEB's methodology.

The OEB notes that the materiality thresholds that are provided in the accounting guidance are not mandatory. The guidance states that "utilities may be guided by the materiality threshold in the subsequent question in determining whether adjustments to the account balances are required" and that utilities "should adjust their account balances (if necessary) prior to requesting final disposition".

Furthermore, the OEB does not consider the fact that all customers in the Whitby RZ, with the exception of those in the Street Lighting class, will be receiving a net bill reduction, irrespective of these adjustments, to be a relevant factor. The appropriateness of adjusting the 2018 historical balances should be assessed independent of the impacts of other dispositions occurring in this proceeding, subject to any mitigation concerns.

Finally, the OEB notes that the 2018 balances have not been previously disposed of. As a result, the OEB does not see a compelling reason for excluding the 2018 credit adjustments.

The OEB approves the recovery of a GA variance account balance of \$185,303 as at December 31, 2019, including interest to December 31, 2020 for Elexicon Energy's Whitby RZ, in accordance with the following table.

Table 7.3: Recovery of GA Variance

Proposed Amounts	Proposed Method for Recovery
\$173,194 recovered from customers who were Class B for the entire period from January 2017 to December 2019	per kWh rate rider
\$12,109 recovered from customers formerly in Class B during the period January 2018 to June 2019 who were reclassified to Class A	12 equal installments ³²

³² 2021 IRM Rate Generator Model, Tab 6.1a "GA Allocation"

The OEB also approves the disposition of a credit balance of \$1,843,826 as of December 31, 2019, including interest projected to December 31, 2020 for Group 1 accounts on a final basis.

The following table identifies the principal and interest amounts, which the OEB approves for disposition.

Table 7.4: Group 1 Deferral and Variance Account Balances

Account Name	Account Number	Principal Balance (\$) A	Interest Balance (\$) B	Total Claim (\$) C=A+B
LV Variance Account	1550	611,852	24,288	636,140
Smart Meter Entity Variance Charge	1551	(90,166)	(3,787)	(93,953)
RSVA - Wholesale Market Service Charge	1580	(1,161,855)	(55,933)	(1,217,788)
Variance WMS - Sub-account CBR Class B	1580	(94,386)	(3,092)	(97,478)
RSVA - Retail Transmission Network Charge	1584	(58,991)	(2,743)	(61,734)
RSVA - Retail Transmission Connection Charge	1586	(124,694)	(929)	(125,623)
RSVA - Power	1588	(1,082,579)	(24,137)	(1,106,716)
RSVA - Global Adjustment	1589	132,843	52,460	185,303
Disposition and Recovery of Regulatory Balances (2016)	1595	(23,350)	19,488	(3,862)
Disposition and Recovery of Regulatory Balances (2017)	1595	22,581	19,305	41,886
Totals for Group 1 accounts (excluding Account 1589)		(2,085,433)	(42,910)	(2,029,129)
Totals for all Group 1 accounts		(1,952,591)	9,550	(1,843,826)

The balance of each of the Group 1 accounts approved for disposition shall be transferred to the applicable principal and interest carrying charge sub-accounts of Account 1595. Such transfer shall be pursuant to the requirements specified in Article 220, Account Descriptions, of the *Accounting Procedures Handbook for Electricity Distributors*.³³ The date of the transfer must be the same as the effective date for the associated rates, which is, generally, the start of the rate year. Elexicon Energy shall ensure these adjustments are included in the reporting period ending March 31, 2021 (Quarter 1).

The OEB approves these balances to be disposed through final rate riders, payments as calculated in the Rate Generator Model. The final rate riders, payments will be in effect over a one-year period from January 1, 2021 to December 31, 2021.³⁴

³³ Accounting Procedures Handbook for Electricity Distributors, effective January 1, 2012.

³⁴ 2021 IRM Rate Generator Model Tab 6.1 GA, Tab 6.1a GA Allocation, Tab 6.2 CBR B, Tab 6.2a CBR B_Allocation and Tab 7 Calculation of Def-Var RR.

8 LOST REVENUE ADJUSTMENT MECHANISM VARIANCE ACCOUNT BALANCE

A distributor's conservation and demand management (CDM) programs may result in reduced overall consumption. To address this, the OEB utilizes a Lost Revenue Adjustment Mechanism Variance Account (LRAMVA), which captures a distributor's revenue implications resulting from differences between actual savings and forecast conservation savings included in the last OEB-approved load forecast.³⁵ These differences are recorded by distributors at the rate class level.

Beginning on January 1, 2015, distributors delivered CDM programs to their customers through the Conservation First Framework (CFF). On March 20, 2019, the CFF was revoked.³⁶ Shortly thereafter, the OEB advised that electricity distributors would continue to have access to a lost revenue adjustment mechanism for conservation program activities undertaken under the CFF.³⁷ The OEB provided direction to distributors seeking to claim program savings up to December 31, 2019 related to CFF programs or other programs they deliver.³⁸

A distributor may apply for the disposition of the balance in the LRAMVA on an annual basis, as part of its IRM application, if the balance is deemed significant by the distributor.

Elexicon Energy has applied to dispose of its LRAMVA debit balance of \$398,061 relating to the Whitby RZ. The balance consists of lost revenues in 2018 from CDM programs delivered during the period from 2011 to 2018 and carrying charges. The actual conservation savings claimed by Elexicon Energy under the CFF were determined by the IESO.³⁹ For CDM programs delivered prior to 2018, the IESO provided local distribution companies (LDCs) with a Final Verified Results Report that summarized all annual CDM results. For CDM programs delivered in 2018 and until the end of the CFF in 2019, the IESO made monthly Participation and Cost Reports and detailed project level data available to LDCs.

³⁵ Guidelines for Electricity Distributor Conservation and Demand Management, EB-2012-0003, April 26, 2012; and Requirement Guidelines for Electricity Distributors Conservation and Demand Management, EB-2014-0278, December 19, 2014

³⁶ On March 20, 2019 the Minister of Energy, Northern Development and Mines issued separate Directives to the OEB and the IESO.

³⁷ Ontario Energy Board letter dated June 20, 2019

³⁸ Chapter 3 Filing Requirements, section 3.2.6.1

³⁹ For CDM programs delivered from 2015 to 2017, the IESO provided distributors with a Final Results Report that summarized all savings results. For 2018, distributors accessed the Participant and Cost Reports and detailed project level data from the IESO to support LRAMVA applications.

There were no forecast CDM savings embedded in the former Whitby Hydro's 2010 load forecast when the distributor last rebased.⁴⁰ As a result, the full impact of conservation savings is being recorded in the LRAMVA balance.

Findings

The OEB finds that Elexicon Energy's LRAMVA balance for its Whitby RZ has been calculated in accordance with the OEB's CDM-related guidelines and updated LRAMVA policy. The OEB approves the disposition of Elexicon Energy's LRAMVA debit balance of \$398,061, as set out in Table 8.1 below.

Table 8.1 LRAMVA Balance for Disposition

Account Name	Account Number	Actual CDM Savings (\$) A	Forecasted CDM Savings (\$) B	Carrying Charges (\$) C	Total Claim (\$) D=(A-B)+C
LRAMVA	1568	381,830	0	16,231	398,061

⁴⁰ EB-2009-0274, Decision, December 20, 2010

9 IMPLEMENTATION AND ORDER

This Decision is accompanied by a Rate Generator Model, applicable supporting models, and a Tariff of Rates and Charges (Schedule A).

Model entries were reviewed in order to ensure that they are in accordance with the last cost of service decision relating to the Whitby RZ, and to ensure that the 2020 OEB-approved Tariff of Rates and Charges, as well as the cost, revenue and consumption results from 2019, are as reported by Elexicon Energy to the OEB.

The Rate Generator Model was adjusted, where applicable, to correct any discrepancies. The Rate Generator Model incorporates the rates set out in the following table.

Table 9.1: Regulatory Charges

Rate	per kWh
Rural or Remote Electricity Rate Protection (RRRP)	\$0.0005
Wholesale Market Service (WMS) billed to Class A and B Customers	\$0.0030
Capacity Based Recovery (CBR) billed to Class B Customers	\$0.0004

Each of these rates is a component of the “Regulatory Charge” on a customer’s bill, established annually by the OEB through a separate, generic order. The RRRP, WMS and CBR rates were set by the OEB on December 10, 2020.⁴¹

The Smart Metering Entity Charge is a component of the “Distribution Charge” on a customer’s bill, established by the OEB through a separate order. The Smart Metering Entity Charge was set by the OEB on March 1, 2018.⁴²

In the *Report of the Board: Review of Electricity Distribution Cost Allocation Policy*,⁴³ the OEB indicated that it will review the default province-wide microFIT charge annually to ensure it continues to reflect actual costs in accordance with the established methodology. Distributors shall apply the updated value, if applicable, following the OEB’s announcement of the microFIT charge for the 2021 rate year.

⁴¹ EB-2020-0276, Decision and Order, December 10, 2020

⁴² EB-2017-0290, Decision and Order, March 1, 2018

⁴³ EB-2010-0219, Report of the Board “Review of Electricity Distribution Cost Allocation Policy”, March 31, 2011

THE ONTARIO ENERGY BOARD ORDERS THAT:

1. The Tariff of Rates and Charges set out in Schedule A of this Decision and Rate Order is approved effective January 1, 2021 for electricity consumed or estimated to have been consumed on and after such date. Elexicon Energy Inc. shall notify its Whitby Rate Zone customers of the rate changes no later than the delivery of the first bill reflecting the new final and interim rates.

DATED at Toronto, December 10, 2020

ONTARIO ENERGY BOARD

Original Signed By

Christine E. Long
Registrar

Schedule A

To Decision and Rate Order

Tariff of Rates and Charges

OEB File No: EB-2020-0012

DATED: December 10, 2020

Elexicon Energy Inc.
For The Whitby Rate Zone
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2021
This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2020-0012

RESIDENTIAL SERVICE CLASSIFICATION

This classification refers to detached, semi-detached or freehold townhouse dwelling units. Energy is supplied to residential customers as single phase, three wire, 60 Hertz, having a normal voltage of 120/240 Volts up to a maximum of 200 Amps per dwelling unit. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	32.53
Smart Metering Entity Charge - effective until December 31, 2022	\$	0.57
Rate Rider for Application of Tax Change (2021) - effective until December 31, 2021	\$	(0.06)
Low Voltage Service Rate	\$/kWh	0.0010
Rate Rider for Disposition of Global Adjustment Account (2021) - effective until December 31, 2021 Applicable only for Non-RPP Customers	\$/kWh	0.0008
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA)(2021) - effective until December 31, 2021	\$/kWh	0.0003
Rate Rider for Disposition of Deferral/Variance Accounts (2021) - effective until December 31, 2021	\$/kWh	(0.0024)
Rate Rider for Disposition of Capacity Based Recovery Account (2021) - effective until December 31, 2021 Applicable only for Class B Customers	\$/kWh	(0.0001)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0077
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0067

MONTHLY RATES AND CHARGES - Regulatory Component

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

Elexicon Energy Inc.
For The Whitby Rate Zone
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2021
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EB-2020-0012

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification applies to a non residential account whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW, shall include small apartment buildings and smaller commercial, industrial, and institutional developments. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	27.34
Smart Metering Entity Charge - effective until December 31, 2022	\$	0.57
Distribution Volumetric Rate	\$/kWh	0.0203
Low Voltage Service Rate	\$/kWh	0.0009
Rate Rider for Disposition of Global Adjustment Account (2021) - effective until December 31, 2021 Applicable only for Non-RPP Customers	\$/kWh	0.0008
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2021) - effective until December 31, 2021	\$/kWh	0.0006
Rate Rider for Disposition of Deferral/Variance Accounts (2021) - effective until December 31, 2021	\$/kWh	(0.0022)
Rate Rider for Disposition of Capacity Based Recovery Account (2021) - effective until December 31, 2021 Applicable only for Class B Customers	\$/kWh	(0.0001)
Rate Rider for Application of Tax Change (2021) - effective until December 31, 2021	\$/kWh	(0.0001)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0070
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0063

MONTHLY RATES AND CHARGES - Regulatory Component

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

Elexicon Energy Inc.
For The Whitby Rate Zone
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2021
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EB-2020-0012

GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION

This classification applies to a non residential account whose average monthly maximum demand used for billing purposes is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 5,000 kW and includes apartment buildings, and commercial, industrial, and institutional developments. 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.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	208.26
Distribution Volumetric Rate	\$/kW	4.1594
Low Voltage Service Rate	\$/kW	0.3181
Rate Rider for Disposition of Global Adjustment Account (2021) - effective until December 31, 2021 Applicable only for Non-RPP Customers	\$/kWh	0.0008
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2021) - effective until December 31, 2021	\$/kW	0.1778
Rate Rider for Disposition of Deferral/Variance Accounts (2021) - effective until December 31, 2021 Applicable only for Non-Wholesale Market Participants	\$/kW	(1.1518)

Issued - December 10, 2020

Elexicon Energy Inc.
For The Whitby Rate Zone
TARIFF OF RATES AND CHARGES
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Rate Rider for Disposition of Deferral/Variance Accounts (2021) - effective until December 31, 2021	\$/kW	0.2366
Rate Rider for Disposition of Capacity Based Recovery Account (2021) - effective until December 31, 2021 Applicable only for Class B Customers	\$/kW	(0.0511)
Rate Rider for Application of Tax Change (2021) - effective until December 31, 2021	\$/kW	(0.0127)
Retail Transmission Rate - Network Service Rate	\$/kW	2.7717
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.3826

MONTHLY RATES AND CHARGES - Regulatory Component

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

Elexicon Energy Inc.
For The Whitby Rate Zone
TARIFF OF RATES AND CHARGES
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EB-2020-0012

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification applies to an account whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. Such connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, decorative lighting, bill boards, etc. The level of the consumption will be agreed to by the distributor and the customer, based on detailed manufacturer information/documentation with regard to electrical consumption of the unmetered load or periodic monitoring of actual consumption. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	10.13
Distribution Volumetric Rate	\$/kWh	0.0323
Low Voltage Service Rate	\$/kWh	0.0009
Rate Rider for Disposition of Capacity Based Recovery Account (2021) - effective until December 31, 2021 Applicable only for Class B Customers	\$/kWh	(0.0001)
Rate Rider for Disposition of Deferral/Variance Accounts (2021) - effective until December 31, 2021	\$/kWh	(0.0022)
Rate Rider for Application of Tax Change (2021) - effective until December 31, 2021	\$/kWh	(0.0002)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0070
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0063

MONTHLY RATES AND CHARGES - Regulatory Component

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

Elexicon Energy Inc.
For The Whitby Rate Zone
TARIFF OF RATES AND CHARGES
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EB-2020-0012

SENTINEL LIGHTING SERVICE CLASSIFICATION

This classification refers to accounts that are an unmetered lighting load supplied to a sentinel light. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per light)	\$	5.95
Distribution Volumetric Rate	\$/kW	16.0134
Rate Rider for Disposition of Global Adjustment Account (2021) - effective until December 31, 2021 Applicable only for Non-RPP Customers	\$/kWh	0.0013
Rate Rider for Disposition of Deferral/Variance Accounts (2021) - effective until December 31, 2021	\$/kW	(0.7896)
Rate Rider for Disposition of Capacity Based Recovery Account (2021) - effective until December 31, 2021 Applicable only for Class B Customers	\$/kW	(0.0465)
Rate Rider for Application of Tax Change (2021) - effective until December 31, 2021	\$/kW	(0.0922)
Retail Transmission Rate - Network Service Rate	\$/kW	2.1009
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.8806

MONTHLY RATES AND CHARGES - Regulatory Component

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

Elexicon Energy Inc.
For The Whitby Rate Zone
TARIFF OF RATES AND CHARGES
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EB-2020-0012

STREET LIGHTING SERVICE CLASSIFICATION

This classification relates to the supply of power for street lighting installations. Street lighting design and installations shall be in accordance with the requirements of Whitby Hydro, Town of Whitby specifications and ESA. The Town of Whitby retains ownership of the street lighting system on municipal roadways. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per light)	\$	1.83
Distribution Volumetric Rate	\$/kW	7.0064
Low Voltage Service Rate	\$/kW	0.2459
Rate Rider for Disposition of Global Adjustment Account (2021) - effective until December 31, 2021 Applicable only for Non-RPP Customers	\$/kWh	0.0008
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2021) - effective until December 31, 2021	\$/kW	8.8440
Rate Rider for Disposition of Deferral/Variance Accounts (2021) - effective until December 31, 2021	\$/kW	(0.7404)
Rate Rider for Disposition of Capacity Based Recovery Account (2021) - effective until December 31, 2021 Applicable only for Class B Customers	\$/kW	(0.0524)
Rate Rider for Application of Tax Change (2021) - effective until December 31, 2021	\$/kW	(0.0904)
Retail Transmission Rate - Network Service Rate	\$/kW	2.0904
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.8419

MONTHLY RATES AND CHARGES - Regulatory Component

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

Elexicon Energy Inc.
For The Whitby Rate Zone
TARIFF OF RATES AND CHARGES
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EB-2020-0012

microFIT SERVICE CLASSIFICATION

This classification applies to an electricity generation facility contracted under the Independent Electricity System Operator's microFIT program and connected to the distributor's distribution system. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	4.55
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Elexicon Energy Inc.
For The Whitby Rate Zone
TARIFF OF RATES AND CHARGES
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ALLOWANCES

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

SPECIFIC SERVICE CHARGES

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

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

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

Customer Administration

Arrears certificate	\$	15.00
Statement of account	\$	15.00
Pulling post dated cheques	\$	15.00
Easement Letter	\$	15.00
Account history	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Returned Cheque (plus bank charges)	\$	15.00
Special meter reads	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00
Legal letter charge	\$	15.00

Non-Payment of Account

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

Other

Temporary service - install & remove - overhead - no transformer	\$	500.00
Temporary service - install & remove - underground - no transformer	\$	300.00
Temporary service - install & remove - overhead - with transformer	\$	1,000.00
Service call - customer owned equipment	\$	30.00
Service call - after regular hours	\$	165.00
Specific charge for access to the power poles - \$/pole/year (with the exception of wireless attachments) - Approved on an Interim Basis	\$	44.50

Elexicon Energy Inc.
For The Whitby Rate Zone
TARIFF OF RATES AND CHARGES
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EB-2020-0012

RETAIL SERVICE CHARGES (if applicable)

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

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

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

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

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

One-time charge, per retailer, to establish the service agreement between the distributor and the retailer	\$	104.24
Monthly fixed charge, per retailer	\$	41.70
Monthly variable charge, per customer, per retailer	\$/cust.	1.04
Distributor-consolidated billing monthly charge, per customer, per retailer	\$/cust.	0.62
Retailer-consolidated billing monthly credit, per customer, per retailer	\$/cust.	(0.62)
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	\$	0.52
Processing fee, per request, applied to the requesting party	\$	1.04
Request for customer information as outlined in Section 10.6.3 and Chapter 11 of the Retail Settlement Code directly to retailers and customers, if not delivered electronically through the Electronic Business Transaction (EBT) system, applied to the requesting party		
Up to twice a year	\$	no charge
More than twice a year, per request (plus incremental delivery costs)	\$	4.17
Notice of switch letter charge, per letter (unless the distributor has opted out of applying for the charge as per the Ontario Energy Board's Decision and Order EB-2015-0304, issued on February 14, 2019)	\$	2.08

LOSS FACTORS

If the distributor is not capable of prorating changed loss factors jointly with distribution rates, the revised loss factors will be implemented upon the first subsequent billing for each billing cycle.

Total Loss Factor - Secondary Metered Customer < 5,000 kW	1.0454
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0349