



EXHIBIT 9

DEFERRAL AND VARIANCE ACCOUNTS

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LIST OF ATTACHMENTS

ATTACHMENT 9-1	Deferral and Variance Account (Continuity Schedule Model)
ATTACHMENT 9-2	GA Analysis Workform
ATTACHMENT 9-3	Power Liability Variance Explanation
ATTACHMENT 9-4	WNH 2016 Settlement Proposal

EXHIBIT 9: DEFERRAL AND VARIANCE ACCOUNTS

2.9 EXHIBIT 9: DEFERRAL AND VARIANCE ACCOUNTS

Waterloo North Hydro Inc. (WNH) has included in this Cost of Service (“COS”) Application, a request for approval for disposition of Group 1 and Group 2 Deferral and Variance Account (“DVAs”) balances as at December 31, 2019, some forecasted Group 2 balances through December 31, 2020 and the forecasted interest through December 31, 2020. WNH has followed the Board’s guidance in the *Accounting Procedures Handbook and FAQ’s* (“APH”) for recording amounts in the deferral and variance accounts. Such guidance also includes the Report of the Board on Electricity Distributors’ Deferral and Variance Account Review Initiative (“EDDVAR Report”). The accounts with forecasted balances through December 31, 2020 are Group 2 accounts that are being requested to be discontinued as part of this Application and are discussed later in this Exhibit.

Table 9-1 contains descriptions of all the outstanding DVAs. WNH confirms that it has used the DVAs in the same manner described in the APH, and the account balance in Table 9-1 reconciles with the Electricity Reporting and Record Keeping Requirement (RRR) 2.1.7 Trial Balance that has been submitted on June 1, 2020 and WNH’s Audited Financial Statements, with the exceptions which are explained below and in tab “3. Appendix A” of the Board model “Waterloo_2021_DVA_Continuity_Schedule” (“DVA Continuity Schedule”) included in Attachment 9-1. WNH has not made any adjustments to the deferral and variance accounts that were previously approved by the OEB on a final basis except for settlement and process variances that are discussed later in this Exhibit referred to as ‘Power Liability Variance’.

WNH has provided a continuity schedule of the Group 1 and Group 2 DVAs in the DVA Continuity Schedule in Attachment 9-1 in the live Excel format model named “Waterloo_Deferral_and_Variance_Account_Workform_2021_COS_20200630.”

1 The forecasted interest on December 31, 2019 principal balances and the forecasted
2 Group 2 2020 balances (that are being requested for disposal) of the DVAs is calculated
3 using the Board's prescribed rate of 2.18% for the period of January 1 to June 30, 2020.
4 For the period of July 1 to December 31, WNH is using the Board's 2020 Quarter 3
5 prescribed rate of 1.38%. The interest rates by quarter for each year are provided in Table
6 9-2 in this Exhibit.

7
8 WNH has included a list of Group 2 accounts to continue or discontinue in Table 9-22 in
9 section 2.9.3 of this Exhibit.

10
11 WNH is requesting a new deferral and variance account related to a Power Liability
12 Variance discussed later in this Exhibit and addressed in section 2.9.4. Additionally, WNH
13 is requesting two specific sub-accounts to already established generic accounts
14 discussed in section 2.9.4 of this Exhibit.

15
16 WNH has accepted the allocators as indicated in the DVA Continuity Schedule. Where
17 the DVA Continuity Schedule has not indicated an allocator methodology, WNH has
18 applied an allocator that it considers appropriate for the various customer rate classes, if
19 applicable. The detailed information on the proposed method of disposition is provided in
20 this Exhibit.

21
22 A breakdown of Energy Sales and Cost of Power expense balances, as reported in the
23 Trial Balance reported through the RRR and Audited Financial Statements by WNH, is
24 provided in Table 9-3.

25
26 The GA Analysis Workform has been completed and submitted as Attachment 9-2.
27 Further discussion is in section 2.9.3.1 of this Exhibit.

28
29 This Exhibit discusses the current settlement process with the IESO for Regulated Price
30 Plan (RPP) and non-RPP. WNH confirms that the Global Adjustment charge is prorated
31 into the RPP and non-RPP portions. WNH is in compliance with the OEB's February 21,

2019 guidance on the accounting for Accounts 1588 – RSVA Power and 1589 – RSVA Global Adjustment which is further described in section 2.9.3.2 of this Exhibit.

WNL notes that it has three DVAs that resulted from the Settlement Agreement in its 2016 COS Filing and three DVAs that resulted from OEB guidance. The accounts are reflected in Table 9-1 as Other Regulatory Assets – Sub-Account – Wireless and Wireline, Other Regulatory Assets – Sub-Account – MS Disposition, Other Regulatory Assets – Sub-Account – OPEB Disposition, Other Regulatory Assets – Sub-Account – Cost Assessment Variance, Account 1592 – PILs and Tax Variances – CCA Changes and Account 1509 – Impacts Arising from the COVID-19 Emergency. These accounts are detailed further in this Exhibit.

WNL is not disposing of any Account 1595 Sub-Accounts except for 1595 (2016) to clear three residual balances – LRAM (2016), 1555 – Stranded Meters and 1576 - CGAAP. As discussed with the OEB, it was noted that there is no explicit guidance for how to dispose of 1555 or 1576; WNL can make a proposal for how to account for it. Since the balances are immaterial in nature and similar to other 1595 balances, WNL is requesting that these three residual balances be cleared through 1595 (2016) as this is the year of the original rate riders. This is discussed further in 2.9.3. Therefore, the 1595 Analysis Workform has not been included for 2016. As per the email sent by the OEB on June 17, 2020, Distributors are to generate a workform for each 1595 sub-account that is eligible for disposition, irrespective of if disposition is sought. Other than the items noted above for 2016, WNL does not have any 1595 balances that are eligible for disposition in this Application. Per discussion with OEB staff, it was agreed that a 1595 Workform was not required based on the balances as described.

Account Balances

Table 9-1 contains account balances from the 2019 Audited Financial Statements as at December 31, 2019 and agrees to the 2019 yearend balances for RRR filing 2.1.7 Trial Balance as filed June 1, 2020 with the OEB, with the exception of the accounts listed in

1 the table and in '3. Appendix A' of the DVA Continuity Schedule. WNH notes that not all
2 of the variances are being picked up in '3. Appendix A' of the DVA Continuity Schedule
3 but all of the variances are described in the section "Adjustments to Deferral and Variance
4 Accounts" below.

Table 9-1 - December 31, 2019 Audited/RRR Balances – DVAs

Account Description	USoA	Balance December 31, 2019						
		Principal Dec 31/ 2019 *	Interest	Total	Balance per 2019 F/S	Variance	Balance per RRR 2.1.7	Variance
Group 1 Accounts								
LV Variance Account	1550	118,335	7,651	125,986	125,986	-	125,986	-
Smart Metering Entity Charge Variance Account	1551	(62,441)	(1,950)	(64,391)	(64,393)	2	(64,391)	-
RSVA - Wholesale Market Service Charge	1580	(711,200)	27,477	(683,723)	(683,723)	-	(683,723)	-
RSVA - Retail Transmission Network Charge	1584	406,818	3,592	410,410	410,410	-	410,410	-
RSVA - Retail Transmission Connection Charge	1586	245,911	9,359	255,270	255,270	-	255,270	-
RSVA - Power (excluding Global Adjustment)	1588	595,116	(30,520)	564,596	564,596	-	564,596	-
RSVA - Global Adjustment	1589	62,340	(7,747)	54,593	54,593	-	54,593	-
Disposition and Recovery/Refund of Regulatory Balances (2016)	1595	(24,273)	-	(24,273)	(24,273)	-	(24,273)	-
Disposition and Recovery/Refund of Regulatory Balances (2017)	1595	39,743	(141,719)	(101,976)	(101,976)	-	(101,976)	-
Disposition and Recovery/Refund of Regulatory Balances (2018)	1595	60,545	(63,259)	(2,714)	(2,714)	-	(2,714)	-
Disposition and Recovery/Refund of Regulatory Balances (2019)	1595	1,357,723	(1,483,406)	(125,683)	(125,683)	-	(125,683)	-
Subtotal Group 1 Accounts		2,088,617	(1,680,522)	408,095	408,093	2	408,095	-
Group 2 Accounts								
Other Regulatory Assets - Sub-Account - OPEB	1508	165,838	5,717	171,555	171,555	-	171,555	-
Other Regulatory Assets - Sub-Account - Other - Wireline Attachments	1508	(275,076)	(3,378)	(278,454)	(278,454)	-	(278,454)	-
Other Regulatory Assets - Sub-Account - MS Disposition	1508	(465,074)	(25,441)	(490,515)	(654,020)	163,505	(654,020)	163,505
Other Regulatory Assets - Sub-Account - OEB Fees	1508	161,364	5,392	166,756	166,756	-	166,756	-
Retail Cost Variance Account - Retail	1518	(45,696)	(1,154)	(46,850)	(46,850)	-	(46,850)	-
Retail Cost Variance Account - STR	1548	(1,565)	(58)	(1,623)	(1,623)	-	(1,623)	-
LRAM Variance Account	1568	1,324,616	94,328	1,418,944	332,283	1,086,661	332,283	1,086,661
PILs and Tax Variance for 2006 and Subsequent Years - Recover PILs	1592	(246,746)	-	(246,746)	(493,491)	246,745	(493,491)	246,745
Subtotal Group 2 Accounts		617,661	75,406	693,067	(803,844)	1,496,911	(803,844)	1,496,911
Other Accounts								
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs	1555	(26,528)	-	(26,528)	(26,528)	-	(26,528)	-
Variance CGAAP	1576	34,187	-	34,187	34,187	-	34,187	-
Subtotal Other Accounts		7,659	-	7,659	7,659	-	34,187	-

Group 1 Accounts

1550 LV Variance Account

This account is used to record the variances arising from low voltage transactions which are not part of the electricity wholesale market.

1551 Smart Metering Entity Charge Variance Account

This account is used monthly to record the variances arising from the Smart Metering Entity charges to Residential Service and General Service < 50 kW customers.

1580 Retail Settlement Variance Account - Wholesale Market Service Charges (RSVA WMS)

This account is used to record the net of the amount charged by the IESO based on the settlement invoice for the operation of the IESO-administered markets and the operation of the IESO-controlled grid, and the amount billed to customers using the OEB approved Wholesale Market Service Rate.

1580 Retail Settlement Variance Account - Wholesale Market Service Charges (RSVA WMS) Sub-account CBR Class B

The variance in this account is used to record the difference between the billed WMS CBR revenues in Account 4062 Billed - WMS, Sub-account CBR Class B and the charges from the IESO booked in Account 4708 Charges - WMS, Sub-account CBR Class B.

1584 Retail Settlement Variance Account - Retail Transmission Network Charges (RSVA NW)

This account is used to record the net of the amount charged by the IESO, based on the settlement invoice for transmission network services, and the amount billed to customers using the OEB-approved Transmission Network Charge.

1586 Retail Settlement Variance Account - Retail Transmission Connection Charges (RSVA CN)

This account is used to record the net of the amount charged by the IESO, based on the settlement invoice for transmission connection services, and the amount billed to customers using the OEB-approved Transmission Connection Charge.

1588 Retail Settlement Variance Account - Power (RSVA Power)

This account is used to record the net difference between the energy amount billed to customers and the energy charged to WNH using the settlement invoice from the Independent Electricity System Operator (IESO) net of global adjustment charges.

1589 Retail Settlement Variance Account - Global Adjustment (RSVA GA)

This account is used to record the net difference between the global adjustment amount billed to customers and the global adjustment charged to WNH using the settlement invoice from the IESO.

1595 Disposition and Recovery/Refund of Regulatory Balances

This account records the net of amounts collected from or refunded to customers from balances stemming from Regulatory Assets subdivided by fiscal year beginning in 2016 through 2019.

Group 2 Accounts

1508 Other Regulatory Assets

This account includes amounts of regulatory-created assets, not included in other accounts, resulting from the ratemaking actions of the OEB. WNH currently has balances in four sub-accounts:

1508 Other Regulatory Asset - Sub-account Cost Assessment Variance

As per a Board letter dated February 9, 2016, the Board established this account for electricity distributors to record material differences between the OEB cost assessments currently built into rates, and cost assessments that will result from the application of the new cost assessment model effective April 1, 2016.

1508 Other Regulatory Asset - Sub-account Wireless and Wireline Variance Account

As per WNH's 2016 COS Application, WNH was to record two items: 1) the net (less any related costs) incremental revenues received from any wireless attachments during the IRM period; and 2) any changes in revenue received due to any change in the currently regulated wireline attachment rate of \$22.35 per attachment per pole per year.

1508 Other Regulatory Asset - Sub-account MS Disposition

As per WNH's 2016 COS Application, WNH was to capture net gains and losses on disposition of various Municipal Station properties inclusive of remediation costs and taxes. Upon disposition, the balance of this account will be distributed with 75% to ratepayers and 25% to Waterloo North Hydro.

**1508 Other Regulatory Asset - Sub-account OPEB Forecast Cash versus
Forecast Accrual Differential Deferral Account**

As per WNH's 2016 COS Application, WNH was to establish the OPEB Forecast Cash versus Forecast Accrual Differential Deferral Account for the purpose of recording the difference in revenue requirement each year between both the capitalized and OM&A components of OPEBs accounted for using a forecasted cash basis (as to be reflected in rates if this settlement is accepted by the Ontario Energy Board) and the capitalized and OM&A components of OPEBs accounted for using a forecasted accrual basis.

1509 Impacts Arising from the COVID-19 Emergency

On March 25, 2020 the OEB released an accounting order to establish deferral accounts to record impacts arising from the COVID-19 Emergency. This deferral account includes three sub-accounts:

1. Billing and System Changes for Electricity Distributors as a Result of the Emergency Order Regarding Time-of-Use Pricing
2. Lost Revenues Arising from the COVID-19 Emergency for Electricity Distributors
3. Other Incremental Costs for Electricity Distributors.

1518 Retail Cost Variance Account - Retail Service Charges (RCVA Retail Service Charges)

This account is used to record the difference between the amount billed and the incremental costs of providing retail services other than those related to a Service Transaction Request (STR). As noted in Exhibit 8, WNH is requesting to clear and eliminate this balance after this COS.

1548 Retail Cost Variance Account - Service Transaction Request Charges (RCVA STR)

This account is used to record the difference between the amount billed in relation to a STR and the incremental costs of providing the initial screening and actual processing services for the STR. As noted in Exhibit 8, WNH is requesting to clear and eliminate this balance after this COS.

1568 Lost Revenue Adjustment Mechanism Variance Account (LRAMVA)

Amounts recorded in this account at the rate class level are the difference between:
The results of actual, verified impacts of authorized CDM activities undertaken by distributors between Board-Approved CDM programs and OPA-Contracted Province-Wide CDM programs in relation to activities undertaken by the distributor and/or are delivered for the distributor by the third party under contract (in the distributor's franchise area), and;

The level of CDM program activities included in the distributor's load forecast (i.e. the level embedded in rates).

1592 PILs and Tax Variances – CCA Changes

On July 25, 2019 the OEB released a letter *"Accounting Direction Regarding Bill C-97 and Other Changes in Regulatory or Legislated Tax Rules for Capital Cost Allowance"* stating that for the purposes of increased transparency, the OEB is establishing a separate sub-account specifically for the purposes of tracking the impact of changes in CCA rules. Electricity distributors are to use this sub-account for the impact of the Bill C-97 CCA rule changes as well as any future CCA changes instituted by relevant regulatory or taxation bodies.

2425 Other Deferred Credits

Included in this account is the new proposed rate rider for Power Liability Variance discussed later in this Exhibit. WNH acknowledges that this is the not the correct USoA however WNH wanted to ensure that the amount requested to be refunded to customers was included in the DVA Continuity Schedule. This account will only be applicable to RPP customers as discussed in Attachment 9-3 Power Liability Variance Explanation.

Adjustments to Deferral and Variance Accounts

Variance to 2019 Financial Statements and 2019 RRR 2.1.7 Trial Balance

WNH is providing explanations of the December 31, 2019 variances between the total claim in the DVA Continuity Schedule model, WNH's 2019 Financial Statements and its RRR 2.1.7 Trial Balance filing that are reflected in Table 9-1 above. WNH notes any variances of \$1 to \$3 are differences due to rounding and are not further explained.

1595 Disposition and Recovery/Refund of Regulatory Balances (2016)

As part of this Application, WNH is requesting to clear residual balances from three 2016 Rate Riders. These are discussed further under the 'Specific Balances' in this Exhibit. For the 2019 RRR, WNH only held one of these balances in this account at yearend (LRAM – 2016). The net balance of the two additional residual amounts (1555 - Stranded Meter Costs and 1576 - Accounting Changes Under CGAAP) is \$7,659 which is demonstrated on Tab 2a. of the DVA Continuity Schedule. 1555 - Stranded Meter Costs and 1576 - Accounting Changes Under CGAAP are shown on Tab 2b. which shows the other side of this variance, (\$26,528) and \$34,187 respectively.

1568 LRAM Variance Account (LRAMVA)

In 2016, WNH recorded an LRAMVA of \$332,283 to account for 2015 LRAM. This was recorded for accounting purposes but was not cleared through an IRM application. WNH decided that it would wait for the next COS filing to clear multiple years of LRAM and therefore no additional amounts were recorded in the interim. As part of this Application, WNH has calculated the LRAMVA for years 2015 to 2018. The total for these years is as \$1,413,647 provided in Exhibit 4. Included in this total is \$89,029 of carrying charges.

1508 Other Regulatory Asset - Sub-account MS Disposition

When WNH reported the gains and losses from MS Disposition, it held the full net gains and losses in account 1508 which is the amount that was included in the 2019 RRR 2.1.7 based on the 2016 Settlement Agreement, WNH was directed to return 75% of the net gains and losses to customers and WNH was allowed to keep the remaining 25%. WNH has made an adjustment to remove 25% of the net gains and losses from 1508 in the amount of \$163,505.

1592 PILs and Tax Variances – CCA Changes

WNH has included the PILs and Tax Variance from the Accelerated Investment Initiative in account 1592 for 2019's variance. In the 2019 RRR 2.1.7, WNH included 100% of the impact from 2019. However, as part of this Application, WNH is requesting that it retain 50% of the tax incentive as has been "OEB's long-standing practice with respect to the impact of changes in taxes due to regulatory or legislated tax changes during an incentive rate-setting period has been to share the impacts between Utility shareholders and ratepayers on a 50/50 basis." WNH has made an adjustment to remove 50% of the 2019 incentive in the amount of \$246,746.

2020 Forecasted Changes

The following accounts do not match the 2.1.7 RRR due to WNH forecasting 2020 principal balances for clearing as part of this Application:

- 1508 Other Regulatory Asset – Sub Account – Cost Assessment Variance 2016
- 1508 Other Regulatory Asset – Sub Account – Wireless and Wireline Variance Account
- 1508 Other Regulatory Asset – Sub Account – OPEB Forecast Cash versus Forecast Accrual Differential Deferral Account
- 1518 Retail Cost Variance Account – Retail
- 1548 Retail Cost Variance Account – STR

WNH notes that the 2019 yearend balances of these accounts do agree to the 2.1.7 RRR however in order to request clearing of the 2020 balances, WNH included these amounts in the 'Principal Adjustments (1) during 2019' Column which in turn created variances in Column BW of '2b. Continuity Schedule'. The clearing of the 2020 balances are discussed further below.

Interest Rates

Table 9-2 provides the interest rates that have been used to calculate actual and forecasted carrying charges on the accounts in accordance with the methodology approved by the Board in *EB-2007-0117* on November 28, 2007.

Table 9-2 – Interest Rates Applies to Deferral and Variance Accounts

Period	Rate
Carrying Charge Rate Jan 1, 2016 - Sep 30, 2017	1.10%
Carrying Charge Rate Oct 1, 2017 - Mar 31, 2018	1.50%
Carrying Charge Rate Apr 1, 2018 - Sep 30, 2018	1.89%
Carrying Charge Rate Oct 1, 2018 - Dec 31, 2018	2.17%
Carrying Charge Rate Jan 1, 2019 - Mar 31, 2019	2.45%
Carrying Charge Rate Apr 1, 2019 - Jun 30, 2020	2.18%
Carrying Charge Rate Jul 1, 2020 - Dec 31, 2020	1.38%

Energy Sales and Cost of Power

The sale of energy is a flow through revenue and the cost of power is a flow through expense. Energy sales and the cost of power expenses by component are presented in Table 9-3 as reported in the Audited Financial Statements and the USoA within the RRR filing 2.1.7. The balance in the DVA Continuity Schedule agrees to the RRR 2.1.7 Filing. WNH has no profit or loss resulting from the flow through of energy revenues and expenses.

1

Table 9-3 – Energy Revenue and Cost of Power Expenses

	2016	2017	2018	2019
Energy Sales				
4006 Residential Energy Sales	(45,718,223)	(36,828,951)	(35,190,845)	(35,059,243)
4020 Energy Sales to Large Users	(9,169,841)	(9,642,352)	(5,906,624)	(7,850,810)
4025 Street Lighting Energy Sales	(893,088)	(671,281)	(460,714)	(509,451)
4035 General Energy Sales	(107,250,898)	(100,027,619)	(103,700,180)	(108,461,953)
4055 Energy Sales for Retailers/Other	(2,953,257)	(3,019,708)	(3,225,788)	(2,699,547)
4062 Billed WMS	(6,521,472)	(5,829,190)	(5,859,764)	(5,635,592)
4066 Billed - NW	(9,862,836)	(9,363,427)	(9,706,548)	(9,257,356)
4068 Billed - CN	(3,281,784)	(3,065,790)	(3,385,011)	(3,479,511)
4076 Billed - Smart Meter Entity	(511,004)	(517,366)	(368,575)	(374,924)
Total Energy Sales	(186,162,403)	(168,965,684)	(167,804,049)	(173,328,387)
Cost of Power				
4705 Power Purchased	85,834,548	72,628,032	76,715,892	73,606,674
4707 Charges - Global Adjustment	80,150,759	77,561,877	71,769,759	80,974,330
4708 Charges - WMS	6,521,472	5,829,190	5,859,764	5,635,592
4714 Charges - NW	9,862,836	9,363,428	9,705,048	9,257,356
4716 Charges - CN	3,281,784	3,065,791	3,385,011	3,479,511
4751 Charges - Smart Meter Entity	511,004	517,366	368,575	374,924
Total Cost of Power	186,162,403	168,965,684	167,804,049	173,328,387

	2016	2017	2018	2019
Energy Sales				
As per RRR	(186,434,129)	(169,230,867)	(168,077,848)	(173,595,406)
Net movement in Regulatory Variance Accounts IFRS	(1,089,573)	(2,513,417)	(75,179)	(150,975)
As per Audited Financial Statements	(187,523,702)	(171,744,284)	(168,153,027)	(173,746,381)
Energy Purchases				
As per RRR	186,434,129	169,230,867	168,077,848	173,595,406
Net movement in Regulatory Variance Accounts IFRS	870,830	834,934	1,371,162	1,828,649
As per Audited Financial Statements	187,304,959	170,065,801	169,449,010	175,424,055

2.9.1 ACCOUNT 1575, IFRS-CGAAP TRANSITIONAL PP&E AMOUNTS

WNH completed its transition to IFRS in its 2016 COS Application and did not have any material transactions upon that transition, thus, has not completed Appendix 2-EA.

2.9.2 RETAIL SERVICE CHARGES

Retail services refer to services provided by a distributor to a retailer or retailer customer related to the supply of competitive electricity as set out in the Retail Settlement Code (RSC).

WNH records revenues received from retailers for retail-related services in two accounts: 4082 – Retail Services Revenues which contain the revenues derived from establishing service agreements, distributor-consolidated billing and retailer-consolidated billing. 4084 – STR Revenues which contain the revenues derived from the Service Transaction Request services such as request fee, processing fee, information request fee, default fee and other associated costs fee.

WNH records its costs associated with providing these services in various accounts, most notably customer service business units. WNH confirms that all costs incorporated into the variances reported are incremental to providing the retail services.

The driver of these costs are due to customers contracted with retailers. In recent years, the number of customers with retailers have been declining and so are the related revenues and expenses.

WNH has followed the provisions of Article 490, Retail Services and Settlement Variances of the APH for Accounts 1518 and 1548. In order to keep LDC's "whole", the OEB has authorized the use of USoA accounts 1518 and 1548 to record the differences between the revenues collected from retailers for services provided and the incremental costs of providing those services.

In the Chapter 2 Filing Requirements it states “Distributors can forecast a balance up to December 31, 2020 and the OEB may consider disposing of the forecasted amount”. Since the annual amount for this account is not material, WNH has forecasted 2020 and is requesting that it be disposed of as part of this Application.

This Application includes a request to dispose the balance at December 31, 2019, the forecasted balance up to December 31, 2020 and the projected interest to December 31, 2020 for Accounts 1518 and Account 1548 in the amounts of (\$74,526) and (\$2,155) respectively as shown in Tables 9-4 and 9-5 below. WNH's balances in these two accounts do not exceed its materiality threshold as defined in Exhibit 1, Table 1-6, thus, a schedule identifying all revenues and expenses incorporated into the variances recorded in USoA 1518 & 1548 has not been provided.

Table 9-4 1518 Detail

1518 - RCVA - Retail	Revenue	Expense	Variance
2016	28,861	29,829	968
2017	25,035	12,549	(12,486)
2018	26,461	10,743	(15,718)
2019	28,651	10,191	(18,460)
2020 - Estimate	35,858	10,007	(25,851)
			(71,547)
Closing Interest Balances as of Dec 31-19 Adjusted for Dispositions during 2020			(1,154)
Projected Interest from Jan 1, 2020 to December 31, 2020 on Dec 31 -19 balance adjusted for disposition during 2020			(813)
2020 to December 31, 2020 on Dec 31 -20 balance adjusted for disposition during 2020			(1,012)
Total Claim - 1518			(74,526)

1

Table 9-5 1548 Detail

1548 - RCVA - STR	Revenue	Expense	Variance
2016	548	-	(548)
2017	336	-	(336)
2018	208	-	(208)
2019	473	-	(473)
2020 - Estimate	473	-	(473)
			(2,038)
Closing Interest Balances as of Dec 31-19 Adjusted for Dispositions during 2020			(58)
Projected Interest from Jan 1, 2020 to December 31, 2020 on Dec 31 -19 balance adjusted for disposition during 2020			(28)
Projected Interest from Jan 1, 2020 to December 31, 2020 on Dec 31 -20 balance adjusted for disposition during 2020			(31)
Total Claim - 1548			(2,155)

2 On November 29, 2018, the OEB issued its final Report on Energy Retailer Service
3 Charges (EB-2015-0304). The Report allows for the discontinuation of accounts 1518
4 and 1548, effective May 1, 2019. WNH would like to clear the above balances on a final
5 basis and discontinue these accounts effective January 1, 2021.

6

7 **2.9.3 DISPOSITION OF DEFERRAL AND VARIANCE ACCOUNTS**

8

9 **Overview**

10

11 WNH requests (\$1,499,773) as detailed in Table 9-6 for disposition in this Application.
12 WNH is not seeking disposition on its Recovery of Regulatory Asset Balances (2020) as
13 the current rate riders continue until December 2020. WNH has included Account 1580
14 sub-account CBR Class B with Account 1580 – WMS as the amount is too insignificant
15 as to produce a rate rider.

1 WNH requests the balances be disposed of over a period of one year.

2
3 Table 9-6 below summarizes the account balances for all Deferral and Variance
4 Accounts for disposition. Carrying charges have been calculated using the current OEB
5 approved interest rates as detailed in Table 9-2 to December 31, 2020 to align to the
6 proposed effective date on January 1, 2021. WNH last cleared its Group 1 balances in
7 its 2020 IRM Application and has shown the removal of the approved amounts on this
8 schedule.

9
10 The balances requested for disposition agree with the most recently issued Audited
11 Financial Statements, except for LRAMVA, 1508 – MS Disposition and 1592 - CCA
12 Changes which are all discussed above under Adjustments to Deferral and Variance
13 Accounts. The variance discussed above relating to 1595 (2016) residual balances
14 agrees to the Financial Statements as these are all grouped together in the financial
15 statement presentation. Lastly as noted above, there are several accounts that include
16 2020 forecasted balances that are being requested to be cleared and are shown as a
17 variance to the RRR in column BW of the DVA Continuity Schedule because in order for
18 them to be claimed as part of this Application they have been included in the Principal
19 Adjustments (1) during 2019 column. The true 2019 balances that were included in the
20 RRR and in the Audited Financial Statements are correct for these accounts.

1

Table 9-6 Deferral and Variance Account Balances

Account Descriptions	Account Number	Principal Amounts as of Dec 31, 2019	Carrying Charges to Dec 31, 2019	Principal Disposals Jan 1, 2020 (EB-2019-0071)	Interest Disposals Jan 1, 2020 (EB-2019-0071)	Principal and Interest	2020 Forecast	Projected Carrying Charges 2020	Total Disposition 2021
Group 1 Accounts									
LV Variance Account	1550	118,335	7,651	103,512	3,655	125,986		2,106	128,092
Smart Metering Entity Charge Variance Account	1551	(62,441)	(1,950)	(67,812)	(1,518)	(64,391)		(1,111)	(65,502)
RSVA - Wholesale Market Service Charge	1580	(711,200)	27,477	(249,343)	13,179	(683,723)		(12,660)	(696,383)
RSVA - Retail Transmission Network Charge	1584	406,818	3,592	155,938	2,773	410,410		7,241	417,651
RSVA - Retail Transmission Connection Charge	1586	245,911	9,359	296,123	9,743	255,270		4,377	259,647
RSVA - Power (excluding Global Adjustment)	1588	595,116	(30,520)	865,538	(13,108)	564,596		10,593	575,189
RSVA - GA	1589	62,340	(7,747)	(348,978)	3,404	54,593		1,110	55,703
Disposition and Recovery/Refund of Regulatory Balances (2016)	1595	(24,273)	-			(24,273)			(24,273)
Disposition and Recovery/Refund of Regulatory Balances (2017)	1595	39,743	(141,719)	39,743	(141,531)	(101,976)		707	
Disposition and Recovery/Refund of Regulatory Balances (2018)	1595	60,545	(63,259)			(2,714)		1,078	
Disposition and Recovery/Refund of Regulatory Balances (2019)	1595	1,357,723	(1,483,406)			(125,683)		24,167	
Total for Group 1 Accounts		2,088,617	(1,680,522)	794,721	(123,403)	408,095		37,608	650,124
Group 2 and Other Accounts									
Other Regulatory Assets - Sub-Account - OEB Fees	1508	161,364	5,392			166,756	32,575	5,758	205,089
Other Regulatory Assets - Sub-Account - Other - Wireline Attachments	1508	(275,076)	(3,378)			(278,454)	(245,919)	(4,896)	(529,269)
Other Regulatory Assets - Sub-Account - MS Disposition	1508	(465,074)	(25,441)			(490,515)		(8,278)	(498,793)
Other Regulatory Assets - Sub-Account - OPEB	1508	165,838	5,717			171,555	26,243	3,419	201,217
Retail Cost Variance Account - Retail	1518	(45,696)	(1,154)			(46,850)	(25,851)	(1,825)	(74,526)
Retail Cost Variance Account - STR	1548	(1,565)	(58)			(1,623)	(473)	(59)	(2,155)
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs	1555	(26,528)	-			(26,528)			(26,528)
LRAM Variance Account	1568	1,324,618	89,029			1,413,647			1,413,647
Variance CGAAP	1576	34,187	-			34,187			34,187
PILs and Tax Variance for 2006 and Subsequent Years - Recover PILs	1592	(246,746)	-			(246,746)		(4,392)	(251,138)
Other Deferred Credits	2425	(2,621,628)	-			(2,621,628)			(2,621,628)
Total for Group 2 and Other Accounts		(1,996,306)	70,107	-	-	(1,926,199)	(213,425)	(10,273)	(2,149,897)
Total Deferral and Variance Account Balances		92,311	(1,610,415)	794,721	(123,403)	(1,518,104)	(213,425)	27,335	(1,499,773)

Specific Accounts

Group 1 Accounts

WNH last disposed of Group 1 account balances in its 2020 IRM Rate Application (EB-2019-0071). The Board's Filing Requirements specify that the continuity schedule should show the balance details from the last disposition. Accordingly, WNH has entered the 2019 continuity data into Tab 2 of the DVA Continuity Schedule.

Prior Residual Balances Not Cleared Through IRM

WNH has not cleared the following residual balances through IRM and is requesting to do so as part of this Application. WNH has not charged carrying charges on these balances. Distributors are eligible to seek disposition on a final balance in the fourth rate year after the year the rate rider expires (2020) however WNH misunderstood that this related to Group 2 balances as well and therefore they are being requested to be cleared on a final basis as part of this Application.

1. Rate Rider for Recovery of Stranded Meter Assets – effective until December 31, 2018. This is being cleared through Disposition and Recovery/Refund of Regulatory Balances (2016) 1595 on tab 2a as a principal adjustment during 2019. Continuity Schedule of the 2021 DVA Continuity Schedule.

- Remaining balance \$(26,528)

2. Rate Rider for Recovery of LRAM Variance Account (2016) – effective until December 31, 2016. This is being cleared through Disposition and Recovery/Refund of Regulatory Balances (2016) 1595 on tab 2a as a principal adjustment during 2019. Continuity Schedule of the 2021 DVA Continuity Schedule.

- Remaining balance \$(24,273)

3. Rate Rider for Disposition of Account 1576 – effective until December 31, 2016.
This is being cleared through Disposition and Recovery/Refund of Regulatory Balances (2016) 1595 on tab 2a as a principal adjustment during 2019. Continuity Schedule of the 2021 DVA Continuity Schedule.

- Remaining balance \$34,187

WNH requested disposition of its 1595 (2017) account in its 2020 IRM Rate Application. WNH will not be clearing 1595 (2018) and 1595 (2019) until its 2022 and 2023 IRM Application based on disposal guidelines from the OEB. In addition, WNH is not requesting the disposition of its 1595 Disposition and Recovery/Refund of Regulatory Balances (2020) account in this Application as the rate rider is continuing until December 2020.

Table 9-7 Summarizes the Group 1 Variance Accounts

Account Descriptions	Account Number	Closing Principal Balances as of Dec 31-19 Adjusted for Dispositions during 2020	Closing Interest Balances as of Dec 31-19 Adjusted for Dispositions during 2020	Projected Interest from Jan 1, 2020 to December 31, 2020 on Dec 31 -19 balance adjusted for disposition during 2020	Total Claim \$
Group 1 Accounts					
LV Variance Account	1550	118,335	7,651	2,106	128,092
Smart Metering Entity Charge Variance Account	1551	(62,441)	(1,950)	(1,111)	(65,502)
RSVA - Wholesale Market Service Charge	1580	(711,200)	27,477	(12,660)	(696,383)
RSVA - Retail Transmission Network Charge	1584	406,818	3,592	7,241	417,651
RSVA - Retail Transmission Connection Charge	1586	245,911	9,359	4,377	259,647
RSVA - Power (excluding Global Adjustment)	1588	595,116	(30,520)	10,593	575,189
Disposition and Recovery/Refund of Regulatory Balances (2016)	1595	(24,273)	-		(24,273)
Disposition and Recovery/Refund of Regulatory Balances (2017)	1595	39,743	(141,719)	707	
Disposition and Recovery/Refund of Regulatory Balances (2018)	1595	60,545	(63,259)	1,078	
Disposition and Recovery/Refund of Regulatory Balances (2019)	1595	1,357,723	(1,483,406)	24,167	
RSVA - Global Adjustment	1589	62,340	(7,747)	1,110	55,703
Total Group 1 Balance excluding Account 1589 - Global Adjustment		2,026,277	(1,672,775)	36,498	594,421
Total Group 1 Balance		2,088,617	(1,680,522)	37,608	650,124
LRAM Variance Account	1568	1,324,618	89,029		1,413,647
Total Group 1 Balance Including 1589 and 1568		3,413,235	(1,591,493)	37,608	2,063,771

Group 2 Accounts

Table 9-8 below shows the Group 2 accounts requested for disposition. WNH's 2016 Settlement Agreement is included in Attachment 9-4.

Table 9-8 Group 2 Accounts

Account Descriptions	Account Number	Closing Principal Balances as of Dec 31-19 Adjusted for Dispositions during 2020	Closing Interest Balances as of Dec 31-19 Adjusted for Dispositions during 2020	Projected Interest from Jan 1, 2020 to December 31, 2020 on Dec 31 -19 balance adjusted for disposition during 2020	2020 Forecast	Projected Carrying Charges 2020	Total Claim \$
Group 2 and Other Accounts							
Other Regulatory Assets - Sub-Account - OEB Fees	1508	161,364	5,392	2,872	32,575	2,886	205,089
Other Regulatory Assets - Sub-Account - Other - Wireline Attachments	1508	(275,076)	(3,378)	(4,896)	(245,919)		(529,269)
Other Regulatory Assets - Sub-Account - MS Disposition	1508	(465,074)	(25,441)	(8,278)			(498,793)
Other Regulatory Assets - Sub-Account - OPEB	1508	165,838	5,717	2,952	26,243	467	201,217
Retail Cost Variance Account - Retail	1518	(45,696)	(1,154)	(813)	(25,851)	(1,012)	(74,526)
Retail Cost Variance Account - STR	1548	(1,565)	(58)	(28)	(473)	(31)	(2,155)
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs	1555	(26,528)	-				(26,528)
Variance CGAAP	1576	34,187	-				34,187
PILs and Tax Variance for 2006 and Subsequent Years - Recover PILs	1592	(246,746)	-	(4,392)			(251,138)
Other Deferred Credits	2425	(2,621,628)					(2,621,628)
Total Group 2 and Other Account Balance		(3,320,924)	(18,922)	(12,583)	(213,425)	2,310	(3,563,544)

A description of each account balance is explained below:

Other Regulatory Assets – Sub-Account OPEB

In its 2016 COS Application WNH was directed to track the difference between accrual and cash basis for OPEBs in a deferral and variance account. Annual variances including carrying charges is included below in Table 9-9. In the Chapter 2 Filing Requirements for retailer service charges it states “Distributors can forecast a balance up to December 31, 2020 and the OEB may consider disposing of the forecasted amount”. While this treatment was not included in the filing requirements for 1508 accounts, WNH is requesting that the same treatment be applied. Due to the immaterial and predictable forecast for 2020, WNH is requesting that the 2020 projection also be cleared as part of this Application and the account be discontinued.

1

Table 9-9 Sub-Account OPEB

OPEB	Cash	Accrual	Variance
2016	236,430	273,735	37,305
2017	285,972	347,307	61,335
2018	302,347	356,413	54,066
2019	287,977	301,109	13,132
2020 - Estimate	331,753	357,996	26,243
			192,081
Closing Interest Balances as of Dec 31-19 Adjusted for Dispositions during 2020			5,717
Projected Interest from Jan 1, 2020 to December 31, 2020 on Dec 31 -19 balance adjusted for disposition during 2020			2,952
Projected Interest from Jan 1, 2020 to December 31, 2020 on Dec 31 -20 balance adjusted for disposition during 2020			467
Total Claim - OPEB			201,217

2 **Other Regulatory Assets – Sub-Account – Other Wireline Attachments**

3

4 In its 2016 COS Application WNH was directed to track the difference between the
5 approved Wireline (Pole Attachment) rate at the time of the Application and the new rates
6 that have subsequently been updated in the OEB's Wireline Pole Attachment Charges
7 Report (EB-2015-0304) released on March 22, 2018. WNH has included the variance by
8 year and the carrying charges below in Table 9-10. In the Chapter 2 Filing Requirements
9 for retailer service charges it states "Distributors can forecast a balance up to December
10 31, 2020 and the OEB may consider disposing of the forecasted amount". While this
11 treatment was not included in the filing requirements for 1508 accounts, WNH is
12 requesting that the same treatment be applied. Due to the predictable forecast, WNH is
13 requesting that the 2020 projection also be cleared as part of this Application and the
14 account be discontinued.

Table 9-10 Sub-Account - Wireline Attachments

Wireline Attachments	Total	Revenue Claim	Variance
2018	287,317	265,842	(21,475)
2019	525,137	271,536	(253,601)
2020 - Estimate	509,254	263,335	(245,919)
			(520,995)
Closing Interest Balances as of Dec 31-19 Adjusted for Dispositions during 2020			(3,378)
Projected Interest from Jan 1, 2020 to December 31, 2020 on Dec 31 -19 balance adjusted for disposition during 2020			(4,896)
Total Claim - Wireline Attachments			(529,269)

Other Regulatory Assets – Sub-Account – MS Disposition

In its 2016 COS Application WNH was directed to track the net gains and losses on disposition of various Municipal Station (MS) properties inclusive of remediation costs. Upon disposition, the balance of this account was to be distributed with 75% to customers and 25% to WNH. This account is not symmetrical in the favour of customers if WNH was in an overall loss position. The gains and losses of MSs and applicable carrying charges have been provided below in Table 9-11.

1

Table 9-11 Sub-Account – MS Disposition

MS Disposition	2016	2017	Total (Gain)/Loss
MS3	(700,068)	(243)	(700,311)
MS4	40,626	4,370	44,996
MS6	(23,816)		(23,816)
MS7		43,563	43,563
MS8	(22,154)		(22,154)
MS9		37,623	37,623
MS10			
			(620,099)
75%			(465,074)
Closing Interest Balances as of Dec 31-19 Adjusted for Dispositions during 2020			(25,441)
Projected Interest from Jan 1, 2020 to December 31, 2020 on Dec 31 -19 balance adjusted for disposition during 2020			(8,278)
Total Claim - MS Disposition			(498,793)

2 **Other Regulatory Assets – Sub-Account OEB Fees**

3

4 Effective April 1, 2016, the OEB revised its Cost Assessment Model (CAM). In accordance
5 with a Board letter dated February 9, 2016, the OEB established a sub-account of 1508 to
6 record material differences between OEB cost assessments currently built into rates and
7 the application of the new CAM. As a result of the change to the CAM, WNH had a material
8 increase in its OEB assessment fees compared to the amount approved in its last Cost of
9 Service Application (EB-2015-0108). Table 9-12 summarizes these changes. In the
10 Chapter 2 Filing Requirements for retailer service charges it states “Distributors can
11 forecast a balance up to December 31, 2020 and the OEB may consider disposing of the
12 forecasted amount”. While this treatment was not included in the filing requirements for
13 1508 accounts, WNH is requesting that the same treatment be applied. Due to the
14 immaterial and predictable forecast for 2020, WNH is requesting that the 2020 projection
15 also be cleared as part of this Application and the account be discontinued.

Table 9-12 Sub-Account OEB Fees

OEB Fees	Included in Rates	Amount Spent	Variance
2016	200,000	248,414	48,414
2017	203,200	251,871	48,671
2018	205,029	236,043	31,014
2019	207,489	240,754	33,265
2020 - Estimate	211,016	243,591	32,575
			193,939
Closing Interest Balances as of Dec 31-19 Adjusted for Dispositions during 2020			5,392
Projected Interest from Jan 1, 2020 to December 31, 2020 on Dec 31 -19 balance adjusted for disposition during 2020			2,872
Projected Interest from Jan 1, 2020 to December 31, 2020 on Dec 31 -20 balance adjusted for disposition during 2020			2,886
Total Claim - OEB Fees			205,089

PILs and Tax Variance for 2006 and Subsequent Years – CCA Changes

On July 25, 2019 the OEB released a letter titled Accounting Direction Regarding Bill C-97 and Other Changes in Regulatory or Legislated Tax Rules for Capital Cost Allowance. This letter discusses the government's Accelerated Investment Incentive which provides for a first-year increase in capital cost allowance (CCA) deductions on eligible capital assets acquired after November 20, 2018. WNH did not have any eligible capital additions for 2018 but has calculated this amount for 2019. This variance has been included in Table 9-13 below.

Table 9-13 CCA Acceleration

PILs and Tax Variance for 2006 and Subsequent Years - Recover PILs	Total	Claim 50%	Variance
2019	(493,491)	(246,746)	(246,746)
Projected Interest from Jan 1, 2020 to December 31, 2020 on Dec 31 -19 balance adjusted for disposition during 2020			(4,392)
Total Claim - PILs			(251,138)

It was noted in this letter that “the OEB’s long-standing practice with respect to the impact of changes in taxes due to regulatory or legislated tax changes during an incentive rate-setting period has been to share the impacts between Utility shareholders and ratepayers on a 50/50 basis. However, Utilities should not expect that this practice will necessarily apply in respect of CCA rule changes, and determinations as to the appropriate disposition methodology will be made at the time of each Utility’s cost-based application.” WNH is requesting that this tax incentive be shared 50/50 with customers and WNH as the Shareholders have been reinvesting 50% of their profits back into the business each year.

Calculation of Rate Riders

Billing Determinants

For the calculation of proposed rate riders, WNH has utilized the billing determinants and allocators arising from the 2021 Load Forecast as presented in Table 9-14 below. For more details regarding the 2021 Load Forecast, see Exhibit 3. In all cases, WNH is proposing a one-year disposition period.

1

Table 9-14 Allocators for Rate Rider Allocations

Rate Class	Total Metered kWh	Total Metered kW	# of Customers / Connections	Distribution Revenue	Metered kWh for WMP	Metered kW for WMP	Metered kWh for Non-RPP	Metered kW for Non-RPP
Residential	395,056,934		51,719	21,315,456			5,570,303	
GS < 50 kW	195,573,807		5,989	6,055,336			17,855,889	
GS > 50 kW	697,140,723	1,764,636	774	10,774,523	9,216,027	22,951	628,348,253	1,590,467
Large User	95,699,867	169,287	1	863,967			95,699,867	169,287
Street Lighting	3,347,727	9,302	5	166,118			3,327,727	9,302
Unmetered Scattered Load	2,947,114		14	120,471			-	-
Embedded Distributor	41,857,714	103,033	1	2,216			41,857,714	103,033
	1,431,623,886	2,046,258	58,503	39,298,087	9,216,027	22,951	792,659,753	1,872,089

2 Allocation of Balances

3

4 Table 9-15 to 9-17 shows the allocation of account balances for Group 1 and Table 9-19
5 and Table 9-20 shows the allocation of accounts balances for Group 2 and Other Accounts
6 to the various rate classes based on the above methodology.

7

8 Group 1 Accounts

9

10 The Group 1 accounts are allocated to the customer classes as follows:

11

12 **Table 9-15 – Allocation of Balances – Group 1 (except 1589)**

Rate Class	1550	1551	1580	1584	1586	1588	1595
Residential	35,347	(58,704)	(193,412)	115,251	71,650	159,752	(4,154)
GS < 50 kW	17,498	(6,798)	(95,749)	57,055	35,470	79,086	(2,160)
GS > 50 kW	62,375		(336,794)	203,378	126,437	278,181	(8,805)
Large User	8,563		(46,853)	27,919	17,356	38,698	(1,163)
Street Lighting	300		(1,639)	977	607	1,354	(166)
Unmetered Scattered Load	264		(1,443)	860	535	1,192	
Embedded Distributor	3,745		(20,493)	12,211	7,592	16,926	(166)
	128,092	(65,502)	(696,383)	417,651	259,647	575,189	(16,614)

1 **Table 9-16 – Allocation of Balances – Group 1 – 1589 Non-Transition Customers**

Rate Class	1589
Residential	657
GS < 50 kW	2,105
GS > 50 kW	48,256
Large User	
Street Lighting	392
Unmetered Scattered Load	
Embedded Distributor	4,933
	56,343

2 **Table 9-17 – Allocation of Balances – Group 1 – 1589 Transition Customers**

Customer	Total Metered Consumption (kWh) for Transition Customers During the Period When They Were Class B Customers	Metered Consumption (kWh) for Transition Customers During the Period When They Were Class B Customers in 2019	% of kWh	Customer Specific GA Allocation for the Period When They Were a Class B Customer	Monthly Equal Payments
Customer 1	2,403,411	2,403,411	70.80%	(453)	(38)
Customer 2	903,664	903,664	26.62%	(170)	(14)
Customer 3	87,439	87,439	2.58%	(16)	(1)
	3,394,514	3,394,514	100.00%		

3 WNH has prepared the 2019 Global Adjustment Analysis as part of Attachment 9-2
4 Waterloo_GA_Analysis_Workform_2021_COS_20200630.

5

6 WNH confirms that as of December 31, 2019, WNH had Class A customers. WNH has
7 therefore completed Tab 6 Class A Consumption Data and Tab 6.1 GA Allocation in the
8 DVA Continuity Schedule. Table 9-18 below provides a summary of consumption and
9 demand for the Class A customers, as well as customers that transitioned between Class
10 A and Class B during 2019.

1

Table 9-18 Class A Customers

	Class	January 2019 to December 2019		January 2019 to December 2019	
		Class B kW	Class A kW	Class B kWh	Class A kWh
1	Large User		169,281		96,278,641
2	GS > 50 kW		33,847		16,206,925
3	GS > 50 kW		33,240		21,040,800
4	GS > 50 kW		44,407		21,504,149
5	GS > 50 kW		30,277		13,484,479
6	GS > 50 kW		31,709		15,848,080
7	GS > 50 kW		25,882		14,173,354
8	GS > 50 kW		21,308		13,712,231
9	GS > 50 kW		23,450		7,196,729
10	GS > 50 kW		17,116		9,632,785
11	GS > 50 kW		19,170		8,932,426
12	GS > 50 kW		19,427		7,691,033
13	GS > 50 kW		20,655		10,004,442
14	GS > 50 kW		20,510		7,160,905
15	GS > 50 kW		18,700		7,267,217
16	GS > 50 kW		13,155		3,691,631
17	GS > 50 kW		12,554		5,326,555
18	GS > 50 kW		8,701		2,746,240
19	GS > 50 kW		7,177		2,283,020
20	GS > 50 kW		8,529		3,392,187
21	GS > 50 kW	6,422	7,144	2,403,411	2,591,936
22	GS > 50 kW	3,408	2,992	903,664	671,454
23	GS > 50 kW	404	2,929	87,439	699,907
		10,234	592,160	3,394,514	291,537,126

2 **Group 2 Accounts**

3

4 The Group 2 accounts are allocated to the customer classes as follows:

1 **Table 9-19 – Allocation of Balances – Group 2 and Other Accounts**

Rate Class	1508 - Cost Assessment 2016	1508 - Wireline Attachments	1508 - MS Disposition	1508 - OPEB	1518 - Retail	1548 - STR	1592 - PILs CCA Changes	2425 - Other Deferred Credits
Residential	56,594	(146,052)	(137,642)	55,526	(20,565)	(595)	(69,302)	(723,439)
GS < 50 kW	28,017	(72,303)	(68,140)	27,488	(10,181)	(294)	(34,308)	(358,140)
GS > 50 kW	99,870	(257,731)	(242,891)	97,984	(36,291)	(1,049)	(122,294)	(1,276,623)
Large User	13,710	(35,380)	(33,343)	13,451	(4,983)	(145)	(16,787)	(175,248)
Street Lighting	480	(1,238)	(1,166)	471	(174)	(5)	(587)	(6,130)
Unmetered Scattered Load	422	(1,090)	(1,027)	414	(153)	(4)	(517)	(5,397)
Embedded Distributor	5,996	(15,475)	(14,584)	5,883	(2,179)	(63)	(7,343)	(76,651)
	205,089	(529,269)	(498,793)	201,217	(74,526)	(2,155)	(251,138)	(2,621,628)

2 **Table 9-20 – Allocation of LRAM**

Rate Class	1568 - LRAM Variance
Residential	487,473
GS < 50 kW	96,699
GS > 50 kW	842,225
Large User	(12,750)
Street Lighting	-
Unmetered Scattered Load	-
Embedded Distributor	-
	1,413,647

3 **Rate Rider Calculations**

4

5 Based on the allocations above and using the billing determinants as discussed in Table
6 9-14, WNH has calculated the rate riders for each rate class. WNH proposes to have a
7 one-year disposition period. Rate riders are presented below in Table 9-21.

1

Table 9-21 – Rate Riders

Rate Class	All Group 1 Accounts (Except 1589)	All Group 1 Accounts Non- WMP (Except 1589)	Account 1589	LRAM	All Group 2 Accounts	
	kWh	kWh	kWh	kWh	kWh	\$
Residential	0.0003		0.0001	0.0012		(1.59)
GS < 50 kW	0.0004		0.0001	0.0005	(0.0025)	
GS > 50 kW	0.0005	(0.0001)	0.0001	0.0012	(0.0025)	
Large User	0.0005			(0.0001)	(0.0025)	
Street Lighting	0.0004		0.0001		(0.0025)	
Unmetered Scattered Load	0.0005				(0.0025)	
Embedded Distributor	0.0005		0.0001		(0.0025)	

2 **Group 2 Accounts Continue or Discontinue**

3

4 Table 9-22 below lists Group 2 Accounts currently in use by WNH and whether they
5 should continue or not.

6

7

Table 9-22 – Group 2 Accounts

USoA	Account Name	Continue or Discontinue	Explanation
1508	Other Regulatory Assets - Sub Account - Cost Assessment Variance 2016	Discontinue	WNHI is seeking recovery of the balance at December 31, 2019, and forecasted balance up to December 31, 2020 in this Application
1508	Other Regulatory Assets - Sub Account - Wireless and Wireline Variance Account	Discontinue	WNHI is seeking recovery of the balance at December 31, 2019, and forecasted balance up to December 31, 2020 in this Application
1508	Other Regulatory Assets - Sub Account - MS Disposition	Discontinue	WNHI is seeking recovery of the balance in this Application and no balance will accumulate in this account past 2020
1508	Sub-account OPEB Forecast Cash versus Forecast Accrual Differential Deferral Account	Discontinue	WNHI is seeking recovery of the balance at December 31, 2019, and forecasted balance up to December 31, 2020 in this Application
1518	Retail Cost Variance Account - Retail	Discontinue	WNHI is seeking recovery of the balance at December 31, 2019, and forecasted balance up to December 31, 2020 in this Application
1548	Retail Cost Variance Account - STR	Discontinue	WNHI is seeking recovery of the balance at December 31, 2019, and forecasted balance up to December 31, 2020 in this Application
1555	Smart Meter Capital and Recovery Offset Variance - Sub- Account - Stranded Meter Costs	Discontinue	WNHI is seeking recovery of the balance in this Application and no balance will accumulate in this account past 2020
1568	LRAM Variance Account	Continue	Balances will continue to accumulate in this account in 2020
1576	Accounting Changes Under CGAAP Balance + Return Component	Discontinue	WNHI is seeking recovery of the balance in this Application and no balance will accumulate in this account past 2020
1592	PILs and Tax Variance for 2006 and Subsequent Years- Sub- account CCA Changes	Continue	Balances will continue to accumulate in this account in 2020

Variances to Continue

In Table 9-22 above, it is noted that the following accounts will continue: 1568 - LRAM Variance Account and 1592 – PILs – CCA Changes. Supporting information for LRAM beyond 2018 is not known at this time and will be requested in a future IRM application. The 1592 – PILS – CCA Changes will continue in 2020 prior to the change in treatment from this Application. WNH has not requested to forecast the 2020 balance for this account as it is material and unpredictable at this time.

OPEBs

In WNH's 2016 COS Application, WNH was directed to hold the variance between the cost and accrual method for Other Post-Employment Benefits (OPEBs) in account 1508. WNH has been tracking this variance and will be disposing of it as discussed above. On May 18, 2017, the OEB released their report Regulatory Treatment of Pension and Other Post-Employment Benefits (OPEBs) Costs. In this report it "establishes the use of the accrual accounting method as the default method on which to set rates for pension and OPEB amounts in cost-based applications". It goes on to note, "For some utilities, the OEB has set rates using the cash method and used variance accounts to keep these prior periods open to further adjustments pending the outcome of this consultation. For these utilities, disposition of the variance account would be considered in the next cost-based rate application, if the OEB approves the accrual method to recover pension and OPEB costs in rates. In addition, the new variance account provided for in this Report will be effective upon a transition to the accrual method (if approved) as of the date of a utility's next cost-based rate order." WNH is requesting that it transition to the generic Pension and OPEB Forecast Accrual versus Actual Cash Payment Differential variance account – 1522 for balances beginning in 2021.

Account 1509 - Impacts Arising from the COVID-19 Emergency

On March 25, 2020 the OEB released their Accounting Order for the Establishment of Deferral Accounts to Record Impacts Arising from the COVID-19 Emergency. These accounts did not exist at the end of 2019 and therefore are not included in the DVA Continuity Schedule. WNH acknowledges that there is a generic proceeding ongoing. WNH requests that if there are any conclusions to the generic hearing regarding the clearing of these sub-accounts by the time of settlement of this Application that WNH can clear the accounts for January 1, 2021. Additionally, WNH is requesting that these sub-accounts can continue in accordance with the generic hearing conclusions (if applicable) through 2021 at a minimum.

2.9.3.1 DISPOSITION OF GLOBAL ADJUSTMENT VARIANCE

WNH has established a separate rate rider that applies to non-RPP Class B customers. WNH has not allocated any GA variance to Class A customers as described in the Filing Requirements. WNH has also allocated a portion of Account 1589 GA to customers who transitioned between Class A and Class B based on customer specific consumption levels as calculated in the DVA Continuity Schedule.

GA Analysis Workform

WNH has completed the GA Analysis Workform for 2019 and it is included as Attachment 9-2 to this Exhibit. It is also included in live Excel format in "Waterloo_GA_Analysis_Workform_2021_COS_20200630". The variance calculated in the GA Analysis Workform is below the 1% materiality threshold.

2.9.3.2 COMMODITY ACCOUNTS 1588 AND 1589

On February 21, 2019, the OEB issued its letter entitled Accounting Guidance related to Accounts 1588 Power, and 1589 RSVA Global Adjustment as well as the related accounting guidance. WNH has fully implemented the OEB's February 21, 2019 guidance effective January 1, 2019.

The filing guidelines also note, "distributors are also expected to consider this accounting guidance in the context of pre-2019 historical balances that have yet to be disposed of on a final basis." WNH has cleared 2017 and 2018 balances as final in the 2020 IRM. However, in the transition in 2019 it was determined that there were settlement variances relating to 2015 and 2016 as well as settlement process variances for the years 2015 - 2018. WNH has completed a detailed review and has provided an explanation and results in Attachment 9-3 – Power Liability Variance Explanation. WNH anticipates that this adjustment will need to be described to the OEB via teleconference. The proposed adjustments include a \$2,788,012 repayment to the IESO after approval of this Application as well as a required rate rider to return the regulatory liability to RPP customers in the amount of \$2,621,628. This amount has been included in the 2021 DVA Schedule under 2425 – Other Deferred Credits in the 'Principal Adjustments (1) during 2019' column in order to calculate Bill Impacts. WNH recognizes that this is not the USoA that this amount will remain in. As noted above, after the filing of this Application, WNH would like to discuss the best treatment of this proposed rate rider with the OEB. This item has also been discussed in 2.9.4 below.

Once this adjustment has been completed, all years will have been fully transitioned to the new accounting guidance and no other variances have been recorded. WNH is requesting final disposition of commodity pass-through account balances for 2015-2019.

Certification

I certify that Waterloo North Hydro Inc. has robust processes and internal controls in place for the preparation, review, verification and oversight of the account balances being disposed of, consistent with the certification requirement of Chapter 1 Filing Requirements.



Albert P. Singh, MBA, CPA, CGA
VP Finance & CFO

**2.9.4 ESTABLISHMENT OF NEW DEFERRAL AND VARIANCE
ACCOUNTS**

WNH is requesting a new deferral and variance account for the Power Liability Variance and two specific sub-accounts to already established generic accounts. The Power Liability Variance and the two sub-accounts are discussed below. The full eligibility criteria have not been included for the sub-accounts as they are already part of generic accounts.

Power Liability Variance

As noted previously in this Exhibit, WNH is looking to dispose of a Power Liability Variance as a refund to RPP customers. The amount of this variance account has been included in the DVA Continuity Schedule totalling \$2,621,628. Since this proposed rate rider is for RPP customers only, the amount has not been grouped with Account 1588.

Causation: Previous rate riders for RPP customers were derived on submitted settlement amounts to the IESO. These underlying submissions were incorrect for years

2015 to 2018 and therefore, the correction is outside of the base upon which rates were derived.

Materiality: The total of this variance is \$2,621,628 which is well above the \$190,000 materiality threshold.

Prudence: The error has already been incurred and is complete (no more anticipated). In addition, the correction will be a benefit for customers.

Since this error has been captured and no additional amounts will be incurred to this account, general journal entries have not been provided. WNH is requesting that this balance be disposed of as a separate rate rider for all RPP customers as indicated in the DVA Continuity Schedule.

Account 1592 – PILs and Tax Variances – CCA Changes

Sub-Account – Incentive Phase Out

As part of this Application, the Accelerated Investment Incentive has been built into the PILs model. This subsidized tax credit decreases revenue requirement. WNH is requesting a sub-account under Account 1592- PILs and Tax Variances to account for the Lost Revenue during the eventual phase out of this incentive anticipated to begin after 2023. WNH is also requesting that this sub-account accrue carrying charges until it is disposed of at WNH's next COS.

Account 1509 – Impacts Arising from the COVID-19 Emergency

Sub-Account – Load Forecast Variance

Due to the COVID-19 pandemic during the time of the preparation of this Application, it has been difficult for WNH to determine the short and longer term impacts to load. While all will agree there will be long lasting effects, determining the specific impact to include

1 in WNH's load forecast cannot be well supported at this time. A discussion of this is
2 included in Exhibit 3 of this Application. WNH is requesting a sub-account under Account
3 1509 – Impacts Arising from the COVID-19 Emergency that is specific to WNH's situation.
4 WNH is requesting to track all variances from the Load Forecast included in this
5 Application for both customer count and kWh to be cleared through an annual rate rider
6 as part of the annual IRM application. WNH is requesting that this sub-account accrue
7 carrying charges.



ATTACHMENT 9-1

DEFERRAL AND VARIANCE ACCOUNT (CONTINUITY SCHEDULE MODEL)



2021 Deferral/Variance Account Workform

Summary of Changes from the Prior Year	
1	2019 DVA balances from the RRR are not populated in the continuity schedules in tab 2a and 2b as they are not yet available.
2	Questions been revised on tab 1. The continuity schedule in tab 2a will open starting from the year balances were last approved for disposition, unless the last approved disposition was on an interim basis and there are changes to those balances. If that is the case, tab 2a will open from the year of last approved disposition on a final basis. A distributor must also provide an explanation for the change in the previously approved balance.
3	Footnote #4 in tab 2a has been revised to clarify that the amount in the "Transactions" column in the DVA Continuity Schedule are to equal the transactions in the General Ledger (excluding any amounts approved for disposition, which is shown separately in the "OEB Approved Disposition" columns). Any true-ups/adjustments/reversals needed to derive the claim amount must be shown separately in the "Principal Adjustments" columns of this DVA Continuity Schedule.
4	In tab 2b, added Account 1508 - PILs and Tax Variance for 2006 and Subsequent Years- Sub-account CCA Changes

Instructions

Tab	Tab Details	Step	Instructions
1 - Information Sheet	This tab shows some information pertaining to the utility and the application.	1	<p>Complete the information sheet.</p> <p><u>Questions 1 to 4</u></p> <p>Responses to these questions will open the DVA continuity schedule in tabs 2a and 2b to the appropriate year that DVA balances should first be inputted. The continuity schedule in tab 2a will open starting from the year balances were last approved for disposition, unless the last approved disposition was on an interim basis and there are changes to those balances. If that is the case, tab 2a will open from the year of last approved disposition on a final basis. A distributor must also provide an explanation for the change in the previously approved balance.</p> <p><u>Questions 5 to 6</u></p> <p>If the response to question 5 (GA) or 6 (CBR Class B) is yes, tab 6 relating to Class A customers' consumption will be generated.</p> <p>If the response to question 6 is yes, then tab 6.2 will also be generated. Tab 6.2 calculates the billing determinants for the Account 1580, sub-account CBR Class B rate rider, if applicable, using information inputted in tabs 4 and 6.</p> <p>If the response to question 6 is no, then the balance in the Account 1580, sub-account CBR Class B will be allocated and disposed with Account 1580 WMS, as part of the general DVA rate rider</p>

2a and 2b - Continuity Schedule	These tabs are the continuity schedules that show all the accounts and the accumulation of the balances a utility has. Tab 2a is for Group 1 DVAs. Tab 2b is for Group 2 DVAs.	<p>2 Complete the DVA continuity schedule.</p> <p>2a <u>a) For all Group 1 accounts, except Account 1595:</u> The continuity schedule generally will open from the year the GL balance was last disposed. Start inputting the approved ending balances in the Adjustments column of that year. <i>For example, if in the 2020 rate application, DVA balances as at December 13, 2018 were approved for disposition, the continuity schedule will commence from 2018. Start by inputting the approved closing 2018 balances in the Adjustments column under 2018.</i></p> <p><u>b) For all Account 1595 sub-accounts:</u> Complete the DVA continuity schedule for each Account 1595 vintage year that has a GL balance as at December 31, 2019, regardless of whether the account is eligible for disposition in the current application.</p> <p>The continuity schedule will open in the year of the earliest Account 1595 vintage year that has a balance. For each Account 1595 sub-account, start inputting data from the year the sub-account started to accumulate a balance (i.e. the vintage year). <i>For example, Account 1595 (2015) would accumulate a balance starting in 2015, when the relevant balances approved for disposition were first transferred into Account 1595 (2015). Input the amount approved for disposition in the OEB Approved Disposition column.</i></p> <p>Note that the DVA continuity schedule can currently start from 2014. If a utility has residual balance in an Account 1595 with a vintage year prior to 2014, include residual balances for years up to 2014 in the row for Account 1595 (2014) and provide a separate schedule with amounts broken down by vintage year.</p> <p>For Accounts 1588, 1589 and 1595, indicate whether disposition is requested in column BU.</p> <p>2b <u>c) For all Group 2 accounts:</u> The continuity schedule will open from the year the GL balance was last disposed. Start inputting approved ending balances in the Adjustment columns of that year. <i>For example, if in the 2016 rebasing rate application, DVA balances as at December 13, 2014 were approved for disposition, the continuity schedule will commence from 2014. Start by inputting the approved closing 2013 balances in the Adjustments column under 2014.</i></p> <p>Enter the number of utility-specific 1508 sub-accounts that are approved for the utility in the textbox in cell B71. The DVA continuity schedule will generate the number of utility-specific 1508 sub-accounts. Input the name and the balances of the sub-account(s).</p> <p>Indicate whether disposition is requested for various accounts in column BU</p> <p>Review any balance variance between the DVA continuity schedule and the RRR in column BW. Provide an explanation in tab 3, if necessary.</p>
3. Appendix A	This tab shows the year end balance variances between the continuity schedule and that reported in the RRR.	<p>3 Provide an explanation for the variances identified.</p>
4 - Billing Determinant	This tab shows the billing determinants that will be used to allocate account balances and calculate rate riders.	<p>4 Complete the billing determinants table based on the load forecast. Note that columns O and P are generated when a utility indicates they have Class A customers in tab 1. Information in these columns are populated based on data from tab 6.</p>
5 - Allocating Def-Var Balances	This tab allocates the DVA balances	<p>5 Review the allocated balances to ensure the allocation is appropriate. Note that the allocations for Accounts 1589 and 1580 CBR Class B will be determined after tabs 6 to 6.2a have been completed.</p>

6 - Class A Data Consumption	<p>This tab is to be completed if there were any Class A customers during the period the GA balance CBR Class B balance accumulated. The data on this tab is used for the purposes of determining the GA rate rider, CBR Class B rate rider (if applicable), as well as customer specific GA and CBR Class B charges for transition customers (if applicable).</p>	<p>6 This tab is generated when the utility selects yes to questions 5 or 6 in tab 1, indicating they had Class A customers during the period that the GA or CBR balance accumulated.</p> <p>7 Under #2a, indicate whether the utility had any customers that transitioned between Class A and B during the period the Account 1589 GA balance accumulated. If yes, tab 6.1a will be generated.</p> <p>Under #2b, indicate whether the utility had any customers that transitioned between Class A and B during the period the Account 1580, sub-account CBR Class B balance accumulated. If yes, tab 6.2a will be generated.</p> <p>8 Under #3a, enter the number of transition customers the utility had during the period the Account 1589 GA or Account 1580 CBR Class B balances accumulated. A table will be generated based on the number of customers.</p> <p>Complete the table accordingly for each transition customer identified (i.e. kWh/kW for half year periods, and the customer class during the half year). This data will automatically be used in the GA balance and CBR Class B balance allocation to transition customers in tabs 6.1a. and 6.2a., respectively.</p> <p>Note that each transition customer identified in tab 6, table 3a will be assigned a customer number and the number will correspond to the same transition customers populated in tabs 6.1a. and 6.2a.</p> <p>Also note that the transition customers identified for the GA may be different than those for CBR Class B. This would depend on the period in which the GA and CBR Class B balances accumulated.</p> <p>9 Under #3b, enter the number of rate classes in which there were full year Class A customers during the period the Account 1589 GA balance or Account 1580 CBR Class B balance accumulated. A table will be generated based on the number of rate classes.</p> <p>Complete the table accordingly for each rate class identified (i.e. the total Class A consumption in the rate class for each year; and a forecast of total Class A and B consumption for transition and full year Class A customers in the test year). This data will be used in the calculation of billing determinants for GA and CBR Class B, as</p>
6.1a. - GA Allocation	<p>This tab allocates the GA balance to each transition customer for the period in which these customers were Class B customers and contributed to the GA balance (i.e. former Class B customers who contributed to the GA balance but are now Class A customers and former Class A customers who are now Class B customers contributing to the GA balance).</p>	<p>10 This tab is generated when the utility indicates that they had transition customers in tab 6, #2a during the period the GA balance accumulated.</p> <p>In row 20, enter the Non-RPP consumption less WMP consumption.</p> <p>The rest of the information in this tab will be auto-populated and will calculate the customer specific allocation of the GA balance to transition customers in the bottom table. All transition customers who are allocated a specific GA amount are not to be charged the general Non-RPP Class B GA rate rider as calculated in tab 7.</p>
6.2 - CBR	<p>This tab calculates the billing determinants for the CBR Class B rate rider, if applicable.</p>	<p>11 This tab is generated when the response to question 6 in tab 1 is "yes", indicating that they had Class A customers during the period that Account 1580, sub-account CBR Class B balance accumulated.</p> <p>No input is required. The information in the tab is auto-populated and will be used in the calculation of the CBR Class B rate rider calculated in tab 7.</p>
6.2a - CBR_B Allocation	<p>This tab allocates the CBR Class B balance to each transition customer for the period in which these customers were Class B customers and contributed to the CBR Class B balance (i.e. former Class B customers who contributed to the balance but are now Class A customers and former Class A customers who are now Class B contributing to the balance).</p>	<p>12 This tab is generated when the utility indicates that they had transition customers in tab 6, #2b during the period where the CBR Class B balance accumulated.</p> <p>In row 20, enter the total Class B consumption less WMP consumption.</p> <p>The rest of the information in this tab will be auto-populated and will calculate the customer specific allocation of the CBR Class B balance to transition customers in the bottom table.</p> <p>Any transition customer who is allocated a specific CBR Class B amount is not to be charged the general CBR Class B rate rider as calculated in tab 7.</p>
7 - Calculation of Def-Var RR	<p>This tab calculates all the applicable DVA rate riders.</p>	<p>13 Enter the proposed rate rider recovery period if different than the default 12 month period. For each rate class of each rate rider, select whether the rate rider is to be calculated on a kWh, kW or number of customers basis. The rest of the information in the tab is auto-populated and the rate riders are calculated accordingly .</p> <p>If there are Class A customers, but a CBR Class B rate rider is not produced, the entire Account 1580 CBR Class B balance, including the amount allocated to transition customers will be transferred to Account 1580 WMS, to be disposed through the general Group 1 DVA rate rider.</p>



Ontario Energy Board

2021 Deferral/Variance Account Workform

Utility Name

Service Territory

Assigned EB Number

Name of Contact and Title

Phone Number

Email Address

Questions

To determine the first year the continuity schedules in tabs 2a and 2b will be generated for input, answer the following questions:

Question 1

For Accounts 1588 and 1589,

Please indicate the year the accounts were last disposed on a final basis

2018

- a) If the accounts were last approved on a final basis, select the year that the balance was last approved on a final basis.
- b) If the accounts were last approved on an interim basis, and
- i) there are no changes to the previously approved interim balances, select the year that the balances were last approved for disposition on an interim basis.
 - ii) there are changes to the previously approved interim balances, select the year that the balances were last approved for disposition on a final basis.
- (e.g. If 2017 balances reviewed in the 2019 rate application were to be selected, select 2017)

2018

Question 2

For the remaining Group 1 DVAs,

Please indicate the year the accounts were last disposed on a final basis

2018

- a) If the accounts were last approved on a final basis, select the year that the balance was last approved on a final basis.
- b) If the accounts were last approved on an interim basis, and
- i) there are no changes to the previously approved interim balances, select the year that the balances were last approved for disposition on an interim basis.
 - ii) there are changes to the previously approved interim balances, select the year that the balances were last approved for disposition on a final basis.

2018

Question 3

Select the earliest vintage year in which there is a balance in Account 1595

2017

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

Question 4

Select the earlier of i) the year in which Group 2 DVAs were last disposed and ii) the earliest year in which Group 2 DVAs started to accumulate

2016

To determine whether tabs 6 and 6.2 will be generated, answer the following questions

Question 5

Did you have any Class A customers at any point during the period that the Account 1589 balance accumulated (i.e. from the year the balance selected in #1 above to the year requested for disposition) or the test year?

Yes

Question 6

Did you have any Class A customers at any point during the period where the balance in Account 1580, Sub-account CBR Class B accumulated (i.e. from the year selected in #2 above to the year requested for disposition) or the test year?

Yes

General Notes

Notes

- Pale green cells represent input cells.
- Pale blue cells represent drop-down lists. The applicant should select the appropriate item from the drop-down list.
- White cells contain fixed values, automatically generated values or formulae.
- Pale grey cell represent auto-populated RRR data

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Energy Board

L Deferral/Variance Account Workform

Please see instructions tab for detailed instructions on how to complete the DVA Continuity Schedule. Column BV has been pre-populated from the most recent RRR filing

[illegible]

Deferral/Variance Account Workform

Please see instructions tab for detailed instructions on how to complete the DVA Continuity Schedule. Column BV has been pre-populated from the most recent RRR filing

		2018									
Account Descriptions	Account Number	Opening Principal Amounts as of Jan- 1-18	Transactions(1) Debit / (Credit) during 2018	OEB-Approved Disposition during 2018	Principal Adjustments(1) during 2018	Closing Principal Balance as of Dec-31-18	Opening Interest Amounts as of Jan-1-18	Interest Jan-1 to Dec-31-18	OEB-Approved Disposition during 2018	Interest Adjustments(1) during 2018	Closing Interest Amounts as of Dec-31-18
Group 1 Accounts											
LV Variance Account	1550	\$0			\$288,578	\$288,578	\$0			\$5,853	\$5,853
Smart Metering Entity Charge Variance Account	1551	\$0			-\$79,616	-\$79,616	\$0			-\$431	-\$431
RSVA - Wholesale Market Service Charge ⁵	1580	\$0			-\$2,096,122	-\$2,096,122	\$0			-\$59,558	-\$59,558
Variance WMS – Sub-account CBR Class A ⁵	1580	\$0			\$0	\$0	\$0			\$0	\$0
Variance WMS – Sub-account CBR Class B ⁵	1580	\$0			-\$91,701	-\$91,701	\$0			-\$1,982	-\$1,982
RSVA - Retail Transmission Network Charge	1584	\$0			\$79,969	\$79,969	\$0			-\$3,607	-\$3,607
RSVA - Retail Transmission Connection Charge	1586	\$0			\$400,416	\$400,416	\$0			\$6,020	\$6,020
RSVA - Power (excluding Global Adjustment) ⁴	1588	\$0			-\$212,905	-\$212,905	\$0			-\$59,897	-\$59,897
RSVA - Global Adjustment ⁴	1589	\$0			\$646,847	\$646,847	\$0			\$41,253	\$41,253
Disposition and Recovery/Refund of Regulatory Balances (2014 and pre-2014) ³	1595	\$0				\$0	\$0				\$0
Disposition and Recovery/Refund of Regulatory Balances (2015) ³	1595	\$0				\$0	\$0				\$0
Disposition and Recovery/Refund of Regulatory Balances (2016) ³	1595	\$0				\$0	\$0				\$0
Disposition and Recovery/Refund of Regulatory Balances (2017) ³	1595	\$89,828	(50,085)			\$39,743	-\$142,942	\$518			-\$142,424
Disposition and Recovery/Refund of Regulatory Balances (2018) ³	1595	\$0	343,631	297,133		\$46,498	\$0	-\$2,299	\$62,287		-\$64,586
Disposition and Recovery/Refund of Regulatory Balances (2019) ³	1595	\$0				\$0	\$0				\$0
Refer to the Filing Requirements for disposition eligibility.											
Group 1 Sub-Total (including Account 1589 - Global Adjustment)		\$89,828	\$293,546	\$297,133	-\$1,064,534	-\$978,293	-\$142,942	-\$1,781	\$62,287	-\$72,349	-\$279,359
Group 1 Sub-Total (excluding Account 1589 - Global Adjustment)		\$89,828	\$293,546	\$297,133	-\$1,711,381	-\$1,625,140	-\$142,942	-\$1,781	\$62,287	-\$113,602	-\$320,612
RSVA - Global Adjustment 4	1589	\$0	\$0	\$0	\$646,847	\$646,847	\$0	\$0	\$0	\$41,253	\$41,253

Energy Board

L Deferral/Variance Account Workform

Please see instructions tab for detailed instructions on how to complete the DVA Continuity Schedule. Column BV has been pre-populated from the most recent RRR filing

		2019									
Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-19	Transactions Debit / (Credit) during 2019	OEB-Approved Disposition during 2019	Principal Adjustments(1) during 2019	Closing Principal Balance as of Dec-31-19	Opening Interest Amounts as of Jan-1-19	Interest Jan-1 to Dec-31-19	OEB-Approved Disposition during 2019	Interest Adjustments(1) during 2019	Closing Interest Amounts as of Dec-31-19
Group 1 Accounts											
LV Variance Account	1550	\$288,578	\$14,823	\$185,066		\$118,335	\$5,853	\$6,322	\$4,524		\$7,651
Smart Metering Entity Charge Variance Account	1551	-\$79,616	\$5,371	-\$11,804		-\$62,441	-\$431	-\$1,956	-\$437		-\$1,950
RSVA - Wholesale Market Service Charge ⁵	1580	-\$2,096,122	-\$364,611	-\$1,893,677		-\$567,056	-\$59,558	\$11,350	-\$79,282		\$31,074
Variance WMS – Sub-account CBR Class A ⁵	1580	\$0				\$0	\$0				\$0
Variance WMS – Sub-account CBR Class B ⁵	1580	-\$91,701	-\$97,246	-\$44,803		-\$144,144	-\$1,982	-\$2,656	-\$1,041		-\$3,597
RSVA - Retail Transmission Network Charge	1584	\$79,969	\$250,880	-\$75,969		\$406,818	-\$3,607	\$4,324	-\$2,875		\$3,592
RSVA - Retail Transmission Connection Charge	1586	\$400,416	-\$50,212	\$104,293		\$245,911	\$6,020	\$6,271	\$2,932		\$9,359
RSVA - Power (excluding Global Adjustment) ⁴	1588	-\$212,905	-\$270,422	-\$1,078,443		\$595,116	-\$59,897	\$2,041	-\$27,336		-\$30,520
RSVA - Global Adjustment ⁴	1589	\$646,847	\$411,318	\$995,825		\$62,340	\$41,253	-\$18,994	\$30,006		-\$7,747
Disposition and Recovery/Refund of Regulatory Balances (2014 and pre-2014) ³	1595	\$0				\$0	\$0				\$0
Disposition and Recovery/Refund of Regulatory Balances (2015) ³	1595	\$0				\$0	\$0				\$0
Disposition and Recovery/Refund of Regulatory Balances (2016) ³	1595	\$0			-\$16,614	-\$16,614	\$0				\$0
Disposition and Recovery/Refund of Regulatory Balances (2017) ³	1595	\$39,743				\$39,743	-\$142,424	\$705			-\$141,719
Disposition and Recovery/Refund of Regulatory Balances (2018) ³	1595	\$46,498	\$14,047			\$60,545	-\$64,586	\$1,327			-\$63,259
Disposition and Recovery/Refund of Regulatory Balances (2019) ³	1595	\$0	\$1,650,906	\$293,183		\$1,357,723	\$0	\$10,234	\$1,493,640		-\$1,483,406
Refer to the Filing Requirements for disposition eligibility.											
Group 1 Sub-Total (including Account 1589 - Global Adjustment)		-\$978,293	\$1,564,854	-\$1,526,329	-\$16,614	\$2,096,276	-\$279,359	\$18,968	\$1,420,131	\$0	-\$1,680,522
Group 1 Sub-Total (excluding Account 1589 - Global Adjustment)		-\$1,625,140	\$1,153,536	-\$2,522,154	-\$16,614	\$2,033,936	-\$320,612	\$37,962	\$1,390,125	\$0	-\$1,672,775
RSVA - Global Adjustment 4	1589	\$646,847	\$411,318	\$995,825	\$0	\$62,340	\$41,253	-\$18,994	\$30,006	\$0	-\$7,747

Energy Board

Deferral/Variance Account Workform

Please see instructions tab for detailed instructions on how to complete the DVA Continuity Schedule. Column BV has been pre-populated from the most recent RRR filing

		2020				Projected Interest on Dec-31-19 Balances				
Account Descriptions	Account Number	Principal Disposition during 2020 - instructed by OEB	Interest Disposition during 2020 - instructed by OEB	Closing Principal Balances as of Dec 31-19 Adjusted for Dispositions during 2020	Closing Interest Balances as of Dec 31-19 Adjusted for Dispositions during 2020	Projected Interest from Jan 1, 2020 to December 31, 2020 on Dec 31 -19 balance adjusted for disposition during 2020 (2)	Projected Interest from January 1, 2021 to April 30, 2021 on Dec 31 -19 balance adjusted for disposition during 2020 (2)	Total Interest	Total Claim	Accounts To Dispose Yes/No
Group 1 Accounts										
LV Variance Account	1550			\$118,335	\$7,651	\$2,106		\$9,757	\$128,092.00	
Smart Metering Entity Charge Variance Account	1551			-\$62,441	-\$1,950	-\$1,111		-\$3,061	-\$65,502.00	
RSVA - Wholesale Market Service Charge ⁵	1580			-\$567,056	\$31,074	-\$10,094		\$20,980	-\$546,076.00	
Variance WMS – Sub-account CBR Class A ⁵	1580			\$0	\$0			\$0	\$0.00	
Variance WMS – Sub-account CBR Class B ⁵	1580			-\$144,144	-\$3,597	-\$2,566		-\$6,163	-\$150,307.00	
RSVA - Retail Transmission Network Charge	1584			\$406,818	\$3,592	\$7,241		\$10,833	\$417,651.00	
RSVA - Retail Transmission Connection Charge	1586			\$245,911	\$9,359	\$4,377		\$13,736	\$259,647.00	
RSVA - Power (excluding Global Adjustment) ⁴	1588			\$595,116	-\$30,520	\$10,593		-\$19,927	\$575,189.00	Yes
RSVA - Global Adjustment ⁴	1589			\$62,340	-\$7,747	\$1,110		-\$6,637	\$55,703.00	Yes
Disposition and Recovery/Refund of Regulatory Balances (2014 and pre-2014) ³	1595			\$0	\$0			\$0	\$0.00	
Disposition and Recovery/Refund of Regulatory Balances (2015) ³	1595			\$0	\$0			\$0	\$0.00	
Disposition and Recovery/Refund of Regulatory Balances (2016) ³	1595			-\$16,614	\$0			\$0	-\$16,614.00	Yes
Disposition and Recovery/Refund of Regulatory Balances (2017) ³	1595			\$39,743	-\$141,719	\$707		-\$141,012	\$0.00	No
Disposition and Recovery/Refund of Regulatory Balances (2018) ³	1595			\$60,545	-\$63,259	\$1,078		-\$62,181	\$0.00	No
Disposition and Recovery/Refund of Regulatory Balances (2019) ³	1595			\$1,357,723	-\$1,483,406	\$24,167		-\$1,459,239	\$0.00	No
Refer to the Filing Requirements for disposition eligibility.										
Group 1 Sub-Total (including Account 1589 - Global Adjustment)		\$0	\$0	\$2,096,276	-\$1,680,522	\$37,608	\$0	-\$1,642,914	\$657,783.00	
Group 1 Sub-Total (excluding Account 1589 - Global Adjustment)		\$0	\$0	\$2,033,936	-\$1,672,775	\$36,498	\$0	-\$1,636,277	\$602,080.00	
RSVA - Global Adjustment 4	1589	\$0	\$0	\$62,340	-\$7,747	\$1,110	\$0	-\$6,637	\$55,703.00	

Energy Board

2.1.7 Deferral/Variance Account Workform

Please see instructions tab for detailed instructions on how to complete the DVA Continuity Schedule. Column BV has been pre-populated from the most recent RRR filing

		2.1.7 RRR	
Account Descriptions	Account Number	As of Dec 31-19	Variance RRR vs. 2019 Balance (Principal + Interest)
Group 1 Accounts			
LV Variance Account	1550	\$125,986	\$0
Smart Metering Entity Charge Variance Account	1551	-\$64,391	\$0
RSVA - Wholesale Market Service Charge ⁵	1580	-\$535,982	\$0
Variance WMS – Sub-account CBR Class A ⁵	1580		\$0
Variance WMS – Sub-account CBR Class B ⁵	1580	-\$147,741	\$0
RSVA - Retail Transmission Network Charge	1584	\$410,410	\$0
RSVA - Retail Transmission Connection Charge	1586	\$255,270	\$0
RSVA - Power (excluding Global Adjustment) ⁴	1588	\$564,596	\$0
RSVA - Global Adjustment ⁴	1589	\$54,593	\$0
Disposition and Recovery/Refund of Regulatory Balances (2014 and pre-2014) ³	1595		\$0
Disposition and Recovery/Refund of Regulatory Balances (2015) ³	1595		\$0
Disposition and Recovery/Refund of Regulatory Balances (2016) ³	1595	-\$24,273	-\$7,659
Disposition and Recovery/Refund of Regulatory Balances (2017) ³	1595	-\$101,976	\$0
Disposition and Recovery/Refund of Regulatory Balances (2018) ³	1595	-\$2,714	\$0
Disposition and Recovery/Refund of Regulatory Balances (2019) ³	1595	-\$125,683	\$0
Refer to the Filing Requirements for disposition eligibility.			
Group 1 Sub-Total (including Account 1589 - Global Adjustment)		\$408,095	-\$7,659
Group 1 Sub-Total (excluding Account 1589 - Global Adjustment)		\$353,502	-\$7,659
RSVA - Global Adjustment 4	1589	\$54,593	\$0

		2016									
Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-16	Transactions(1) Debit / (Credit) during 2016	OEB-Approved Disposition during 2016	Principal Adjustments(1) during 2016	Closing Principal Balance as of Dec-31-16	Opening Interest Amounts as of Jan-1-16	Interest Jan-1 to Dec-31-16	OEB-Approved Disposition during 2016	Interest Adjustments(1) during 2016	Closing Interest Amounts as of Dec-31-16
Group 2 Accounts											
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	\$0				\$0	\$0				\$0
Pole Attachment Revenue Variance ⁵	1508	\$0				\$0	\$0				\$0
Retail Service Charge Incremental Revenue ⁶	1508	\$0				\$0	\$0				\$0
Other Regulatory Assets - Sub Account - Cost Assessment Variance 2016	1508	\$0	\$48,414			\$48,414	\$0	\$32			\$32
Other Regulatory Assets - Sub Account - Wireless and Wireline Variance Account	1508	\$0				\$0	\$0				\$0
Other Regulatory Assets - Sub Account - MS Disposition	1508	\$0	-\$529,059			-\$529,059	\$0				\$0
Sub-account OPEB Forecast Cash versus Forecast Accrual Differential Deferral Account	1508	\$0	\$37,304			\$37,304	\$0				\$0
Retail Cost Variance Account - Retail ⁶	1518	\$0				\$0	\$0				\$0
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential Carrying Charges	1522	\$0				\$0	\$0				\$0
Misc. Deferred Debits	1525	\$0				\$0	\$0				\$0
Retail Cost Variance Account - STR ⁶	1548	\$0				\$0	\$0				\$0
Extra-Ordinary Event Costs	1572	\$0				\$0	\$0				\$0
Deferred Rate Impact Amounts	1574	\$0				\$0	\$0				\$0
RSVA - One-time	1582	\$0				\$0	\$0				\$0
Other Deferred Credits	2425	\$0				\$0	\$0				\$0
Group 2 Sub-Total		\$0	-\$443,341	\$0	\$0	-\$443,341	\$0	\$32	\$0	\$0	\$32
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592	\$0				\$0	\$0				\$0
PILs and Tax Variance for 2006 and Subsequent Years- Sub-account CCA Changes	1592	\$0				\$0	\$0				\$0
LRAM Variance Account ⁴	1568	\$0	\$332,283			\$332,283	\$0				\$0
Total including Account 1568		\$0	-\$111,058	\$0	\$0	-\$111,058	\$0	\$32	\$0	\$0	\$32
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential	1522	\$0				\$0	\$0				\$0
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential Contra Account	1522	\$0				\$0	\$0				\$0
Renewable Generation Connection Capital Deferral Account	1531	\$0				\$0	\$0				\$0
Renewable Generation Connection OM&A Deferral Account	1532	\$0				\$0	\$0				\$0
Renewable Generation Connection Funding Adder Deferral Account	1533	\$0				\$0	\$0				\$0
Smart Grid Capital Deferral Account	1534	\$0				\$0	\$0				\$0
Smart Grid OM&A Deferral Account	1535	\$0				\$0	\$0				\$0
Smart Grid Funding Adder Deferral Account	1536	\$0				\$0	\$0				\$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs	1555	\$0				\$0	\$0				\$0
Meter Cost Deferral Account (MIST Meters) ³	1557	\$0				\$0	\$0				\$0
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component	1575	\$0				\$0					
Accounting Changes Under CGAAP Balance + Return Component	1576	\$0				\$0					

		2017									
Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-17	Transactions(1) Debit/ (Credit) during 2017	OEB-Approved Disposition during 2017	Principal Adjustments(1) during 2017	Closing Principal Balance as of Dec-31-17	Opening Interest Amounts as of Jan-1-17	Interest Jan-1 to Dec-31-17	OEB-Approved Disposition during 2017	Interest Adjustments(1) during 2017	Closing Interest Amounts as of Dec-31-17
Group 2 Accounts											
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	\$0				\$0	\$0				\$0
Pole Attachment Revenue Variance ⁵	1508	\$0				\$0	\$0				\$0
Retail Service Charge Incremental Revenue ⁶	1508	\$0				\$0	\$0				\$0
Other Regulatory Assets - Sub Account - Cost Assessment Variance 2016	1508	\$48,414	\$48,671			\$97,085	\$32	\$627			\$659
Other Regulatory Assets - Sub Account - Wireless and Wireline Variance Account	1508	\$0				\$0	\$0				\$0
Other Regulatory Assets - Sub Account - MS Disposition	1508	-\$529,059	\$63,985			-\$465,074	\$0	-\$6,326			-\$6,326
Sub-account OPEB Forecast Cash versus Forecast Accrual Differential Deferral Account	1508	\$37,304	\$61,335			\$98,639	\$0	\$448			\$448
Retail Cost Variance Account - Retail ⁶	1518	\$0	-\$11,522			-\$11,522	\$0	-\$83			-\$83
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential Carrying Charges	1522	\$0				\$0	\$0				\$0
Misc. Deferred Debits	1525	\$0				\$0	\$0				\$0
Retail Cost Variance Account - STR ⁶	1548	\$0	-\$884			-\$884	\$0	-\$11			-\$11
Extra-Ordinary Event Costs	1572	\$0				\$0	\$0				\$0
Deferred Rate Impact Amounts	1574	\$0				\$0	\$0				\$0
RSVA - One-time	1582	\$0				\$0	\$0				\$0
Other Deferred Credits	2425	\$0				\$0	\$0				\$0
Group 2 Sub-Total		-\$443,341	\$161,585	\$0	\$0	-\$281,756	\$32	-\$5,345	\$0	\$0	-\$5,313
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592	\$0				\$0	\$0				\$0
PILs and Tax Variance for 2006 and Subsequent Years- Sub-account CCA Changes	1592	\$0				\$0	\$0				\$0
LRAM Variance Account ⁴	1568	\$332,283				\$332,283	\$0				\$0
Total including Account 1568		-\$111,058	\$161,585	\$0	\$0	\$50,527	\$32	-\$5,345	\$0	\$0	-\$5,313
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential	1522	\$0				\$0	\$0				\$0
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential Contra Account	1522	\$0				\$0	\$0				\$0
Renewable Generation Connection Capital Deferral Account	1531	\$0				\$0	\$0				\$0
Renewable Generation Connection OM&A Deferral Account	1532	\$0				\$0	\$0				\$0
Renewable Generation Connection Funding Adder Deferral Account	1533	\$0				\$0	\$0				\$0
Smart Grid Capital Deferral Account	1534	\$0				\$0	\$0				\$0
Smart Grid OM&A Deferral Account	1535	\$0				\$0	\$0				\$0
Smart Grid Funding Adder Deferral Account	1536	\$0				\$0	\$0				\$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs	1555	\$0				\$0	\$0				\$0
Meter Cost Deferral Account (MIST Meters) ³	1557	\$0				\$0	\$0				\$0
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component	1575	\$0				\$0					
Accounting Changes Under CGAAP Balance + Return Component	1576	\$0				\$0					

		2018									
Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-18	Transactions Debit/ (Credit) during 2018	OEB-Approved Disposition during 2018	Principal Adjustments(1) during 2018	Closing Principal Balance as of Dec-31-18	Opening Interest Amounts as of Jan-1-18	Interest Jan-1 to Dec-31-18	OEB-Approved Disposition during 2018	Interest Adjustments(1) during 2018	Closing Interest Amounts as of Dec-31-18
Group 2 Accounts											
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	\$0				\$0	\$0				\$0
Pole Attachment Revenue Variance ⁵	1508	\$0				\$0	\$0				\$0
Retail Service Charge Incremental Revenue ⁶	1508	\$0				\$0	\$0				\$0
Other Regulatory Assets - Sub Account - Cost Assessment Variance 2016	1508	\$97,085	\$31,014			\$128,099	\$659	\$1,830			\$2,489
Other Regulatory Assets - Sub Account - Wireless and Wireline Variance Account	1508	\$0	-\$21,475			-\$21,475	\$0				\$0
Other Regulatory Assets - Sub Account - MS Disposition	1508	-\$465,074				-\$465,074	-\$6,326	-\$8,662			-\$14,988
Sub-account OPEB Forecast Cash versus Forecast Accrual Differential Deferral Account	1508	\$98,639	\$54,066			\$152,705	\$448	\$1,837			\$2,285
Retail Cost Variance Account - Retail ⁶	1518	-\$11,522	-\$15,714			-\$27,236	-\$83	-\$320			-\$403
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential Carrying Charges	1522	\$0				\$0	\$0				\$0
Misc. Deferred Debits	1525	\$0				\$0	\$0				\$0
Retail Cost Variance Account - STR ⁶	1548	-\$884	-\$208			-\$1,092	-\$11	-\$18			-\$29
Extra-Ordinary Event Costs	1572	\$0				\$0	\$0				\$0
Deferred Rate Impact Amounts	1574	\$0				\$0	\$0				\$0
RSVA - One-time	1582	\$0				\$0	\$0				\$0
Other Deferred Credits	2425	\$0				\$0	\$0				\$0
Group 2 Sub-Total		-\$281,756	\$47,683	\$0	\$0	-\$234,073	-\$5,313	-\$5,333	\$0	\$0	-\$10,646
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592	\$0				\$0	\$0				\$0
PILs and Tax Variance for 2006 and Subsequent Years- Sub-account CCA Changes	1592	\$0				\$0	\$0				\$0
LRAM Variance Account⁴	1568	\$332,283				\$332,283	\$0				\$0
Total including Account 1568		\$50,527	\$47,683	\$0	\$0	\$98,210	-\$5,313	-\$5,333	\$0	\$0	-\$10,646
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential	1522	\$0				\$0	\$0				\$0
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential Contra Account	1522	\$0				\$0	\$0				\$0
Renewable Generation Connection Capital Deferral Account	1531	\$0				\$0	\$0				\$0
Renewable Generation Connection OM&A Deferral Account	1532	\$0				\$0	\$0				\$0
Renewable Generation Connection Funding Adder Deferral Account	1533	\$0				\$0	\$0				\$0
Smart Grid Capital Deferral Account	1534	\$0				\$0	\$0				\$0
Smart Grid OM&A Deferral Account	1535	\$0				\$0	\$0				\$0
Smart Grid Funding Adder Deferral Account	1536	\$0				\$0	\$0				\$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs	1555	\$0				\$0	\$0				\$0
Meter Cost Deferral Account (MIST Meters) ³	1557	\$0				\$0	\$0				\$0
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component	1575	\$0				\$0					
Accounting Changes Under CGAAP Balance + Return Component	1576	\$0				\$0					

		2019									
Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-19	Transactions Debit / (Credit) during 2019	OEB-Approved Disposition during 2019	Principal Adjustments(1) during 2019	Closing Principal Balance as of Dec-31-19	Opening Interest Amounts as of Jan-1-19	Interest Jan-1 to Dec-31-19	OEB-Approved Disposition during 2019	Interest Adjustments(1) during 2019	Closing Interest Amounts as of Dec-31-19
Group 2 Accounts											
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	\$0				\$0	\$0				\$0
Pole Attachment Revenue Variance ⁵	1508	\$0				\$0	\$0				\$0
Retail Service Charge Incremental Revenue ⁶	1508	\$0				\$0	\$0				\$0
Other Regulatory Assets - Sub Account - Cost Assessment Variance 2016	1508	\$128,099	\$33,265		\$32,575	\$193,939	\$2,489	\$2,903			\$5,392
Other Regulatory Assets - Sub Account - Wireless and Wireline Variance Account	1508	-\$21,475	-\$253,601		-\$245,919	-\$520,995	\$0	-\$3,378			-\$3,378
Other Regulatory Assets - Sub Account - MS Disposition	1508	-\$465,074				-\$465,074	-\$14,988	-\$10,453			-\$25,441
Sub-account OPEB Forecast Cash versus Forecast Accrual Differential Deferral Account	1508	\$152,705	\$13,133		\$26,243	\$192,081	\$2,285	\$3,432			\$5,717
Retail Cost Variance Account - Retail ⁶	1518	-\$27,236	-\$18,460		-\$25,851	-\$71,547	-\$403	-\$751			-\$1,154
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential Carrying Charges	1522	\$0				\$0	\$0				\$0
Misc. Deferred Debits	1525	\$0				\$0	\$0				\$0
Retail Cost Variance Account - STR ⁶	1548	-\$1,092	-\$473		-\$473	-\$2,038	-\$29	-\$29			-\$58
Extra-Ordinary Event Costs	1572	\$0				\$0	\$0				\$0
Deferred Rate Impact Amounts	1574	\$0				\$0	\$0				\$0
RSVA - One-time	1582	\$0				\$0	\$0				\$0
Other Deferred Credits	2425	\$0			-\$2,621,628	-\$2,621,628	\$0				\$0
Group 2 Sub-Total		-\$234,073	-\$226,136	\$0	-\$2,835,053	-\$3,295,262	-\$10,646	-\$8,276	\$0	\$0	-\$18,922
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592	\$0				\$0	\$0				\$0
PILs and Tax Variance for 2006 and Subsequent Years- Sub-account CCA Changes	1592	\$0	-\$246,746			-\$246,746	\$0				\$0
LRAM Variance Account⁴	1568	\$332,283			\$992,333	\$1,324,616	\$0	\$0		\$65,451	\$65,451
Total including Account 1568		\$98,210	-\$472,882	\$0	-\$1,842,720	-\$2,217,392	-\$10,646	-\$8,276	\$0	\$65,451	\$46,529
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential	1522	\$0				\$0	\$0				\$0
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential Contra Account	1522	\$0				\$0	\$0				\$0
Renewable Generation Connection Capital Deferral Account	1531	\$0				\$0	\$0				\$0
Renewable Generation Connection OM&A Deferral Account	1532	\$0				\$0	\$0				\$0
Renewable Generation Connection Funding Adder Deferral Account	1533	\$0				\$0	\$0				\$0
Smart Grid Capital Deferral Account	1534	\$0				\$0	\$0				\$0
Smart Grid OM&A Deferral Account	1535	\$0				\$0	\$0				\$0
Smart Grid Funding Adder Deferral Account	1536	\$0				\$0	\$0				\$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs	1555	\$0				\$0	\$0				\$0
Meter Cost Deferral Account (MIST Meters) ³	1557	\$0				\$0	\$0				\$0
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component	1575	\$0				\$0					
Accounting Changes Under CGAAP Balance + Return Component	1576	\$0				\$0					

		2020				Projected Interest on Dec-31-1		
Account Descriptions	Account Number	Principal Disposition during 2020 - instructed by OEB	Interest Disposition during 2020 - instructed by OEB	Closing Principal Balances as of Dec 31-19 Adjusted for Dispositions during 2020	Closing Interest Balances as of Dec 31-19 Adjusted for Dispositions during 2020	Projected Interest from Jan 1, 2020 to December 31, 2020 on Dec 31 -19 balance adjusted for disposition during 2020 (2)	Projected Interest from January 1, 2021 to April 30, 2021 on Dec 31 -19 balance adjusted for disposition during 2020 (2)	Total Interest
Group 2 Accounts								
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508			\$0	\$0			\$0
Pole Attachment Revenue Variance ⁵	1508			\$0	\$0			\$0
Retail Service Charge Incremental Revenue ⁶	1508			\$0	\$0			\$0
Other Regulatory Assets - Sub Account - Cost Assessment Variance 2016	1508			\$193,939	\$5,392	\$5,758		\$11,150
Other Regulatory Assets - Sub Account - Wireless and Wireline Variance Account	1508			-\$520,995	-\$3,378	-\$4,896		-\$8,274
Other Regulatory Assets - Sub Account - MS Disposition	1508			-\$465,074	-\$25,441	-\$8,278		-\$33,719
Sub-account OPEB Forecast Cash versus Forecast Accrual Differential Deferral Account	1508			\$192,081	\$5,717	\$3,419		\$9,136
Retail Cost Variance Account - Retail ⁶	1518			-\$71,547	-\$1,154	-\$1,825		-\$2,979
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential Carrying Charges	1522			\$0	\$0			\$0
Misc. Deferred Debits	1525			\$0	\$0			\$0
Retail Cost Variance Account - STR ⁶	1548			-\$2,038	-\$58	-\$59		-\$117
Extra-Ordinary Event Costs	1572			\$0	\$0			\$0
Deferred Rate Impact Amounts	1574			\$0	\$0			\$0
RSVA - One-time	1582			\$0	\$0			\$0
Other Deferred Credits	2425			-\$2,621,628	\$0			\$0
Group 2 Sub-Total		\$0	\$0	-\$3,295,262	-\$18,922	-\$5,881	\$0	-\$24,803
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592			\$0	\$0			\$0
PILs and Tax Variance for 2006 and Subsequent Years- Sub-account CCA Changes	1592			-\$246,746	\$0	-\$4,392		-\$4,392
LRAM Variance Account ⁴	1568			\$1,324,616	\$65,451	\$28,877		\$94,328
Total including Account 1568		\$0	\$0	-\$2,217,392	\$46,529	\$18,604	\$0	\$65,133
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential	1522			\$0	\$0			\$0
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential Contra Account	1522			\$0	\$0			\$0
Renewable Generation Connection Capital Deferral Account	1531			\$0	\$0			\$0
Renewable Generation Connection OM&A Deferral Account	1532			\$0	\$0			\$0
Renewable Generation Connection Funding Adder Deferral Account	1533			\$0	\$0			\$0
Smart Grid Capital Deferral Account	1534			\$0	\$0			\$0
Smart Grid OM&A Deferral Account	1535			\$0	\$0			\$0
Smart Grid Funding Adder Deferral Account	1536			\$0	\$0			\$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs	1555			\$0	\$0			\$0
Meter Cost Deferral Account (MIST Meters) ³	1557			\$0	\$0			\$0
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component	1575			\$0				
Accounting Changes Under CGAAP Balance + Return Component	1576			\$0				

9 Balances			2.1.7 RRR	
Account Descriptions	Account Number	Total Claim	Accounts to Dispose Yes/No	Variance RRR vs. 2019 Balance (Principal + Interest)
Group 2 Accounts				
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	\$0.00		\$0
Pole Attachment Revenue Variance ⁵	1508	\$0.00		\$0
Retail Service Charge Incremental Revenue ⁶	1508	\$0.00		\$0
Other Regulatory Assets - Sub Account - Cost Assessment Variance 2016	1508	\$205,089.00	Yes	\$166,756-\$32,575
Other Regulatory Assets - Sub Account - Wireless and Wireline Variance Account	1508	-\$529,269.00	Yes	-\$278,454\$245,919
Other Regulatory Assets - Sub Account - MS Disposition	1508	-\$498,793.00	Yes	-\$654,020-\$163,505
Sub-account OPEB Forecast Cash versus Forecast Accrual Differential Deferral Account	1508	\$201,217.00	Yes	\$171,555-\$26,243
Retail Cost Variance Account - Retail ⁶	1518	-\$74,526.00		-\$46,850\$25,851
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential Carrying Charges	1522	\$0.00		\$0
Misc. Deferred Debits	1525	\$0.00		\$0
Retail Cost Variance Account - STR ⁶	1548	-\$2,155.00		-\$1,623\$473
Extra-Ordinary Event Costs	1572	\$0.00		\$0
Deferred Rate Impact Amounts	1574	\$0.00		\$0
RSVA - One-time	1582	\$0.00		\$0
Other Deferred Credits	2425	-\$2,621,628.00	Yes	\$2,621,628
Group 2 Sub-Total		-\$3,320,065.00		\$3,314,184
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592	\$0.00		\$0
PILs and Tax Variance for 2006 and Subsequent Years- Sub-account CCA Changes	1592	-\$251,138.00		-\$493,491-\$246,745
LRAM Variance Account ⁴	1568	\$1,418,944.00		\$332,283-\$1,057,784
Total including Account 1568		-\$2,152,259.00		\$2,170,863
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential	1522	\$0.00		\$0
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential Contra Account	1522	\$0.00		\$0
Renewable Generation Connection Capital Deferral Account	1531	\$0.00		\$0
Renewable Generation Connection OM&A Deferral Account	1532	\$0.00		\$0
Renewable Generation Connection Funding Adder Deferral Account	1533	\$0.00		\$0
Smart Grid Capital Deferral Account	1534	\$0.00		\$0
Smart Grid OM&A Deferral Account	1535	\$0.00		\$0
Smart Grid Funding Adder Deferral Account	1536	\$0.00		\$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs	1555	\$0.00	Yes	-\$26,528-\$26,528
Meter Cost Deferral Account (MIST Meters) ³	1557	\$0.00		\$0
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component	1575	\$0.00	No	\$0
Accounting Changes Under CGAAP Balance + Return Component	1576	\$0.00	No	\$34,187\$34,187



2021 Deferral/Variance Account Workform

Accounts that produced a variance on the continuity schedule are listed below.
Please provide a detailed explanation for each variance below.

Account Descriptions	Account Number	Variance RRR vs. 2019 Balance (Principal + Interest)	Explanation
Variance WMS – Sub-account CBR Class B5	1580	\$ -	No variance exists for Sub-Account CBR Class B
Disposition and Recovery/Refund of Regulatory Balances (2016)3	1595	\$ (7,659.00)	
Other Regulatory Assets - Sub Account - Cost Assessment Variance 2016	1508	\$ (32,575.00)	
Other Regulatory Assets - Sub Account - Wireless and Wireline Variance Account	1508	\$ 245,919.00	
Other Regulatory Assets - Sub Account - MS Disposition	1508	\$ (163,505.00)	
Sub-account OPEB Forecast Cash versus Forecast Accrual Differential Deferral Account	1508	\$ (26,243.00)	
Retail Cost Variance Account - Retail6	1518	\$ 25,851.00	
Retail Cost Variance Account - STR6	1548	\$ 473.00	
Other Deferred Credits	2425	\$ 2,621,628.00	
PILs and Tax Variance for 2006 and Subsequent Years- Sub-account CCA Changes	1592	\$ (246,745.00)	There is no variance for this account between RRR and 2019 however the cell is locked and WNH is not able to include balance from 2019 RRR.
LRAM Variance Account4	1568	\$ (1,057,784.00)	WNH only recorded LRAM for 2015 in 2016 but this was not cleared through IRM. WNH has waited until COS to clear 4 years of LRAM and the difference between the 2015 estimate and the total LRAM claim for 2015-2018 is the amount shown.
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs	1555	\$ (26,528.00)	
Accounting Changes Under CGAAP Balance + Return Component	1576	\$ 34,187.00	

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2021 Deferral/Variance Account Workform

In the green shaded cells, enter the data related to the **proposed** load forecast. Do not enter data for the MicroFit class.

[illegible]

¹ Account 1595 sub-accounts are to be allocated to rate classes in proportion to the recovery share as established when rate riders were implemented.

² The proportion of customers for the Residential and GS<50 Classes will be used to allocate Account 1551.

³ Input the allocation as determined in the LRAMVA model. The associated rate riders will be calculated in the EDDVAR model.

4. If a distributor uses the actual GA price to bill non-RPP Class B customers for an entire rate class, it must exclude these customers from the allocation of the GA balance and the calculation of the resulting rate riders. These rate classes are not to be charged/refunded the general GA rate rider as they did not contribute to the GA balance. If this is the case, this must be noted in the evidence and the proposed allocation methodology must be explained.

2021 Deferral/Variance Account Workform

		Amounts from Sheet 2	Allocator	RESIDENTIAL	GS <50	GS >50-REGULAR	LARGE USE >5MW	STREET LIGHT	UNMETERED SCATTERED LOAD	EMBEDDED DISTRIBUTOR
LV Variance Account	1550	128,092	kWh	35,347	17,499	62,375	8,563	300	264	3,745
Smart Metering Entity Charge Variance Account	1551	(65,502)	# of Customers	(58,704)	(6,798)	0	0	0	0	0
RSVA - Wholesale Market Service Charge	1580	(696,383)	kWh	(193,412)	(95,749)	(336,794)	(46,853)	(1,639)	(1,443)	(20,493)
RSVA - Retail Transmission Network Charge	1584	417,651	kWh	115,251	57,055	203,379	27,919	977	860	12,211
RSVA - Retail Transmission Connection Charge	1586	259,647	kWh	71,650	35,470	126,437	17,357	607	535	7,592
RSVA - Power (excluding Global Adjustment)	1588	575,189	kWh	159,752	79,086	278,181	38,699	1,354	1,192	16,926
RSVA - Global Adjustment	1589	56,343	Non-RPP kWh	657	2,105	48,256	0	392	0	4,933
Disposition and Recovery/Refund of Regulatory Balances (2014)	1595	0	%	0	0	0	0	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2015)	1595	0	%	0	0	0	0	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2016)	1595	(16,614)	%	(4,154)	(2,160)	(8,805)	(1,163)	(166)	0	(166)
Disposition and Recovery/Refund of Regulatory Balances (2017)	1595	0	%	0	0	0	0	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2018)	1595	0	%	0	0	0	0	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2019)	1595	0	%	0	0	0	0	0	0	0
Total of Group 1 Accounts (excluding 1589)		602,080		125,730	84,403	324,772	44,521	1,432	1,407	19,815
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	0	kWh	0	0	0	0	0	0	0
Pole Attachment Revenue Variance	1508	0	Distribution Rev.	0	0	0	0	0	0	0
Retail Service Charge Incremental Revenue	1508	0	kWh	0	0	0	0	0	0	0
Other Regulatory Assets - Sub Account - Cost Assessment Variance 2016	1508	205,089	kWh	56,594	28,017	99,870	13,710	480	422	5,996
Other Regulatory Assets - Sub Account - Wireless and Wireline Variance Account	1508	(529,269)	kWh	(146,052)	(72,303)	(257,732)	(35,380)	(1,238)	(1,090)	(15,475)
Other Regulatory Assets - Sub Account - MS Disposition	1508	(498,793)	kWh	(137,642)	(68,140)	(242,891)	(33,343)	(1,166)	(1,027)	(14,584)
Sub-account OPEB Forecast Cash versus Forecast Accrual Differential Deferral Account	1508	201,217	kWh	55,526	27,488	97,984	13,451	471	414	5,883
Retail Cost Variance Account - Retail	1518	(74,526)	kWh	(20,565)	(10,181)	(36,291)	(4,982)	(174)	(153)	(2,179)
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential Carrying Charges	1522	0	kWh	0	0	0	0	0	0	0
Misc. Deferred Debits	1525	0	kWh	0	0	0	0	0	0	0
Retail Cost Variance Account - STR	1548	(2,155)	kWh	(595)	(294)	(1,049)	(144)	(5)	(4)	(63)
Extra-Ordinary Event Costs	1572	0	kWh	0	0	0	0	0	0	0
Deferred Rate Impact Amounts	1574	0	kWh	0	0	0	0	0	0	0
RSVA - One-time	1582	0	kWh	0	0	0	0	0	0	0
Other Deferred Credits	2425	(2,621,628)	kWh	(723,439)	(358,140)	(1,276,623)	(175,248)	(6,130)	(5,397)	(76,651)
Total of Group 2 Accounts		(3,320,065)		(916,173)	(453,553)	(1,616,732)	(221,937)	(7,764)	(6,835)	(97,072)
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account)	1592	0	kWh	0	0	0	0	0	0	0
PILs and Tax Variance for 2006 and Subsequent Years- Sub-account CCA Changes	1592	(251,138)	kWh	(69,302)	(34,308)	(122,294)	(16,788)	(587)	(517)	(7,343)
Total of Account 1592		(251,138)		(69,302)	(34,308)	(122,294)	(16,788)	(587)	(517)	(7,343)
LRAM Variance Account (Enter dollar amount for each class)	1568	1,418,944		489,297	97,060	845,387	(12,800)	0	0	0
Renewable Generation Connection OM&A Deferral Account	1532	0	kWh	0	0	0	0	0	0	0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs	1555	0	kWh	0	0	0	0	0	0	0
Total of Group 1 Accounts (1550, 1551, 1584, 1586 and 1595)		723,274		159,390	101,066	383,386	52,675	1,717	1,658	23,382
Total of Account 1580 and 1588 (not allocated to WMPs)		(121,194)		(33,660)	(16,664)	(58,614)	(8,154)	(285)	(251)	(3,566)
Account 1589 (allocated to Non-WMPs)		56,343		657	2,105	48,256	0	392	0	4,933
Group 2 Accounts (including 1592, 1532, 1555)		(3,571,203)		(985,474)	(487,861)	(1,739,026)	(238,724)	(8,351)	(7,352)	(104,415)
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component	1575	0	kWh	0	0	0	0	0	0	0
Accounting Changes Under CGAAP Balance + Return Component	1576	0	kWh	0	0	0	0	0	0	0
Total of Accounts 1575 and 1576		0		0	0	0	0	0	0	0



2021 Deferral/Variance Account Workform

- 1a The year Account 1589 GA was last disposed
- 1b The year Account 1580 CBR Class B was last disposed Note that the sub-account was established in 2015.
- 2a Did you have any customers who transitioned between Class A and Class B (transition customers) during the period the Account 1589 GA balance accumulated (i.e. from the year after the balance was last disposed (regardless of if the disposition was interim or final) to the current year requested for disposition)? (e.g. If you received approval to dispose of the GA variance account balance as at December 31, 2015, the period the GA variance accumulated would be 2016 to 2018.)
- 2b Did you have any customers who transitioned between Class A and Class B (transition customers) during the period the Account 1580, sub-account CBR Class B balance accumulated (i.e. from the year after the balance was last disposed (regardless of if the disposition was interim or final) to the current year requested for disposition)? (e.g. If you received approval to dispose of the CBR Class B balance as at December 31, 2016, the period the CBR Class B variance accumulated would be 2017 to 2018.)
- 3a Enter the number of transition customer you had during the period the Account 1589 GA or Account 1580 CBR B balance accumulated

Transition Customers - Non-loss Adjusted Billing Determinants by Customer

Customer	Rate Class		2019	
			January to June	July to December
Customer 1	GS >50-REGULAR	kWh	699,912	87,439
		kW	2,929	404
		Class A/B	A	B
Customer 2	GS >50-REGULAR	kWh	2,403,411	2,591,936
		kW	6,422	7,144
		Class A/B	B	A
Customer 3	GS >50-REGULAR	kWh	903,664	671,459
		kW	3,408	2,992
		Class A/B	B	A

3b

Enter the number of rate classes in which there were customers who were Class A for the full year during the period the Account 1589 GA or Account 1580 CBR B balance accumulated (i.e. from the year after the balance was last disposed (regardless of if the disposition was interim or final) to the current year requested for disposition).

2

In the table, enter i) the total Class A consumption for full year Class A customers in each rate class for each year (including any transition customers identified in table 3a above); and ii) the total forecast Class A and Class B consumption for transition customers and full year Class A customers in each rate class for the test year.

Rate Classes with Class A Customers - Billing Determinants by Rate Class		Transition Customers (Total Class A and B Consumption)	Class A Customer for Full Year (Total Class A Consumption)	
Rate Class		Test Year Forecast	Test Year Forecast	2019
GS >50-Regular	kWh	-	209,707,962	195,258,485
	kW	-	454,171	422,877
Large Use >5MW	kWh	-	95,699,867	96,278,641
	kW	-	169,287	169,281



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2021 Deferral/Variance Account Workform

This tab allocates the GA balance to transition customers (i.e Class A customers who were former Class B customers and Class B customers who were former Class A customers) who contributed to the current GA balance. The tables below calculate specific amounts for each customer who made the change. The general GA rate rider to non-RPP customers is not to be charged to the transition customers that are allocated amounts in the table below. Consistent with prior decisions, distributors are generally expected to settle the amount through 12 equal adjustments to bills.

Year Account 1589 GA Balance Last Disposed

2018

Allocation of total Non-RPP Consumption (kWh) between Current Class B and Class A/B Transition Customers

		Total	2019
Non-RPP Consumption Less WMP Consumption	A	-	
Less Class A Consumption for Partial Year Class A Customers	B	3,963,307	3,963,307
Less Consumption for Full Year Class A Customers	C	291,537,126	291,537,126
Total Class B Consumption for Years During Balance Accumulation	D = A-B-C	-	295,500,433
All Class B Consumption for Transition Customers	E	3,394,515	3,394,515
Transition Customers' Portion of Total Consumption	F = E/D	-1.15%	

Allocation of Total GA Balance \$

Total GA Balance	G	\$	55,703
Transition Customers Portion of GA Balance	H=F*G	-\$	640
GA Balance to be disposed to Current Class B Customers through Rate Rider	I=G-H	\$	56,343

Allocation of GA Balances to Class A/B Transition Customers

# of Class A/B Transition Customers		3				
Customer		Total Metered Consumption (kWh) for Transition Customers During the Period When They Were Class B Customers	Metered Consumption (kWh) for Transition Customers During the Period When They Were Class B Customers in 2019	% of kWh	Customer Specific GA Allocation for the Period When They Were a Class B customer	Monthly Equal Payments
Customer 1		87,439	87,439	2.58%	-\$ 16	-\$ 1
Customer 2		2,403,411	2,403,411	70.80%	-\$ 453	-\$ 38
Customer 3		903,664	903,664	26.62%	-\$ 170	-\$ 14
Total		3,394,515	3,394,515	100.00%	-\$ 640	



2021 Deferral/Variance Account Workform

This tab allocates the CBR Class B balance to transition customers (i.e Class A customers who were former Class B customers and Class B customers who were former Class A customers) who contributed to the current CBR Class B balance. The tables below calculate specific amounts for each customer who made the change. The general CBR Class B rate rider is not to be charged to the transition customers that are allocated amounts in the table below. Consistent with prior decisions, distributors are generally expected to settle the amount through 12 equal adjustments to bills.

Year Account 1580 CBR Class B was Last Disposed

2018

Allocation of Total Consumption (kWh) between Current Class B and Class A/B Transition Customers

		Total	2019
Total Consumption Less WMP Consumption	A	-	
Less Class A Consumption for Partial Year Class A Customers	B	3,963,307	3,963,307
Less Consumption for Full Year Class A Customers	C	291,537,126	291,537,126
Total Class B Consumption for Years During Balance Accumulation	D = A-B-C	-	295,500,433
All Class B Consumption for Transition Customers	E	3,394,515	3,394,515
Transition Customers' Portion of Total Consumption	F = E/D	-1.15%	

Allocation of Total CBR Class B Balance \$

Total CBR Class B Balance	G	-\$	150,307
Transition Customers Portion of CBR Class B Balance	H=F*G	\$	1,727
CBR Class B Balance to be disposed to Current Class B Customers through Rate Rider	I=G-H	-\$	152,034

Allocation of CBR Class B Balances to Transition Customers

# of Class A/B Transition Customers		3					
Customer		Total Metered Class B Consumption (kWh) for Transition Customers During the Period When They were Class B Customers	Metered Class B Consumption (kWh) for Transition Customers During the Period When They were Class B Customers in 2019	% of kWh	Customer Specific CBR Class B Allocation for the Period When They Were a Class B Customer	Monthly Equal Payments	Revised Monthly Payment
Customer 1		87,439	87,439	2.58%	\$ 44	\$ 4	\$ -
Customer 2		2,403,411	2,403,411	70.80%	\$ 1,223	\$ 102	\$ -
Customer 3		903,664	903,664	26.62%	\$ 460	\$ 38	\$ -
Total		3,394,515	3,394,515	100.00%	\$ 1,727	\$ 144	\$ -

2021 Deferral/Variance Account Workform

No Input Required in this tab. The purpose of this tab is to calculate the billing determinants for CBR rate riders for all current Class B customers who did not transition between Class A and B in the period since the Account 1580, sub-account CBR Class B balance accumulated.

The Year the Account 1580 CBR Class B was Last Disposed.

2018

	Metered Consumption for Current Class B Customers (Total Consumption LESS WMP, Class A and Transition Customers' Consumption)								% of total kWh
	Total Metered Forecast Consumption Minus WMP		Forecast Total Metered Test Year kWh for Full Year Class A Customers		Forecast Total Metered Test Year kWh for Transition Customers				
	kWh	kW	kWh	kW	kWh	kW	kWh	kW	
RESIDENTIAL	395,056,934	-	0	0	0	0	395,056,934	-	35%
GS <50	195,573,807	-	0	0	0	0	195,573,807	-	18%
GS >50-REGULAR	687,924,696	1,741,685	209,707,962	454,171	0	0	478,216,734	1,287,514	43%
LARGE USE >5MW	95,699,867	169,287	95,699,867	169,287	0	0	-	-	0%
STREET LIGHT	3,347,727	9,302	0	0	0	0	3,347,727	9,302	0%
UNMETERED SCATTERED LOAD	2,947,114	-	0	0	0	0	2,947,114	-	0%
EMBEDDED DISTRIBUTOR	41,857,714	103,033	0	0	0	0	41,857,714	103,033	4%
	-	-	0	0	0	0	-	-	0%
	-	-	0	0	0	0	-	-	0%
	-	-	0	0	0	0	-	-	0%
	-	-	0	0	0	0	-	-	0%
	-	-	0	0	0	0	-	-	0%
	-	-	0	0	0	0	-	-	0%
	-	-	0	0	0	0	-	-	0%
	-	-	0	0	0	0	-	-	0%
	-	-	0	0	0	0	-	-	0%
	-	-	0	0	0	0	-	-	0%
	-	-	0	0	0	0	-	-	0%
	-	-	0	0	0	0	-	-	0%
	-	-	0	0	0	0	-	-	0%
Total	1,422,407,859	2,023,307	305,407,829	623,458	-	-	1,117,000,030	1,399,849	100%

2021 Deferral/Variance Account Workform

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Rate Rider Calculation for Group 1 Deferral / Variance Accounts Balances (excluding Global Adj.)

1550, 1551, 1584, 1586, 1595, 1580 and 1588 per instructions

Rate Class (Enter Rate Classes in cells below)	Units	kW / kWh / # of Customers	Allocated Group 1 Balance (excluding 1589)	Rate Rider for Deferral/Variance Accounts
RESIDENTIAL	kWh	395,056,934	\$ 125,730	0.0003
GS <50	kWh	195,573,807	\$ 84,403	0.0004
GS >50-REGULAR	kWh	697,140,723	\$ 383,386	0.0005
LARGE USE >5MW	kWh	95,699,867	\$ 44,521	0.0005
STREET LIGHT	kWh	3,347,727	\$ 1,432	0.0004
UNMETERED SCATTERED LOAD	kWh	2,947,114	\$ 1,407	0.0005
EMBEDDED DISTRIBUTOR	kWh	41,857,714	\$ 19,815	0.0005
	-	-	\$ -	-
	-	-	\$ -	-
	-	-	\$ -	-
	-	-	\$ -	-
	-	-	\$ -	-
	-	-	\$ -	-
	-	-	\$ -	-
	-	-	\$ -	-
	-	-	\$ -	-
	-	-	\$ -	-
	-	-	\$ -	-
	-	-	\$ -	-
	-	-	\$ -	-
Total			\$ 660,694	

Rate Rider Calculation for Group 1 Deferral / Variance Accounts Balances (excluding Global Adj.) - NON-WMP

1580 and 1588

Rate Class (Enter Rate Classes in cells below)	Units	kW / kWh / # of Customers	Allocated Group 1 Balance - Non-WMP	Rate Rider for Deferral/Variance Accounts
RESIDENTIAL		-	\$ -	-
GS <50		-	\$ -	-
GS >50-REGULAR	kWh	687,924,696	-\$ 58,614	- 0.0001
LARGE USE >5MW		-	\$ -	-
STREET LIGHT		-	\$ -	-
UNMETERED SCATTERED LOAD		-	\$ -	-
EMBEDDED DISTRIBUTOR		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
Total			-\$ 58,614	

Only for rate classes with WMP customers are the Deferral/Variance Account Rate Riders for Non-WMP calculated separately in the table above. For all rate classes without WMP customers, balances in Accounts 1580 and 1588 are included in Deferral/Variance Account Rate Riders calculated in the first table above and disposed through a combined Deferral/Variance Account and Rate Rider.

1580, Sub-account CBR Class B

Rate rider calculated separately only if Class A customers exist during the period the balance accumulated

Balance of Account 1589 Allocated to Non-WMPs

Rate Class (Enter Rate Classes in cells below)	Units	kWh	Allocated Global Adjustment Balance	Rate Rider for RSVA - Power - Global Adjustment
RESIDENTIAL	kWh	5,570,303	\$ 657	0.0001
GS <50	kWh	17,855,889	\$ 2,105	0.0001
GS >50-REGULAR	kWh	409,424,264	\$ 48,256	0.0001
LARGE USE >5MW	kWh	-	\$ -	-
STREET LIGHT	kWh	3,327,727	\$ 392	0.0001
UNMETERED SCATTERED LOAD	kWh	-	\$ -	-
EMBEDDED DISTRIBUTOR	kWh	41,857,714	\$ 4,933	0.0001
	kWh	-	\$ -	-
	kWh	-	\$ -	-
	kWh	-	\$ -	-
	kWh	-	\$ -	-
	kWh	-	\$ -	-
	kWh	-	\$ -	-
	kWh	-	\$ -	-
	kWh	-	\$ -	-
	kWh	-	\$ -	-
	kWh	-	\$ -	-
	kWh	-	\$ -	-
	kWh	-	\$ -	-
	kWh	-	\$ -	-
Total			\$ 56,343	

Rate Class (Enter Rate Classes in cells below)	Units	# of Customers	Allocated Group 2 Balance	Rate Rider for Group 2 Accounts
RESIDENTIAL	# of Customers	51,719	-\$ 985,474	-\$ 1.59
GS <50	kWh	195,573,807	-\$ 487,861	-\$ 0.0025
GS >50-REGULAR	kWh	697,140,723	-\$ 1,739,026	-\$ 0.0025
LARGE USE >5MW	kWh	95,699,867	-\$ 238,724	-\$ 0.0025
STREET LIGHT	kWh	3,347,727	-\$ 8,351	-\$ 0.0025
UNMETERED SCATTERED LOAD	kWh	2,947,114	-\$ 7,352	-\$ 0.0025
EMBEDDED DISTRIBUTOR	kWh	41,857,714	-\$ 104,415	-\$ 0.0025
		-	\$ -	\$ -
		-	\$ -	\$ -
		-	\$ -	\$ -
		-	\$ -	\$ -
		-	\$ -	\$ -
		-	\$ -	\$ -
		-	\$ -	\$ -
		-	\$ -	\$ -
		-	\$ -	\$ -
		-	\$ -	\$ -
		-	\$ -	\$ -
		-	\$ -	\$ -
		-	\$ -	\$ -
Total			-\$ 3,571,203	

Please indicate the Rate Rider Recovery Period (in months)	12
--	----

Rate Class (Enter Rate Classes in cells below)	Units	# of Customers	Allocated Accounts 1575 and 1576 Balances	Rate Rider for Accounts 1575 and 1576
RESIDENTIAL	# of Customers	51,719	\$ -	-
GS <50	kWh	195,573,807	\$ -	-
GS >50-REGULAR	kWh	697,140,723	\$ -	-
LARGE USE >5MW	kWh	95,699,867	\$ -	-
STREET LIGHT	kWh	3,347,727	\$ -	-
UNMETERED SCATTERED LOAD	kWh	2,947,114	\$ -	-
EMBEDDED DISTRIBUTOR	kWh	41,857,714	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
Total			\$ -	

Rate Rider Calculation for Accounts 1568

Please indicate the Rate Rider Recovery Period (in months)

12

Rate Class (Enter Rate Classes in cells below)	Units	kW / kWh / # of Customers	Allocated Account 1568 Balance	Rate Rider for Account 1568
RESIDENTIAL	kWh	395,056,934	\$ 489,297	0.0012
GS <50	kWh	195,573,807	\$ 97,060	0.0005
GS >50-REGULAR	kWh	697,140,723	\$ 845,387	0.0012
LARGE USE >5MW	kWh	95,699,867	-\$ 12,800	- 0.0001
STREET LIGHT	kWh	3,347,727	\$ -	-
UNMETERED SCATTERED LOAD	kWh	2,947,114	\$ -	-
EMBEDDED DISTRIBUTOR	kWh	41,857,714	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
Total			\$ 1,418,944	



ATTACHMENT 9-2

GA ANALYSIS WORKFORM



GA Analysis Workform

Version 1.9

Account 1589 Global Adjustment (GA) Analysis Workform

Input cells

Drop down cells

Utility Name WATERLOO NORTH HYDRO INC.

Note 1

For Account 1589,

a) If the account was last approved on a final basis, select the year that the balance was last approved on a final basis.

b) If the account was last approved on an interim basis, and

i) there are no changes to the previously approved interim balances, select the year that the balances were last approved for disposition on an interim basis. OR

ii) there are changes to the previously approved interim balances, select the year that the balances were last approved for disposition on a final basis. An explanation should be provided to explain the reason for the change in the previously approved interim balances.

(e.g. If 2017 balances reviewed in the 2019 rate application were to be selected, select 2017)

Instructions:

1) Determine which scenario above applies (a, bi or bii). Select the appropriate year to generate the GA Analysis Workform tabs and the Principal Adjustments tab.

For example:

- Scenario a - If 2018 balances were last approved on a final basis - Select 2018 and a GA Analysis Workform for 2019 will be generated.
- Scenario bi - If 2018 balances were last approved on an interim basis and there are no changes to 2018 balances - Select 2018 and a GA Analysis Workform for 2019 will be generated.
- Scenario bii - If 2018 balances were last approved on an interim basis, there are changes to 2018 balances, and 2017 balances were last approved for disposition - Select 2017 and GA Analysis Workforms for 2018 and 2019 will be generated.

2) Complete the GA Analysis Workform for each year generated.

3) Complete the Principal Adjustments tab. Note that the number of years that require principal adjustment reconciliations are all shown in one Principal Adjustments tab, depending on the year selected on the Information Sheet.

See the separate document GA Analysis Workform Instructions for detailed instructions on how to complete the Workform and examples of reconciling items.

Year	Annual Net Change in Expected GA Balance from GA Analysis	Net Change in Principal Balance in the GL	Reconciling Items	Adjusted Net Change in Principal Balance in the GL	Unresolved Difference	\$ Consumption at Actual Rate Paid	Unresolved Difference as % of Expected GA Payments to IESO
2019	\$ 952,578	\$ 411,318	\$ 286,386	\$ -	\$ (952,578)	\$ 54,276,727	-1.8%
Cumulative Balance	\$ 952,578	\$ 411,318	\$ 286,386	\$ -	\$ (952,578)	\$ 54,276,727	N/A



Ontario Energy Board

GA Analysis Workform

Note 2 **Consumption Data Excluding for Loss Factor (Data to agree with RRR as applicable)**

Year		2019		
Total Metered excluding WMP	C = A+B	1,429,438,988	kWh	100%
RPP	A	658,616,599	kWh	46.1%
Non RPP	B = D+E	770,822,389	kWh	53.9%
Non-RPP Class A	D	291,537,126	kWh	20.4%
Non-RPP Class B*	E	479,285,263	kWh	33.5%

*Non-RPP Class B consumption reported in this table is not expected to directly agree with the Non-RPP Class B Including Loss Adjusted Billed Consumption in the GA Analysis of Expected Balance table below. The difference should be equal to the loss factor.

Note 3 **GA Billing Rate**

GA is billed on the

1st Estimate

Please confirm that the same GA rate is used to bill all customer classes. If not, please provide further details

Yes

Please confirm that the GA Rate used for unbilled revenue is the same as the one used for billed revenue in any particular month

Yes

Note 4 **Analysis of Expected GA Amount**

Year	2019								
Calendar Month	Non-RPP Class B Including Loss Factor Billed Consumption (kWh)	Deduct Previous Month Unbilled Loss Adjusted Consumption (kWh)	Add Current Month Unbilled Loss Adjusted Consumption (kWh)	Non-RPP Class B Including Loss Adjusted Consumption, Adjusted for Unbilled (kWh)	GA Rate Billed (\$/kWh)	\$ Consumption at GA Rate Billed	GA Actual Rate Paid (\$/kWh)	\$ Consumption at Actual Rate Paid	Expected GA Variance (\$)
	F	G	H	I = F-G+H	J	K = I*J	L	M = I*L	=M-K
January	40,837,831	37,515,698	44,170,117	47,492,250	0.06741	\$ 3,201,453	0.08092	\$ 3,843,073	\$ 641,620
February	44,312,853	44,170,117	39,521,919	39,664,656	0.09657	\$ 3,830,416	0.08812	\$ 3,495,249	\$ (335,166)
March	40,520,386	39,521,919	42,208,669	43,207,136	0.08105	\$ 3,501,938	0.08041	\$ 3,474,286	\$ (27,653)
April	42,408,346	42,208,669	39,099,537	39,299,213	0.08129	\$ 3,194,633	0.12333	\$ 4,846,772	\$ 1,652,139
May	39,456,918	39,099,537	39,186,749	39,544,130	0.12860	\$ 5,085,375	0.12604	\$ 4,984,142	\$ (101,233)
June	40,057,316	39,186,749	39,727,706	40,598,273	0.12444	\$ 5,052,049	0.13728	\$ 5,573,331	\$ 521,282
July	40,622,000	39,727,706	45,306,854	46,201,148	0.13527	\$ 6,249,629	0.09645	\$ 4,456,101	\$ (1,793,529)
August	46,358,158	45,306,854	42,823,642	43,874,946	0.07211	\$ 3,163,822	0.12607	\$ 5,531,314	\$ 2,367,492
September	43,536,993	42,823,642	39,782,562	40,495,913	0.12934	\$ 5,237,741	0.12263	\$ 4,966,014	\$ (271,728)
October	40,272,453	39,782,562	39,514,287	40,004,177	0.17878	\$ 7,151,947	0.13680	\$ 5,472,571	\$ (1,679,375)
November	40,203,941	39,514,287	39,713,790	40,403,445	0.10727	\$ 4,334,078	0.09953	\$ 4,021,355	\$ (312,723)
December	39,977,123	39,713,790	38,493,439	38,756,772	0.08569	\$ 3,321,068	0.09321	\$ 3,612,519	\$ 291,451
Net Change in Expected GA Balance in the Year (i.e. Transactions in the Year)	498,564,318	488,571,531	489,549,272	499,542,059		\$ 53,324,149		\$ 54,276,727	\$ 952,578

Calculated Loss Factor 1.0423
Most Recent Approved Loss Factor for Secondary Metered Customer < 5,000kW 1.0362
Difference 0.0061

a) Please provide an explanation in the textbox below if columns G and H are not used in the table above.

b) Please provide an explanation in the textbox below if the difference in loss factor is greater than 1%

Note 5 **Reconciling Items**

	Item	Amount	Explanation	Principal Adjustment on DVA Continuity Schedule	Principal Adjustments
	Net Change in Principal Balance in the GL (i.e. Transactions in the Year)	\$ 411,318			If "no", please provide an explanation
1a	CT 148 True-up of GA Charges based on Actual Non-RPP Volumes - prior year				
1b	CT 148 True-up of GA Charges based on Actual Non-RPP Volumes - current year				
2a	Remove prior year end unbilled to actual revenue differences	\$ 9,500	CR \$9.5K (actual revenues were greater than accrued revenues) relates to current year but recorded in the GL in the following year, therefore, should record the CR in current year		
2b	Add current year end unbilled to actual revenue differences		Change in process - no material balances noted		
3a	Remove difference between prior year accrual/unbilled to actual from load transfers	\$ 30,000	CR \$30K (actual receivable / payable was lower than accrued) related to prior year but recorded in the GL in the current year, therefore, should record CR in current year		
3b	Add difference between current year accrual/unbilled to actual from load transfers		Change in process - no material balances noted		
3	Significant prior period billing adjustments recorded in current year				
4	Differences in actual system losses and billed TLFs	\$ 246,886	Unaccounted for energy - differences in actual system losses and billed TLFs		
5	CT 2148 for prior period corrections				
6	Others as justified by distributor				
7					
8					
9					
10					

Note 6	Adjusted Net Change in Principal Balance in the GL	\$ 697,704
	Net Change in Expected GA Balance in the Year Per Analysis	\$ 952,578
	Unresolved Difference	\$ (254,874)
	Unresolved Difference as % of Expected GA Payments to IESO	<u>-0.5%</u>

Ontario Energy Board

GA Analysis Workform -
Account 1588 and 1589
Principal Adjustment Reconciliation

Note 7 Breakdown of principal adjustments included in last approved balance:

Account 1589 - RSVA Global Adjustment				
Adjustment Description		Amount	To be reversed in current application?	Explanation if not to be reversed in current application
1				
2				
3				
4				
5				
6				
7				
8				
Total		-		
Total principal adjustments included in last approved balance				
Difference		-		

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

Note 8 Principal adjustment reconciliation in current application

Notes

- 1) The "Transaction" column in the DVA Continuity Schedule is to equal the transactions in the general ledger (excluding transactions relating to the removal of approved disposition amounts as that is shown in a separate column in the DVA Continuity Schedule)
- 2) Any principal adjustments needed to adjust the transactions in the general ledger to the amount that should be requested for disposition should be shown separately in the "Principal Adjustments" column of the DVA Continuity Schedule
- 3) The "Variance RRR vs. 2019 Balance" column should equal principal adjustments made in the current disposition period. It should not be impacted by reversals from prior year approved principal adjustments.

Complete the table below for the current disposition period. Complete a table for each year included in the balance under review in this rate application. The number of tables to be completed is automatically generated based on data provided in the Information Sheet

Year	Account 1589 - RSVA Global Adjustment			
	Adjustment Description		Amount	Year Recorded in GL
	Reversals of prior approved principal adjustments (auto-populated from table above)			
	1			
	2			
	3			
	4			
	5			
	6			
	7			
	8			
	Total Reversal Principal Adjustments		-	
	Current year principal adjustments			
	1	CT 148 true-up of GA Charges based on actual Non-RPP volumes		
	2	Unbilled to actual revenue differences		
	3			
	4			
	5			
	6			
	7			
	8			
	Total Current Year Principal Adjustments		-	
	Total Principal Adjustments to be Included on DVA Continuity Schedule		-	

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



ATTACHMENT 9-3

POWER LIABILITY VARIANCE EXPLANATION

Power Liability Variance Explanation

WNH performs monthly settlement and completes the corresponding accounting entries with segregated duties between the Billing and Finance teams. WNH's Billing team completes monthly settlement submissions and prepares the shadow invoice as well as provides the final power invoice to Finance. Finance inputs billing information, prepares monthly and year-end journal entries and pays the power invoice.

In 2019, the OEB required that all LDC's follow new accounting guidance for 1588 / 1589 Commodity Pass Through Accounts. WNH's Finance and Billing teams spent a significant amount of time adjusting current processes in order to be compliant by August 2019. This caused a major overhaul of monthly adjustments and system requirements and reporting.

When the new guidance came out it was determined that WNH would need to change current practices of preparing settlement by using monthly consumption data for RPP instead of monthly billed data. WNH has successfully completed the transition and completed true-up settlement submissions for 2017, 2018 and 2019. This was accomplished by utilizing the OEB's Illustrative Commodity Model. As a result, all 1588 and 1589 calculations are now based on monthly consumption data not billed data.

During the 2019 year-end process with the help of KPMG, WNH determined the correct balances for Sale of Electricity (SOE), Cost of Power (COP), 1588 Commodity (Balance Sheet) and 1589 GA Commodity (Balance Sheet). The new processes were effectively implemented back to January 1, 2019. WNH set up a liability to offset all of the balance-correcting journal entries. Once 2019 was correct, the remaining amount in this liability account was approximately \$5.4M. The details of this liability are discussed below.

WNH investigated the previous settlement methodology to outline the differences between the current process to determine how this difference was created. The latest change to the settlement process (prior to the 2019 OEB process) was implemented

January 1, 2015. Table 1 below summarizes the charge types on the IESO invoice and their calculation inputs. WNH noticed an error in the previous methodology used when calculating RPP settlement (CT 1142). The RPP GA used in settlement was calculated by taking the difference between total Class B GA per IESO invoice (CT 148) and the Non-RPP GA billed by WNH to its customers in the subsequent month. Since the invoice is based on kWh consumed during the month, this caused RPP settlement to be incorrect. WNH examined historical records and confirmed that the error was not present prior to January 1, 2015.

Table 1: Commodity Cost of Power:

Charge Type	RPP/non-RPP	Class	Power/GA	Volumes	Note	Volume Period	
						Pre-Change	Post-Change
101	Both	A&B	Power	AQEW	1	Calendar Month	Calendar Month
147	non-RPP	A	GA	Class A	2	Calendar Month	Calendar Month
148	Both	B	GA	Class B = AQEW+EG-Class A	3	Calendar Month	Calendar Month
1142	RPP	B	Settlement	Class B RPP only	3	Mixed*	Calendar Month
1412	non-RPP	B	Power	Embedded Generation (EG)	4	Calendar Month	Calendar Month

Note 1 AQEW is the total net energy (loss adjusted) that WNH pulls from the transmission system. WNH obtains this number from Utilismart which monitors wholesale metering points. The IESO is able to obtain this number through wholesale meter data.

Note 2 Class A usage is determined through individual meter point data for all Class A customers multiplied by WNH's Class A loss factor.

Note 3 Class B volumes are determined by taking AQEW (total wholesale meter points), plus Embedded Generation (internally tracked), less total loss factor adjusted Class A volumes.

*Former RPP settlement calculation:

Settlement = RPP Revenues - (RPP Cost of Energy + RPP GA actual)

Where:

RPP Revenues = RPP kWh billed during month @ RPP rates

RPP Cost of Energy = RPP kWh billed during month @ weighted average cost of energy

RPP GA Actual = Total Class B GA per CT 148 on IESO Invoice less Non-RPP kWh billed during subsequent month @ final GA rate

Given the timing of this calculation, the actual invoice would not have been received yet, nor would the Non-RPP kWh billed in the subsequent month be completed. As a result, this amount was estimated and true-up in the following month.

Note 4 Embedded Generation contracts are paid and settled separately. No change to this process.

WNH has compiled IESO invoices by charge type (Appendix 1.a) and Non-RPP GA billings (Appendix 1.b) for the period of January 1, 2015 to December 31, 2018. Using this information, WNH has recalculated RPP settlement (Appendix 1.d) based on a correct calculation of RPP GA. The revised version calculates RPP GA as total Class B GA invoiced less Non-RPP consumed during the month at final GA rates. The revised version performs the same estimate and subsequent month true-up methodology to accurately compare the differences to actual historical submissions. This information is

compared to the actual RPP Settlement submissions for the same period (Appendix 1.c).

The result is that WNH overstated the cost of RPP GA during the RPP settlement calculations for this period, overstating the amounts claimed from the IESO. The total RPP settlement true-up required is \$2,788,012 owing to the IESO and is summarized in Table 2 below. WNH proposes that these amounts be paid to the IESO upon OEB approval. The 2017 and 2018 differences have already been remitted as part of the true-ups submitted in 2019 during the transition to the new settlement process.

Table 2 - RPP Recalculation

Year	RPP Submitted (\$)	RPP Recalc (\$)	Difference \$
2015	(3,392,260)	(929,060)	2,463,200
2016	(1,399,436)	(1,074,623)	324,812
	(4,791,695)	(2,003,683)	2,788,012

Upon discovery of this error, WNH investigated the historical calculation of accounts 1588 and 1589 to ensure that these would be unaffected.

Since 1589 is calculated as the difference between GA charged Non-RPP customers and that paid to the IESO, it was unaffected by the error. No revisions are necessary.

Since 1588 is calculated as the difference between Sale of Electricity – Energy Portion and Cost of Power – Energy Portion that inherently includes RPP GA and settlement amounts, WNH initially anticipated a true-up would be required. However, under the previous settlement process, WNH would perform a GA Reconciliation Accrual at December 31st of each fiscal year, which makes the true-up unnecessary. This GA Reconciliation Accrual was calculated by taking the cumulative difference of GA billed to Non-RPP customers and GA charged on the IESO invoice. Since these inputs were affected by the error in RPP settlement, the accrual negated the difference to 4705. The accrual would debit/increase Cost of Power (4705) and credit Accounts Payable (2205). The accrual would be reversed in the subsequent fiscal period. Table 3 summarizes the

accruals and reversals as well as the required revision to update the inputs to reflect corrections to the error to RPP settlement from above.

The first section of Table 3 reiterates the RPP settlement error by year from Table 2. 2017 and 2018 are included here as well since the true-up performed in 2019 for those years would not affect this calculation. The difference between what was submitted and what should have been submitted (Revised column) has a direct impact on the calculation of Cost of Power (4705) for these years.

The second section of Table 3 outlines the correction that needs to be made to the GA Reconciliation Accrual due to the RPP settlement error. The first column contains what was accrued at the end of each fiscal year. This accrual was reversed into the subsequent fiscal year. The second column (Revised) indicates what those accruals should have been if RPP settlement was calculated correctly. This correction to the accrual would have an equal and opposite effect as it is reversed in the subsequent period. The total effect on Cost of Power (4705) is calculated in the Difference column.

Table 3 - RPP Settlement Error Effect on Account 4705

Year	RPP settlement included in 4705			GA Reconciliation Accrual to COP included in 4705					Total Effect on 4705
	Submitted	Revised	Difference	Accrued	Revised	Accr. Diff	Rev. in next period	Difference	
2015	(3,392,260)	(929,060)	2,463,200	2,354,388	(108,812)	(2,463,200)	-	(2,463,200)	-
2016	(1,399,436)	(1,074,623)	324,812	3,372,192	584,180	(2,788,012)	2,463,200	(324,812)	-
2017	(12,442,456)	(12,480,698)	(38,241)	4,041,131	1,291,360	(2,749,771)	2,788,012	38,241	-
2018	(21,024,235)	(21,152,377)	(128,143)	3,900,222	1,278,594	(2,621,628)	2,749,771	128,143	-
2019							2,621,628	2,621,628	2,621,628
	(38,258,386)	(35,636,758)	2,621,628	13,667,933	3,045,322	(10,622,610)	10,622,610	-	2,621,628

As Table 3 demonstrates, the revised GA Reconciliation Accrual eliminates the effect of the RPP settlement error on account 4705 for 2015-2018 with the exception of the reversal of the final accrual. This last accrual at December 31, 2018 contains the cumulative effect of the RPP settlement differences from 2015-2018. Typically, this December 31, 2018 accrual would have been reversed on January 1, 2019 and been included as part of Cost of Power in 2019. However, since the new settlement process was adopted as of January 1, 2019 this amount could not be reversed in 2019 to account 4705 and has been kept in Accounts Payable (2205) for disposal. The total

amount of \$2,621,628 represents an amount owing to WNH RPP customers. WNH requests that the full amount be disposed of along with the 2019 1588 balance.

Appendices

App 1.a - IESO Invoice Summary								
Settlement Month	Submission Month	CT 101 Cost of Energy	CT 147 Class A GA (@ pdf)	CT 148 Class B GA (@ final rate)	CT 1142 - 1 RPP Rev - RPP Energy	CT 1142 - 2 RPP GA	CT 1142 RPP Settlement	
Jan-15	Feb-15	4,050,841	397,905	6,590,725	4,263,793 -	4,993,216 -	729,423	
Feb-15	Mar-15	6,517,606	290,629	4,788,508	4,098,473 -	1,705,647	2,392,826	
Mar-15	Apr-15	3,270,263	447,761	7,661,800	3,873,733 -	3,435,271	438,462	
Apr-15	May-15	1,861,420	588,293	10,150,293	3,099,476 -	4,788,573 -	1,689,097	
May-15	Jun-15	1,801,452	594,935	10,531,510	3,982,106 -	4,860,039 -	877,933	
Jun-15	Jul-15	1,815,621	597,423	10,549,643	3,843,131 -	5,013,164 -	1,170,033	
Jul-15	Aug-15	2,891,373	523,756	9,663,561	4,622,126 -	4,741,759 -	119,633	
Aug-15	Sep-15	2,897,870	509,327	9,319,741	3,985,132 -	2,775,416	1,209,716	
Sep-15	Oct-15	3,943,549	413,285	7,790,806	4,439,544 -	3,334,732	1,104,812	
Oct-15	Nov-15	2,893,776	430,203	8,189,542	3,632,519 -	2,198,538	1,433,981	
Nov-15	Dec-15	1,207,216	648,422	12,404,982	4,068,291 -	6,470,690 -	2,402,399	
Dec-15	Jan-16	1,336,812	579,080	10,886,737	4,216,710 -	7,200,248 -	2,983,538	
Jan-16	Feb-16	1,800,082	620,245	11,375,784	5,199,154 -	4,549,208	649,946	
Feb-16	Mar-16	1,498,069	616,222	11,288,094	5,069,903 -	5,675,540 -	605,637	
Mar-16	Apr-16	708,235	648,919	12,224,316	5,774,656 -	5,482,668	291,988	
Apr-16	May-16	688,029	631,842	11,946,990	5,144,485 -	6,078,636 -	934,151	
May-16	Jun-16	1,534,086	614,519	11,663,523	5,520,329 -	5,488,811	31,518	
Jun-16	Jul-16	2,402,926	576,602	10,817,962	4,783,586 -	5,038,098 -	254,512	
Jul-16	Aug-16	3,208,949	644,650	10,534,635	4,790,817 -	3,866,992	923,825	
Aug-16	Sep-16	4,604,162	576,936	9,296,717	4,919,696 -	5,103,948 -	184,252	
Sep-16	Oct-16	2,163,101	635,386	10,955,899	5,866,001 -	3,509,163	2,356,838	
Oct-16	Nov-16	1,425,483	697,546	12,230,464	4,320,434 -	7,171,853 -	2,851,419	
Nov-16	Dec-16	1,871,416	706,570	12,190,340	5,093,253 -	6,390,138 -	1,296,885	
Dec-16	Jan-17	2,631,348	633,992	10,474,781	4,773,114 -	4,299,807	473,307	
Jan-17	Feb-17	2,809,265	605,885	10,113,652	5,408,911 -	4,672,845	736,066	
Feb-17	Mar-17	2,388,373	558,221	9,276,892	4,636,568 -	4,469,255	167,313	
Mar-17	Apr-17	3,199,164	505,627	8,452,966	5,825,710 -	3,980,353	1,845,357	
Apr-17	May-17	1,202,332	634,067	10,888,581	5,714,562 -	2,716,860	2,997,702	
May-17	Jun-17	363,897	752,556	12,897,331	5,157,458 -	8,871,135 -	3,713,677	
Jun-17	Jul-17	708,587	793,735	13,760,427	4,497,495 -	7,420,382 -	2,922,887	
Jul-17	Aug-17	1,757,911	2,153,919	12,794,182	4,618,341 -	5,916,091 -	1,297,750	
Aug-17	Sep-17	2,146,232	2,022,872	10,025,484	3,973,092 -	4,662,691 -	689,599	
Sep-17	Oct-17	2,814,803	1,613,557	8,506,402	3,417,574 -	5,049,543 -	1,631,969	
Oct-17	Nov-17	997,363	2,160,015	11,447,040	3,123,207 -	3,580,709 -	457,502	
Nov-17	Dec-17	1,676,124	1,797,716	9,301,721	3,604,564 -	8,787,475 -	5,182,911	
Dec-17	Jan-18	2,618,796	2,010,817	9,727,656	3,399,096 -	5,690,560 -	2,291,464	
Jan-18	Feb-18	4,348,778	1,546,117	7,505,097	4,214,623 -	4,132,879	81,744	
Feb-18	Mar-18	2,211,750	1,564,706	7,755,400	2,931,988 -	3,090,054 -	158,066	
Mar-18	Apr-18	2,147,151	1,891,877	9,518,446	4,042,869 -	5,691,163 -	1,648,294	
Apr-18	May-18	3,430,494	1,848,100	9,286,541	3,442,347 -	6,149,084 -	2,706,737	
May-18	Jun-18	1,580,978	1,967,163	10,126,409	3,066,467 -	6,990,471 -	3,924,004	
Jun-18	Jul-18	2,248,375	2,261,754	11,671,254	3,528,967 -	5,000,690 -	1,471,723	
Jul-18	Aug-18	4,233,061	1,864,142	8,686,957	3,719,337 -	6,023,205 -	2,303,868	
Aug-18	Sep-18	4,157,697	1,791,735	8,255,011	3,337,956 -	4,120,159 -	782,203	
Sep-18	Oct-18	3,688,544	1,732,072	8,641,228	2,971,679 -	4,580,220 -	1,608,541	
Oct-18	Nov-18	1,611,982	2,253,040	11,063,993	3,308,403 -	5,804,332 -	2,495,929	
Nov-18	Dec-18	3,072,201	1,858,280	9,619,971	3,324,288 -	7,552,484 -	4,228,196	
Dec-18	Jan-19	3,482,936	1,693,255	7,528,756	3,220,940 -	2,998,346	222,594	
2015		34,487,800	6,021,021	108,527,849	48,125,033 -	51,517,293 -	3,392,260	
2016		24,535,885	7,603,428	134,999,506	61,255,428 -	62,654,862 -	1,399,434	
2017		22,682,848	15,608,990	127,192,334	53,376,578 -	65,817,899 -	12,441,321	
2018		36,213,947	22,272,242	109,659,064	41,109,865 -	62,133,087 -	21,023,222	

App 1.b - Class B Non-RPP GA				
Settlement Month	Submission Month	Class B GA Consumed @ Final rate	Class B GA Consumed @ 1st Estimate (billed)	Class B GA Billed used in RPP Settlement Calc
Jan-15	Feb-15	3,365,630	3,708,857	3,562,600
Feb-15	Mar-15	2,429,353	4,148,441	4,292,087
Mar-15	Apr-15	4,125,785	2,463,663	2,380,265
Apr-15	May-15	5,717,912	3,948,031	4,039,274
May-15	Jun-15	5,999,683	5,731,334	5,536,164
Jun-15	Jul-15	5,960,659	5,731,792	5,939,116
Jul-15	Aug-15	5,180,093	5,807,806	5,679,447
Aug-15	Sep-15	5,095,810	5,578,493	5,568,017
Sep-15	Oct-15	4,271,999	5,243,915	5,234,559
Oct-15	Nov-15	4,605,890	3,927,862	4,028,375
Nov-15	Dec-15	6,842,111	4,629,861	4,515,861
Dec-15	Jan-16	5,691,409	6,713,766	6,855,299
Jan-16	Feb-16	5,785,406	5,358,438	5,116,882
Feb-16	Mar-16	5,888,531	6,098,998	6,242,712
Mar-16	Apr-16	6,590,753	5,626,586	5,593,991
Apr-16	May-16	6,551,476	6,960,629	7,032,513
May-16	Jun-16	6,522,862	6,280,717	6,197,341
Jun-16	Jul-16	5,886,468	7,005,753	7,164,630
Jul-16	Aug-16	5,433,653	5,055,371	4,925,863
Aug-16	Sep-16	4,824,359	5,695,566	5,801,044
Sep-16	Oct-16	6,068,017	4,538,295	4,433,647
Oct-16	Nov-16	6,906,624	5,911,767	5,929,198
Nov-16	Dec-16	6,740,029	7,295,259	7,271,654
Dec-16	Jan-17	5,281,868	6,317,228	6,359,733
Jan-17	Feb-17	5,248,611	4,295,332	4,231,109
Feb-17	Mar-17	4,742,053	5,878,386	5,170,141
Mar-17	Apr-17	4,493,666	5,220,279	5,884,836
Apr-17	May-17	6,021,016	3,780,081	3,808,728
May-17	Jun-17	7,250,491	6,195,651	6,140,869
Jun-17	Jul-17	7,144,303	7,207,375	7,135,522
Jul-17	Aug-17	5,130,248	4,844,278	4,728,593
Aug-17	Sep-17	4,574,203	5,314,103	5,317,527
Sep-17	Oct-17	3,915,569	5,516,011	5,679,788
Oct-17	Nov-17	5,340,663	4,340,697	4,206,922
Nov-17	Dec-17	4,097,986	4,731,306	4,615,149
Dec-17	Jan-18	3,968,963	3,598,402	3,906,745
Jan-18	Feb-18	3,043,668	3,980,262	4,028,146
Feb-18	Mar-18	3,219,358	2,885,568	3,006,214
Mar-18	Apr-18	4,046,929	3,361,972	3,460,488
Apr-18	May-18	3,991,621	3,931,426	3,907,807
May-18	Jun-18	4,584,035	3,988,526	4,083,370
Jun-18	Jul-18	5,109,401	5,727,359	5,667,463
Jul-18	Aug-18	3,576,370	3,929,657	3,885,090
Aug-18	Sep-18	3,500,156	3,640,076	3,736,335
Sep-18	Oct-18	3,655,371	3,586,874	3,474,761
Oct-18	Nov-18	5,041,744	3,729,269	3,784,286
Nov-18	Dec-18	4,047,495	5,024,178	4,972,548
Dec-18	Jan-19	3,016,313	3,747,180	3,741,844
2015		59,286,332	57,633,822	57,631,064
2016		72,480,044	72,144,607	72,069,207
2017		61,927,771	60,921,901	60,825,929
2018		46,832,461	47,532,347	47,748,352

		App 1.c - Class B - RPP Settlement - Actual Submissions					App 1.d - Class B RPP Settlement - Recalc		
Settlement Month	Submission Month	RPP Revenues (RPP rate x kWh billed)	RPP Cost of Energy (cost of energy x kWh billed)	RPP GA (total GA for month less Non-RPP portion billed)	RPP Settlement		Revised RPP GA (est + true-up)	Revised RPP Settlement	Settlement Diff
	Jan-15	Feb-15	5,523,661	1,259,868	4,993,216 -	729,423	4,809,449 -	545,656	183,768
	Feb-15	Mar-15	5,627,928	1,529,455	1,705,647	2,392,826 -	1,206,512	5,304,985	2,912,158
	Mar-15	Apr-15	6,560,385	2,686,652	3,435,271	438,462	6,732,977 -	2,859,244 -	3,297,706
	Apr-15	May-15	5,038,267	1,938,791	4,788,573 -	1,689,097	4,304,610 -	1,205,134	483,963
	May-15	Jun-15	5,318,511	1,336,405	4,860,039 -	877,933	3,772,163	209,943	1,087,876
	Jun-15	Jul-15	4,644,105	800,974	5,013,164 -	1,170,033	4,549,645 -	706,514	463,519
	Jul-15	Aug-15	5,423,088	800,962	4,741,759 -	119,633	9,952,017 -	5,329,891 -	5,210,258
	Aug-15	Sep-15	4,940,485	955,353	2,775,416	1,209,716 -	1,805,082	5,790,214	4,580,498
	Sep-15	Oct-15	5,889,908	1,450,364	3,334,732	1,104,812	4,040,621	398,923 -	705,889
	Oct-15	Nov-15	5,089,376	1,456,857	2,198,538	1,433,981	3,137,085	495,434 -	938,547
	Nov-15	Dec-15	5,500,488	1,432,198	6,470,690 -	2,402,399	5,893,122 -	1,824,831	577,568
	Dec-15	Jan-16	5,035,141	818,432	7,200,248 -	2,983,538	4,873,998 -	657,288	2,326,250
	Jan-16	Feb-16	5,841,808	642,654	4,549,208	649,945	5,713,099 -	513,945 -	1,163,891
	Feb-16	Mar-16	5,744,304	674,401	5,675,540 -	605,637	5,007,016	62,887	668,524
	Mar-16	Apr-16	6,582,859	808,203	5,482,668	291,988	5,836,849 -	62,193 -	354,181
	Apr-16	May-16	5,612,242	467,756	6,078,636 -	934,151	5,081,874	62,611	996,762
	May-16	Jun-16	5,839,856	319,527	5,488,811	31,519	5,969,847 -	449,518 -	481,036
	Jun-16	Jul-16	5,273,437	489,851	5,038,099 -	254,513	4,712,578	71,008	325,520
	Jul-16	Aug-16	5,726,983	936,166	3,866,992	923,824	5,145,155 -	354,338 -	1,278,163
	Aug-16	Sep-16	6,269,345	1,349,649	5,103,948 -	184,253	4,596,158	323,537	507,790
	Sep-16	Oct-16	7,926,394	2,060,393	3,509,163	2,356,838	4,485,849	1,380,153 -	976,686
	Oct-16	Nov-16	5,517,288	1,196,854	7,171,853 -	2,851,419	5,537,483 -	1,217,049	1,634,370
	Nov-16	Dec-16	5,929,832	836,578	6,390,138 -	1,296,885	5,412,712 -	319,459	977,426
	Dec-16	Jan-17	5,526,355	753,242	4,299,807	473,306	4,831,432 -	58,319 -	531,625
	Jan-17	Feb-17	6,600,065	1,191,154	4,672,845	736,065	5,750,710 -	341,800 -	1,077,865
	Feb-17	Mar-17	5,751,550	1,114,982	4,469,255	167,313	3,451,753	1,184,815	1,017,502
	Mar-17	Apr-17	7,166,225	1,340,515	3,980,353	1,845,357	4,408,441	1,417,269 -	428,088
	Apr-17	May-17	7,242,775	1,528,214	2,716,860	2,997,702	4,108,030	1,606,531 -	1,391,170
	May-17	Jun-17	6,002,797	845,339	8,871,135 -	3,713,677	6,658,847 -	1,501,389	2,212,288
	Jun-17	Jul-17	4,657,715	160,220	7,420,382 -	2,922,887	6,310,761 -	1,813,266	1,109,621
	Jul-17	Aug-17	4,969,270	350,929	4,151,330	467,011	4,142,548	475,793	1,773,543
	Aug-17	Sep-17	4,800,613	827,521	7,809,883 -	3,836,791	7,408,228 -	3,435,136 -	2,745,537
	Sep-17	Oct-17	4,275,068	857,494	3,667,111 -	249,537	4,410,435 -	992,861	639,108
	Oct-17	Nov-17	4,270,894	1,147,687	3,580,709 -	457,501	5,344,928 -	2,221,721 -	1,764,219
	Nov-17	Dec-17	4,268,033	664,173	8,787,474 -	5,183,615	7,653,734 -	4,049,874	1,133,036
	Dec-17	Jan-18	4,074,729	676,066	5,690,560 -	2,291,897	6,207,722 -	2,809,059 -	517,595
	Jan-18	Feb-18	5,820,757	1,606,134	4,132,878	81,745	4,070,660	143,963	62,219
	Feb-18	Mar-18	4,751,934	1,819,987	3,090,054 -	158,106	4,074,532 -	1,142,585 -	984,518
	Mar-18	Apr-18	5,278,347	1,235,544	5,691,162 -	1,648,358	5,478,019 -	1,435,215	213,079
	Apr-18	May-18	4,480,684	1,038,338	6,149,084 -	2,706,737	5,562,643 -	2,120,296	586,441
	May-18	Jun-18	4,538,693	1,472,226	6,990,470 -	3,924,003	6,906,657 -	3,840,189	83,814
	Jun-18	Jul-18	4,272,120	744,026	5,000,689 -	1,472,595	4,500,024 -	971,930	499,793
	Jul-18	Aug-18	5,007,751	1,288,440	6,023,206 -	2,303,895	6,581,267 -	2,861,957 -	558,089
	Aug-18	Sep-18	5,324,895	1,986,939	4,120,159 -	782,203	4,428,879 -	1,090,923 -	308,720
	Sep-18	Oct-18	4,917,700	1,946,021	4,580,221 -	1,608,542	4,816,400 -	1,844,721 -	236,180
	Oct-18	Nov-18	5,035,787	1,727,391	5,804,332 -	2,495,937	5,623,722 -	2,315,326	180,603
	Nov-18	Dec-18	4,061,186	736,897	7,552,484 -	4,228,196	6,295,026 -	2,970,738	1,257,458
	Dec-18	Jan-19	4,677,069	1,456,129	2,998,347	222,593	3,923,400 -	702,461 -	925,054
✓ 2015		✓	64,591,344 ✓	16,466,311	51,517,293 -	3,392,260	49,054,093 -	929,060	2,463,200
✓ 2016		✓	71,790,703 ✓	10,535,274	62,654,864 -	1,399,436	62,330,052 -	1,074,623	324,810
✓ 2017		✓	64,079,735 ✓	10,704,294	65,817,897 -	12,442,456	65,856,138 -	12,480,698 -	39,377
✓ 2018		✓	58,166,924 ✓	17,058,072	62,133,087 -	21,024,235	62,261,229 -	21,152,377 -	129,155



ATTACHMENT 9-4

WNH 2016 SETTLEMENT PROPOSAL

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November 13, 2015

Delivered by RESS, Email and Courier

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street
Suite 2701
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: Board File No. EB-2015-0108
Waterloo North Hydro (“WNH”)
Updated Settlement Proposal (incl. updates for Cost of Capital)**

Please find attached WNH’s amended Settlement Proposal. The version that was previously filed with the Ontario Energy Board on October 1, 2015 has been amended with respect to the appropriate use of the terms “privilege” and “confidentiality, as described in the Board Decision and Procedural Order No. 3 issued on November 6, 2015, as well as being updated with the Cost of Capital Parameter Updates for 2016 Applications which was issued by the Board on October 15, 2015.

All amended sections have been side barred for ease of reference.

Instructions for updating copies of previously filed evidence in this matter are provided as Attachment A to this letter.

In support of this updated Settlement Proposal, WNH has also filed several excel files which are listed in Attachment B to this letter.

Yours very truly,

BORDEN LADNER GERVAIS LLP

Per:

Original signed by James K. Little

James K. Little
Encl.

cc: Chris Amos, Waterloo North Hydro
Parties in EB-2015-0108

Waterloo North Hydro Inc. Board File No. EB-2015-0108

Attachment A

Settlement Proposal Update Instructions

Settlement Proposal	Cover	Date	Update	Page	1
Settlement Proposal	Table of Contents,	Update Page References	Update	Page	2
Settlement Proposal	Live Excel Models,	Update File Names	Update	Page	2
Settlement Proposal	Settlement Proposal,	Filed with the Ontario Energy Board: Dates	Update	Page	3
Settlement Proposal	Settlement Proposal,	Update Parameters Reference	Update	Page	3
Settlement Proposal	Settlement Proposal,	Update Board Rules References	Update	Page	3
Settlement Proposal	Settlement Proposal,	Replace 'Guidelines' with 'Practice Direction'	Update	Page	4
Settlement Proposal	Settlement Proposal,	Update Confidentiality References	Update	Page	4
Settlement Proposal	Settlement Proposal,	Replace 'Guidelines' with 'Practice Direction'	Update	Page	5
Settlement Proposal	Issue 2.1,	Update Parameters Reference and Table 5 Reference	Update	Page	14
Settlement Proposal	Issue 2.1,	Table 5 - Long-Term Debt Rate Calculation Added	Update	Page	15
Settlement Proposal	Issue 2.1,	Table 5 Reference (Originally Filed), Updated to Table 6	Update	Page	15
Settlement Proposal	Issue 2.1,	Table 5 Header (Originally Filed), Updated to Table 6	Update	Page	16
Settlement Proposal	Issue 2.1,	Update PILs Model File Name	Update	Page	16
Settlement Proposal	Issue 2.1,	Update Bill Impacts Model File Name	Update	Page	16
Settlement Proposal	Issue 2.1,	Table 6 Reference (Originally Filed), Updated to Table 7	Update	Page	16
Settlement Proposal	Issue 2.1,	Table 6 Header (Originally Filed), Updated to Table 7	Update	Page	17
Settlement Proposal	Issue 2.1,	Table 7 - Revenue Requirement - Updated	Update	Page	17
Settlement Proposal	Issue 2.2,	Update RRWF Model File Name	Update	Page	18
Settlement Proposal	Issue 3.1,	Table 7 Reference (Originally Filed), Updated to Table 8 - twice	Update	Page	19
Settlement Proposal	Issue 3.1,	Table 7 Header (Originally Filed), Updated to Table 8	Update	Page	19
Settlement Proposal	Issue 3.1,	Table 8 Reference (Originally Filed), Updated to Table 9	Update	Page	19
Settlement Proposal	Issue 3.1,	Table 8 Header (Originally Filed), Updated to Table 9	Update	Page	20
Settlement Proposal	Issue 3.2,	Table 9 Reference (Originally Filed), Updated to Table 10	Update	Page	23
Settlement Proposal	Issue 3.2,	Table 9 Header (Originally Filed), Updated to Table 10	Update	Page	23
Settlement Proposal	Issue 3.2,	Table 10 - Revenue to Cost Ratios - Updated	Update	Page	23
Settlement Proposal	Issue 3.2,	Update Cost Allocation Model File Name	Update	Page	23
Settlement Proposal	Issue 3.3,	Updated Appendix 2-PA Calculations	Update	Page	25
Settlement Proposal	Issue 3.3,	Table 11 Reference (Originally Filed), Updated to Table 12	Update	Page	25
Settlement Proposal	Issue 3.3,	Update Unmetered Scattered Load Charges	Update	Page	25
Settlement Proposal	Issue 3.3,	Table 10 Reference (Originally Filed), Updated to Table 11	Update	Page	25
Settlement Proposal	Issue 3.3,	Table 10 Header (Originally Filed), Updated to Table 11	Update	Page	26
Settlement Proposal	Issue 3.3,	Table 11 - Distribution Charges - Updated	Update	Page	26
Settlement Proposal	Issue 3.3,	Table 11 Header (Originally Filed), Updated to Table 12	Update	Page	26
Settlement Proposal	Issue 3.3,	Table 12 - OEB Appendix 2-PA Residential Service Charge Transition - Updated	Update	Page	26
Settlement Proposal	Issue 3.3,	Table 12 Reference (Originally Filed), Updated to Table 13	Update	Page	27
Settlement Proposal	Issue 3.3,	Table 12 Header (Originally Filed), Updated to Table 13	Update	Page	27
Settlement Proposal	Issue 3.3,	Table 13 - Revenue Reconciliation - Updated	Update	Page	27
Settlement Proposal	Issue 3.4,	Table 13 Reference (Originally Filed), Updated to Table 14	Update	Page	28
Settlement Proposal	Issue 3.4,	Table 13 Header (Originally Filed), Updated to Table 14	Update	Page	28
Settlement Proposal	Issue 3.4,	Table 14 Reference (Originally Filed), Updated to Table 15	Update	Page	28
Settlement Proposal	Issue 3.4,	Table 14 Header (Originally Filed), Updated to Table 15	Update	Page	28
Settlement Proposal	Issue 4.1,	Update EDDVAR Model File Name	Update	Page	29
Settlement Proposal	Issue 4.2,	Update Parameters Reference	Update	Page	30
Settlement Proposal	Issue 4.2,	Update EDDVAR Model File Name	Update	Page	31
Settlement Proposal	Issue 4.2,	Tables 15-17 Reference (Originally Filed), Updated to Table 16-18	Update	Page	32
Settlement Proposal	Issue 4.2,	Table 15 Header (Originally Filed), Updated to Table 16	Update	Page	32
Settlement Proposal	Issue 4.2,	Table 16 Header (Originally Filed), Updated to Table 17	Update	Page	33
Settlement Proposal	Issue 4.2,	Table 17 Header (Originally Filed), Updated to Table 18	Update	Page	35
Settlement Proposal	Issue 4.2,	Table 18 Reference (Originally Filed), Updated to Table 19	Update	Page	36
Settlement Proposal	Issue 4.2,	Table 18 Header (Originally Filed), Updated to Table 19	Update	Page	36
Settlement Proposal	Issue 4.2,	Table 19 Reference (Originally Filed), Updated to Table 20	Update	Page	36
Settlement Proposal	Issue 4.2,	Table 19 Header (Originally Filed), Updated to Table 20	Update	Page	36
Settlement Proposal	Appendix A	Updated Proposed Tariff Schedule of Rates - Descriptions, Rates, Remove OCEB	Update	Pages	39 - 49
Settlement Proposal	Appendix D	Updated Bill Impacts Schedule	Update	Page	52
Settlement Proposal	Appendix E	Updated OEB Appendix 2-EC, Account 1576	Update	Page	53

Waterloo North Hydro Inc. Board File No. EB-2015-0108

Attachment B

Filed Supporting Documentation

Waterloo_2016_COS_2015_EDDVAR_Continuity Schedule_Settlement_Update CoC_20151023
Waterloo_2016_COS_Cost_Allocation_Model_Settlement_Update CoC_20151023
Waterloo_2016_Test_Year_Income_Tax_PILs_Workform_Settlement_Update CoC_20151023
Waterloo_2016_Bill Impacts_Appendix 2-W_Settlement_Update CoC_20151023
Waterloo_2016_Load Forecast Model_Settlement_20151001
Waterloo_2016_Revised_Rev_Reqt_Work_Form_V6_Settlement_Update CoC_20151023
Waterloo_2016_Proposed Tariff Schedule_Appendix 2-Z_Settlement_Update CoC_20151106

EB-2015-0108

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 Waterloo
Hydro Inc. for an order approving just and reasonable rates
and other charges for electricity distribution to be effective
January 1, 2016.

WATERLOO NORTH HYDRO INC.

SETTLEMENT PROPOSAL

Originally filed: October 1, 2015

Amended (to reflect updated Cost of Capital parameters): November 13, 2015

Waterloo North Hydro Inc.

EB-2015-0108

Settlement Proposal

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LIVE EXCEL MODELS

In addition to the Appendices listed above, the following live excel models have been filed together with and form an integral part of this Settlement Proposal:

Waterloo_2016_COS_2015_EDDVAR_Continuity Schedule_Settlement_Update CoC_20151023
Waterloo_2016_COS_Cost_Allocation_Model_Settlement_Update CoC_20151023
Waterloo_2016_Test_Year_Income_Tax_PILs_Workform_Settlement_Update CoC_20151023
Waterloo_2016_Bill Impacts_Appendix 2-W_Settlement_Update CoC_20151023
Waterloo_2016_Load Forecast Model_Settlement_20151001
Waterloo_2016_Revised_Rev_Reqt_Work_Form_V6_Settlement_Update CoC_20151023
Waterloo_2016_Proposed Tariff Schedule_Appendix 2-Z_Settlement_Update CoC_20151106

Waterloo North Hydro Inc.

EB-2015-0108

Settlement Proposal

Original Filed with OEB: October 1, 2015

Amended: November 13, 2015 (to reflect updated cost of capital parameters)

Waterloo North Hydro Inc. (the “Applicant” or “WNH”) filed an application with the Ontario Energy Board (the “Board”) on May 1, 2015, as updated on May 12, 2015 under section 78 of the Ontario Energy Board Act, 1998, S.O. 1998, c. 15, (Schedule B) (the “Act”), seeking approval for changes to the rates that WNH charges for electricity distribution, to be effective January 1, 2016 (Board Docket Number EB-2015-0108) (the “Application”).

The Board issued and WNH published a Notice of Application and Hearing dated June 5, 2015 and Procedural Order No. 1 on June 22, 2015, the latter of which required the parties to the proceeding to develop a draft issues list.

WNH filed its interrogatory responses with the Board on July 31, 2015 and August 7, 2015, pursuant to which WNH updated several models and submitted them to the Board as Excel documents. To clarify matters arising from interrogatories, a technical conference was held on August 19, 2015. On August 24, 2015, following the interrogatories and technical conference, OEB staff submitted a proposed issues list as agreed to by the parties. On August 31, 2015 the Board issued its decision on the proposed issues list, approving the list submitted by OEB staff, and made provision for a settlement conference.

The Settlement Proposal was filed with the Board in connection with the Application on October 1, 2015. The Settlement Proposal is being updated with the Cost of Capital Parameter Updates issued by the Board on October 15, 2015 for Applications with rates effective in 2016 and the results are reflected in this updated Settlement Proposal.

Further to the Board’s Procedural Order No. 1 and its Issues List Decision, a settlement conference was convened on September 3, 2015 and continued to September 4, 2015 in accordance with the Board’s *Rules of Practice and Procedure* (the “Rules”) and the Board’s *Practice Direction on Settlement Conferences* (the “Practice Direction”). Jim Faught acted as facilitator for the settlement conference which lasted for two days.

WNH and the following intervenors (the “Intervenors”), participated in the settlement conference:

University of Waterloo via E2 Energy Inc. (“UofW”);
Energy Probe Research Foundation (“EP”);
School Energy Coalition (“SEC”); and
Vulnerable Energy Consumers Coalition (“VECC”).

WNH and the Intervenor are collectively referred to below as the “Parties”.

Ontario Energy Board staff (“OEB staff”) also participated in the settlement conference. The role adopted by OEB staff is set out in page 5 of the Practice Direction. Although OEB staff is not a party to this Settlement Proposal, as noted in the Practice Direction, OEB staff who did participate in the settlement conference are bound by the same confidentiality requirements that apply to the Parties to the proceeding.

This document is called a “Settlement Proposal” because it is a proposal by the Parties to the Board to settle the issues in this proceeding. It is termed a proposal as between the Parties and the Board. However, as between the Parties, and subject only to the Board’s approval of this Settlement Proposal, this document is intended to be a legal agreement, creating mutual obligations, and binding and enforceable in accordance with its terms. As set forth later in this Preamble, this agreement is subject to a condition subsequent, that if it is not accepted by the Board in its entirety, then unless amended by the Parties it is null and void and of no further effect. In entering into this agreement, the Parties understand and agree that, pursuant to the Act, the Board has exclusive jurisdiction with respect to the interpretation and enforcement of the terms hereof.

The Parties acknowledge that this settlement proceeding is confidential in accordance with the Practice Direction. The Parties understand that confidentiality in that context does not have the same meaning as confidentiality in the Board’s Practice Direction on Confidential Filings, and the rules of that latter document do not apply. Instead, in this settlement conference, and in this Agreement, the Parties have interpreted “confidential” to mean that the documents and other information provided during the course of the settlement proceeding, the discussion of each issue, the offers and counter-offers, and the negotiations leading to the settlement – or not – of each issue during the settlement conference are strictly privileged and without prejudice. None of the foregoing is admissible as evidence in this proceeding, or otherwise, with one exception, the need to resolve a subsequent dispute over the interpretation of any provision of this Settlement Proposal. Further, the Parties shall not disclose those documents or other information to persons who were not attendees at the settlement conference. However, the Parties agree that “attendees” is deemed to include, in this context, persons who were not physically in attendance at the settlement conference but were a) any persons or entities that the Parties engage to assist them with the settlement conference, and b) any persons or entities from whom they seek instructions with respect to the negotiations; in each case provided that any such persons or entities have agreed to be bound by the same confidentiality provisions.

This Settlement Proposal provides a brief description of each of the settled and partially settled issues, as applicable, together with references to the evidence. The Parties agree that references to the “evidence” in this Settlement Proposal shall, unless the context otherwise requires, include (a) additional information included by the Parties in this Settlement Proposal, and (b) the Appendices to this document. The supporting Parties for each settled and partially settled issue, as applicable, agree that the evidence in respect of that settled or partially settled issue, as applicable, is sufficient in the context of the overall settlement to support the proposed settlement, and the sum of the evidence in this proceeding provides an appropriate evidentiary record to support acceptance by the Board of this Settlement Proposal.

There are Appendices to this Settlement Proposal which provide further support for the proposed settlement. The Parties acknowledge that the Appendices were prepared by WNH. While the Intervenor has reviewed the Appendices, the Intervenor is relying on the accuracy of the underlying evidence in entering into this Settlement Proposal.

Outlined below are the final positions of the Parties following the settlement conference. For ease of reference, this Settlement Proposal follows the format of the final approved issues list for the Application attached to Procedural Order No. 2.

The Parties are pleased to advise the Board that they have reached a complete agreement with respect to the settlement of all of the issues in this proceeding. Specifically:

“Complete Settlement” means an issue for which complete settlement was reached by all Parties, and if this Settlement Proposal is accepted by the Board, the Parties will not adduce any evidence or argument during the oral hearing in respect of these issues.	# issues settled: All
“Partial Settlement” means an issue for which there is partial settlement, as WNH and the Intervenor who take any position on the issue were able to agree on some, but not all, aspects of the particular issue. If this Settlement Proposal is accepted by the Board, the Parties who take any position on the issue will only adduce evidence and argument during the hearing on those portions of the issues not addressed in this Settlement Proposal.	# issues partially settled: None
“No Settlement” means an issue for which no settlement was reached. WNH and the Intervenor who take a position on the issue will adduce evidence and/or argument at the hearing on the issue.	# issues not settled: None

If applicable, a Party who is noted as taking no position on an issue may or may not have participated in the discussion on that particular issue, but in either case such Party takes no position a) on the settlement reached, and b) on the sufficiency of the evidence filed to date.

According to the Practice Direction (p. 3), the Parties must consider whether a Settlement Proposal should include an appropriate adjustment mechanism for any settled issue that may be affected by external factors. These adjustments are specifically set out in the text of the Settlement Proposal.

The Parties have settled the issues as a package, and none of the parts of this Settlement Proposal are severable. If the Board does not accept this Settlement Proposal in its entirety, then there is no settlement (unless the Parties agree in writing that any part(s) of this Settlement Proposal that the Board does accept may continue as a valid settlement without inclusion of any part(s) that the Board does not accept).

In the event that the Board directs the Parties to make reasonable efforts to revise the Settlement Proposal, the Parties agree to use reasonable efforts to discuss any potential revisions, but no Party will be obligated to accept any proposed revision. The Parties agree that all of the Parties who took on a position on a particular issue must agree with any revised Settlement Proposal as it relates to that issue prior to its resubmission to the Board.

Unless stated otherwise, the settlement of any particular issue in this proceeding and the positions of the Parties in this Settlement Proposal are without prejudice to the rights of Parties to raise the same issue and/or to take any position thereon in any other proceeding, whether or not WNH is a party to such proceeding.

SUMMARY

In reaching this complete settlement, the Parties have been guided by the Filing Requirements for 2015 rates, the approved issues list attached as Schedule A to the Board's decision of August 31, 2015, and the Report of the Board titled *Renewed Regulatory Framework for Electricity Distributors: A Performance-Based Approach* dated October 18, 2012 ("RRFE").

This Settlement Proposal reflects a complete settlement of the issues in this proceeding.

The Parties believe that, since there are no areas of disagreement among the Parties, no oral hearing is required if this Settlement Proposal is accepted.

Based on the foregoing, and the evidence and rationale provided below, the parties agree that this Settlement Proposal is appropriate and recommend its acceptance by the Board. Please refer to Appendix A for the schedule of draft tariffs resulting if this settlement is accepted by the Board. This Settlement Proposal reflects the Parties agreement on an effective date for new rates of January 1, 2016.

1. Planning

1.1 Capital

Is the level of planned capital expenditures appropriate and is the rationale for planning and pacing choices appropriate and adequately explained, giving due consideration to:

- *customer feedback and preferences;*
- *productivity;*
- *benchmarking of costs;*
- *reliability and service quality;*
- *impact on distribution rates;*
- *trade-offs with OM&A spending;*
- *government-mandated obligations; and*
- *the objectives of the Applicant and its customers*

Complete Settlement: For the purposes of the settlement of all of the issues in this proceeding, WNH agrees to adjust its 2015 rate base and test year capital plan to reflect the following changes:

- WNH agrees to remove MS3 from the 2016 opening rate base which amounts to a reduction of the Net Book Value of \$2,112 (Cost \$22,648, Accumulated Depreciation \$20,536 = \$2,112 Net Book Value) to reflect the fact that MS3 was taken out of service before January 1, 2016 as described in 1-EP-5 and JTC1.1.;
- WNH agrees to remove MS1 from 2016 closing rate base which amounts to a reduction of the Net Book Value of \$26,562 (Cost \$50,783, Accumulated Depreciation \$24,221 = \$26,562 Net Book Value) to reflect the fact that MS1 is forecast to be taken out of service by December 31, 2016 as described in 1-EP-5 and JTC1.1.;
- Recognizing the Board intends to address the method for accounting of OPEBs in rates as part of a generic policy process, WNH agrees to increase its test year capital expenditures by \$86,000 to account for the capitalization of the cash amount to reflect the recovery of OPEBs on a cash, rather than an accrual, basis,¹ subject to the approval of a new variance account as described further in the settlement of issue 4.2 below to record the difference in rates between these two methodologies pending the Board's final determination on the generic policy issue;
- A reduction of \$500,000 to in capital additions for the test year. This will allow for a steadier pacing of capital expenditures and an incentive for WNH to increase its productivity for its capital program. WNH proposes to achieve this reduction

¹ All of the Parties recognize that the Board intends to hold a generic policy discussion on this matter, and that nothing in this settlement is intended to limit the positions any of the Parties may take in that more general policy discussion.

in capital additions, in part, by deferring some of the projects originally planned for the test year in a manner largely consistent with the prioritization process described in the Distribution System Plan (Exhibit 2, Appendix 2-A).

With the above adjustments, and for the purposes of settlement of all the issues in this proceeding, the Parties accept that the level of planned capital expenditures and the rationale for planning and pacing choices are appropriate and adequately explained, giving due consideration to:

- The customer feedback and preferences as more fully detailed in Exhibit 1 at Section 2.4.3 pp 76-108, Attachment 1-6, Attachment 1-7 and Attachment 1-8;
- The past and planned productivity initiatives of WNH as more fully detailed in Exhibit 1 at Section 2.4.1 pp 11-19 and Section 2.4.1.1, and Section 2.4.1.2.
- WNH's benchmarking performance as more fully detailed in Exhibit 1 at Section 2.4.1, Section 2.4.3, Attachment 1-14 and in the Board's 2014 scorecard which was filed on September 2, 2015;
- WNH's past reliability and service quality performance as well as WNH's targets for performance in the test year as more fully detailed in Interrogatory 1-Staff-3;
- The total impact on distribution rates, as more fully detailed in Appendix D of this Settlement Proposal;
- The settlement on OM&A as described under issue 1.2 of this Settlement Proposal;
- WNH's performance meeting government mandated obligations as more fully detailed in Exhibit 1 at Section 2.4.1.2, Section 2.4.3 and Attachment 1-14; and
- WNH's targets and objectives as more fully detailed in Exhibit 1 at Section 2.4.1.2, Section 2.4.2 and Attachment 1-1, and Exhibit 2 at Attachment 2-1.

The Parties further agree that the Distribution System Plan filed in this proceeding, combined with the resources made available to WNH in the Test Year under the terms of this Settlement Proposal, provide a foundation to WNH in the Test Year to continue to: (a) pursue continuous improvement in productivity; (b) maintain system reliability and service quality objectives; and (c) maintain reliable and safe operation of its distribution system.

Appendix B of this Settlement Proposal provides updated Appendix 2-AB to reflect this settlement. Appendix C of this Settlement Proposal provides an updated 2016 Fixed Asset Continuity Schedule to reflect this settlement.

Capital Additions as a result of the Settlement are produced below in Table 1.

Table 1 – Gross Capital Additions Summary

Capital Additions	Application	IRR - Changes	Settlement Changes	Settlement Proposal
2015 Opening Balance	316,996,025	-	-	316,996,025
2015 Additions	21,308,611	1,530,366	-	22,838,977
2015 Contributed Capital	(4,914,818)	(1,374,120)	-	(6,288,938)
2015 Disposals	(642,135)	-	-	(642,135)
2015 Closing Balance / 2016 Opening Balance	332,747,683	156,246	-	332,903,929
2016 Adjust Opening Balance - MS Disposal	-	-	(22,648)	(22,648)
2016 Additions	19,078,917	4,141,804	(414,000)	22,806,721
2016 Contributed Capital	(2,289,738)	(4,082,571)	-	(6,372,309)
2016 Disposals	(316,071)	-	(50,783)	(366,854)
2016 Closing Balance	349,220,791	215,478	(487,431)	348,948,838

Evidence:

Application: Exhibit 1 - pages 15-17, 19-20, 21-53, 56, 58-67, 76-108, Attachments 1-7, 1-8, 1-14; Exhibit 2, including Tables 2-5, 2-10, 2-11, 2-17, 2-18, 2-31, 2-38, Attachments 2-1 (DSP), 2-2; Exhibit 4 Tables 4-44, 4-45, 4-51, 4-52, pages 80-99; Exhibit 9 pages 14-24

IRRs: 1-Staff-3, 11, 12, 13, 14, 17, 1-Energy Probe-2, 5, 1-SEC-3, 1.0-VECC-1, 2, 4, 6; 2-Staff-19, 21, 25, 26, 29, 30, 31, 36, 39, 40, 41, 42, 43, 45, 46, 48, 49, 50, 51, 54, 55, 56, 57, 58, 60, 64, 66, 68, 69, 70, 72, 73, 74, 75, 78, 79, 80, 81, 82, 83, 85, 87, 88, 89, 90, 91, 92, 2-Energy Probe- 14, 15, 17, 18, 1-E2-5, 2-SEC-7, 8, 9, 11, 13, 18, 20, 21, 22, 28, 29, 31, 35, 36, 2.0-VECC-10, 11, 15, 16

TC Transcript: August 19, 2015 TC Transcript at pages 6-7, 10-12, 15-22, 26-46, 48-54, 57-59, 63-67, 69-71, 73, 75-76, 83-84, 89-90

Undertaking Responses: JTC1.1, JTC1.2, JTC1.3, JTC1.5, JTC1.6, JTC1.8, JTC1.22

Appendices to this Settlement Proposal: Appendix A, Appendix B, Appendix C, Appendix D]

Supporting Parties: All

1.2 OM&A

Is the level of planned OM&A expenditures appropriate and is the rationale for planning choices appropriate and adequately explained, giving due consideration to:

- *customer feedback and preferences;*
- *productivity;*
- *benchmarking of costs;*
- *reliability and service quality;*
- *impact on distribution rates;*
- *trade-offs with capital spending;*
- *government-mandated obligations; and*
- *the objectives of the Applicant and its customers.*

Complete Settlement: For the purposes of the settlement of all of the issues in this proceeding, WNH agrees to reduce its proposed OM&A expenses in the test year by \$310,000.

Subject to the creation of a deferral and variance account described below in issue 4.2, the Parties agree to a reduction in OM&A of a further \$262,000 to reflect the adjustment to OPEBs from an accrual to cash basis. \$176,000 will be recorded in a deferral account as discussed in item 4.2 below and \$86,000 is to be recorded in capital in item 1.1 above. Table 2 below provides a reconciliation of OPEBs in OM&A.²

Table 2 – Reconciliation of OPEB Charges in OM&A

Reconciliation of Changes to OM&A for OPEB	
Amounts included in Application, OM&A	\$ 391,999
Annual Premiums Paid	\$ (215,973)
Cash vs Accrual Difference	\$ 176,026
Moved from OM&A to Deferral Account	\$ 176,000
Annual Premiums Paid	\$ 215,973
Allocate 40% to Capital from OM&A	\$ 86,389
Moved from OM&A to Capital	\$ 86,000

The Parties agree with WNH's overall objectives, and have agreed that the revised OM&A budget will allow WNH to achieve those objectives in the Test Year. Based on the foregoing and the evidence filed by WNH, the Parties agree that the level of planned OM&A expenditures and the rationale for planning and pacing choices are appropriate and adequately explained, giving due consideration to:

² All of the Parties recognize that the Board intends to hold a generic policy discussion on this matter, and that nothing in this settlement is intended to limit the positions any of the Parties may take in that more general policy discussion.

- The customer feedback and preferences as more fully detailed in Exhibit 1 at Section 2.4.3 pp 76-108, Attachment 1-6, Attachment 1-7 and Attachment 1-8;
- The past and planned productivity initiatives of WNH as more fully detailed in Exhibit 1 at Section 2.4.1 pp 11-19, and Section 2.4.1.1, and Section 2.4.1.2.
- WNH's benchmarking performance as more fully detailed in Exhibit 1 at Section 2.4.1, Section 2.4.3, Attachment 1-14 and the Board's 2014 scorecard which was filed on September 2, 2015;
- WNH's past reliability and service quality performance as well as WNH's targets for performance in the test year as more fully detailed in Interrogatory 1-Staff-3;
- The total impact on distribution rates, as more fully detailed in Appendix D of this Settlement Proposal;
- The changes in capital spending as described under issue 1.1 of this Settlement Proposal;
- WNH's performance meeting government mandated obligations as more fully detailed in Exhibit 1 at Section 2.4.1.2, Section 2.4.3 and Attachment 1-14; and
- WNH's targets and objectives as more fully detailed in Exhibit 1 at Section 2.4.1.2, Section 2.4.2 and Attachment 1-1, and Exhibit 2 at Attachment 2-1.

WHN has considered possible adjustments to its budget on a preliminary basis and has provided, in Settlement Table 2: a revised OM&A budget based on the proposed total amount. The breakdown of the budget into categories is not intended by the Parties to be in any way a deviation from the normal rule that, once the budget is established, it is up to management to determine through the year how best to spend that budget given the actual circumstances and priorities of the company throughout the test year.

Changes to OM&A are reproduced below as Table 3.

Table 3 – OM&A

OM&A	Application	IRR - Changes	Settlement Changes	Settlement Proposal
Operations	5,799,381		(110,000)	5,689,381
Maintenance	1,613,140			1,613,140
Billing & Collecting	2,902,731		(100,000)	2,802,731
Community Relations	142,200			142,200
Administrative & General	3,221,882	10,000	(362,000)	2,869,882
LEAP	42,000			42,000
Total OM&A	13,721,334	10,000	(572,000)	13,159,334

Finally, for the purposes of settlement of the issues in this proceeding, WNH agrees to, prior to its next rebasing application, undertake a review of executive compensation incentive plans with its board of directors to evaluate the potential for more objective measures, and to identify potential opportunities for even better alignment with the Board's RRFE outcomes and the metrics of the DSP.

Evidence:

Application: Exhibit 1 pages 15-18, 19, 21-53, 55-56, 67-69, 76-108, Attachments 1-7, 1-8, 1-14; Exhibit 2 Tables 2-2, 2-24, Attachment 2-1 DSP including Appendix C, D; Exhibit 4 including Tables 4-1, 4-6, 4-6A

IRRs: 1-Staff-6, 11, 14, 17, 1-Energy Probe-2, 8, 1-SEC-3, 1.0-VECC-2, 3; 2-Staff-21, 26, 46, 2-SEC-18, 30, 38; 4-Staff-113, 114, 115, 116, 118, 119, 120, 121, 122, 123, 124, 126, 130, 131, 4-Energy Probe-30, 31, 33, 34, 35, 36, 39, 4-SEC-39, 41, 42, 45, 46, 4.0-VECC-26, 27, 28, 30, 31, 32, 33, 34, 36, 37, 39

TC Transcript: August 19, 2015 TC Transcript at pages 9-14, 48-49, 73-75, 85-86, 98, -120, 122-127

Undertaking Responses: JTC1.4, JTC1.15, JTC1.16, JTC1.17, JTC1.18, JTC1.19, JTC1.22

Appendices to this Settlement Proposal: Appendix A, Appendix D

Supporting Parties: All

2. Revenue Requirement

2.1 Are all elements of the Base Revenue Requirement reasonable, and have they been appropriately determined in accordance with OEB policies and practices?

Complete Settlement: The Parties agree that all elements of the Base Revenue Requirement have been correctly determined in accordance with Board policies and practices. Specifically:

- a) *Rate Base:* Based on the adjustment to OPEBs described above in issue 1.1, WNH agrees to an increase of \$ 86,000 to its rate base calculation for the test year. WNH further agrees to adjust its rate base calculations to reflect the removal of MS1 and MS3 from service as described in issue 1.1 above. Finally, WNH further agrees to adjust its rate base calculations to reflect a reduction in test year capital additions of \$500,000 as described in issue 1.1 above. For clarity, a summary of the rate base calculation and adjustments has been provided below as Table 4. Subject to this adjustment, and any other adjustments contained herein, the Parties agree that the test year rate base is correct and based on Board policies and practices.

Table 4 – Rate Base Calculation

Rate Class / Details	Application (A)	Interrogatories (B)	Variance (C) = (B) - (A)	Settlement (D)	Variance (E) = (D) - (B)
Average Gross Fixed Assets	340,984,237	341,170,099	185,862	340,915,060	(255,040)
Average Accumulated Depreciation	146,617,358	146,624,329	6,972	146,552,361	(71,968)
Average Net Book Value	194,366,880	194,545,770	178,890	194,362,699	(183,071)
Working Capital	177,783,549	187,813,339	10,029,790	190,606,909	2,793,571
Working Capital Allowance (%)	13.0%	7.5%	-5.5%	7.5%	-
Working Capital Allowance (\$)	23,111,861	14,086,000	(9,025,861)	14,295,518	209,518
Rate Base	217,478,741	208,631,771	(8,846,971)	208,658,217	26,446

- b) *Working Capital:* The Parties agree that the working capital calculations, as updated by this Settlement Proposal, are reasonable and have been appropriately determined in accordance with OEB policies and practices.
- c) *Cost of Capital:* For the purposes of settlement of the issues in this proceeding, WNH agrees to adjust the debt rate applicable to the forecasted long-term debt of \$7,200,000 expected to be issued in June, 2016 to 3.43%, which is reflective of the best information available at the time of the settlement negotiations. Subject to this adjustment, the Parties agree that the proposed capital structure, rate of return on equity and short and long-term debt costs are determined in accordance with Board policy. All the Parties agree that the cost of capital calculation must be adjusted to reflect the updated cost of capital parameters. This proposal has been updated to reflect the Cost of Capital Parameter Updates issued by the Board on October 15, 2015 for applications with rates effective in 2016. Details of the calculation of the Long-Term Debt Rate are provided in Table 5 below.

Table 5 – Long Term Debt Rate Calculation

		Year		2016					
Row	Description	Lender	Affiliated or Third-Party Debt?	Fixed or Variable-Rate?	Start Date	Term (years)	Average Principal (\$)	Rate (%) (Note 2)	Interest (\$) (Note 1)
1	Shareholder - Sr Debt	Waterloo North Hydro Holding Company	Affiliated	Fixed	1-Jul-09	On Demand	\$ 17,266,271	4.54%	783,889
2	Shareholder - Jr Debt	Waterloo North Hydro Holding Company	Affiliated	Fixed	1-May-00	On Demand	\$ 16,246,940	4.54%	737,611
4	Banker's Acceptance - Mortgage	CIBC	Third-Party	Fixed	12-Apr-12	25	\$ 22,116,127	3.95%	873,587
5	Banker's Acceptance - Smart Meters	CIBC	Third-Party	Fixed	1-Apr-13	8	\$ 7,159,732	2.98%	213,360
6	Banker's Acceptance - Term Loan 2013	CIBC	Third-Party	Fixed	4-Jul-13	20	\$ 12,776,883	4.434%	566,527
7	Banker's Acceptance - Term Loan 2014	CIBC	Third-Party	Fixed	4-Jun-14	20	\$ 13,542,454	4.035%	546,438
8	Banker's Acceptance - Term Loan 2015	CIBC	Third-Party	Fixed	1-Jun-15	20	\$ 10,000,000	3.43%	343,000
9	Banker's Acceptance - Term Loan 2016	CIBC Part Year 3	Third-Party	Fixed	1-Jun-16	20	\$ 4,200,000	3.43%	144,060
Total							\$ 103,308,406	4.07%	4,208,472

- d) *Other Revenue*: For the purposes of settlement of the issues in this proceeding, WNH agrees to increase its forecast of other revenues by \$40,000, which is reflective of a historic average of other revenue excluding one-time amounts. The Parties agree that this methodology is appropriate.
- e) *Depreciation*: For the purposes of settlement of the issues in this proceeding, WNH agrees to update its depreciation calculations to reflect the following changes:
- Overhead Conductors*: With respect to this asset category, WNH agrees to depreciate overhead conductions over a period of 50 years, which is within the Kinectrics range for this asset category. 2016 Depreciation in Account # 1835 decreased \$70,036 for this change;
 - Communication Towers*: With respect to this asset category, WNH agrees to depreciate this equipment asset over a period of 60 years, which is within the Kinectrics range for this asset category. 2016 Depreciation in Account # 1808 decreased \$3,488 for this change;
 - Disposal of MS # 1*: WNH agrees to remove MS # 1 from Rate Base in 2016 and the associated 2016 depreciation in Account # 1808 of \$747 has also been removed;
 - Reduction of 2016 Rate Base in Issue 1.1 and 2.1(a)*: WNH agrees to remove the 2016 depreciation associated with the reduction of Rate Base of \$500,000 detailed in Issue 1.1 and 2.1(a). 2016 Depreciation was removed in Account # 1835 in the amount of \$2,778 and Account # 1845 in the amount of \$3,571; and
 - Addition of OPEB Capital Portion in Issue 1.2*: WNH agrees to the addition of \$86,000, the capital portion of OPEB premiums paid, the 2016 Depreciation in Account # 1845 in the amount of \$1,229 was added for this item.

Depreciation adjustments are reflected in Table 6 below.

Table 6 – Depreciation

Details	USoA	Undertaking	Settlement Agreement	
		JTC1.22 RRWF	Change	Balance
Net Depreciation		8,157,240		8,157,240
<i>Settlement Agreement Changes</i>				
<i>Buildings and Fixtures</i>				
Remove MS # 1 2016 Depreciation	1808		(747)	
Change Tower Useful Life to 60 Years from 50 Years			(3,488)	
<i>Overhead Conductors and Devices</i>				
Change Overhead Conductors/Devices Useful Life to 50 Years from 45 Years	1835		(70,036)	
Allocated 1/2 of \$500k Decrease to USoA 1835 - Change in Depreciation			(2,778)	
<i>Underground Conductors and Devices</i>				
Allocated 1/2 of \$500k Decrease to USoA 1845- Change in Depreciation	1845		(3,571)	
Depreciation on \$86k Increase in OPEB			1,229	(79,391)
Net Depreciation after Changes		8,157,240	(79,391)	8,077,849

Subject to the adjustments above and adjustments to rate base as noted herein, the Parties accept that the WNH depreciation/amortization expenses are appropriate and reflect the useful lives of the assets and the Board's accounting policies.

- f) *Taxes*: For the purposes of settlement of the issues in this proceeding, and subject to the other adjustments arising in this Settlement Proposal, the parties agree that the proposed level of taxes are accurate. A working Microsoft Excel format of the PILs workform reflecting this Settlement Proposal is provided as part of the supporting material in file named "Waterloo_2016_Test_Year_Income_Tax_PILs_Workform_Settlement_Update CoC_20151023".

A revised Appendix 2-W (Bill Impacts) in working Microsoft Excel format reflecting this Settlement Proposal is provided as part of the supporting material in file named "Waterloo_2016_Bill Impacts_Appendix 2-W_Settlement_Update CoC_20151023".

WNH has made changes to the Revenue Requirement as reproduced below in Table 7 to reflect the Settlement Proposal.

Table 7 – Revenue Requirement

Details	Application (A)	Interrogatories (B)	Variance	Settlement (D)	Variance	Settlement Update CoC (F)	Variance
			(C) = (B) - (A)		(E) = (D) - (B)		(G) = (F) - (D)
OM&A Expenses	13,679,334	13,689,334	10,000	13,117,334	(572,000)	13,117,334	-
Donations - LEAP	42,000	42,000	-	42,000	-	42,000	-
Property Taxes	489,734	489,734	-	489,734	-	489,734	-
Amortization Expenses	8,151,672	8,157,240	5,568	8,077,849	(79,392)	8,077,849	-
Regulated Return On Capital	13,427,518	12,881,291	(546,227)	12,789,608	(91,683)	12,568,049	(221,559)
PILs	803,815	740,537	(63,279)	718,460	(22,077)	685,358	(33,101)
Service Revenue Requirement	36,594,073	36,000,135	(593,938)	35,234,984	(765,152)	34,980,324	(254,660)
Less: Revenue Offsets	1,181,606	1,183,596	1,990	1,223,596	40,000	1,223,596	-
Base Revenue Requirement	35,412,467	34,816,540	(595,928)	34,011,388	(805,152)	33,756,728	(254,660)
Revenue at Existing Rates	31,257,951	31,276,093	18,142	31,669,501	393,408	31,669,501	-
Revenue Deficiency	4,154,517	3,540,447	(614,070)	2,341,887	(1,198,559)	2,087,227	(254,660)

Evidence:

Application: Exhibit 1 pages 53-54, Tables 1-5, 1-16; Exhibit 2, including at Tables 2-1, 2-2, 2-3, 2-24, 2-25; Exhibit 3 pages 38-45, Tables 3-1, 3-37 through 3-43; Exhibit 4; Exhibit 5; Exhibit 6

IRRs: 1-Staff-8, 21, 22, 23, 24; 2-Energy Probe-12; 3-Staff-110, 111, 3-Energy Probe-26, 3.0-VECC-25; 4-Staff 128, 129, 4-Energy Probe-40, 41, 42, 43, 44, 45, 4.0-VECC-38; 5-Staff-133, 5-Energy Probe-46, 47, 48, 5-SEC-48, 5.0-VECC-42; 9-Staff-149

TC Transcript: August 19, 2015 TC Transcript at pages 92-93, 106-107, 128-129

Undertaking Responses: JTC1.10, JTC1.12, JTC1.21, JTC1.22

Appendices to this Settlement Proposal: Appendix C, Appendix D

Supporting Parties: All

2.2 Has the Base Revenue Requirement been accurately determined based on these elements?

Complete Settlement: For the purposes of settlement of the issues in this proceeding, and subject to the adjustments expressly noted in this Settlement Proposal, the Parties agree that the proposed Base Revenue Requirement has been accurately determined in the Appendices.

In Sheet 10 of the RRWF property taxes have not been included in the OM&A or Taxes/PILs category but it has been included in the total Service Revenue Requirement.

A revised Revenue Requirement Workform in working Microsoft Excel format reflecting this Settlement Proposal is provided as part of the supporting material in file named "Waterloo_2016_Revised_Rev_Reqt_Work_Form_V6_Settlement_Update CoC_20151023".

Evidence:

Application: Exhibit 6, including Tables 6-1 through 6-5, Attachment 6-1

IRRs: 6-Energy Probe-49, 1-E2-3

TC Transcript: N/A

Undertaking Responses: JTC1.22

Appendices to this Settlement Proposal: N/A

Supporting Parties: All

3. Load Forecast, Cost Allocation and Rate Design

3.1 Are the proposed load and customer forecast, loss factors, CDM adjustments and resulting billing determinants appropriate, and, to the extent applicable, are they an appropriate reflection of the energy and demand requirements of the applicant's customers?

Complete Settlement: For the purposes of the settlement of the issues in this proceeding, WNH agrees to the following adjustments:

- an increase of 148 residential customers and 10 GS>50 customers for the customer forecast;
- an increase in load forecast for the test year resulting in a load forecast of 1540 GWh.
- 2016 annualized savings for LRAMVA purposes is a total of 14,950,000 kWh, allocated in Table 8 below.
- As outlined in Section 4.2 below, for the purposes of settlement of the issues in this proceeding, the Parties agree that the LRAMVA calculations for 2011 to 2014 should be updated to reflect the latest IESO results. As a result, the 2016 annualized savings for LRAMVA of 14,950,000 kWh has been split by rate class in Table 8 to reflect the final 2011 to 2014 OPA CDM Results. Prior to the preparation of this settlement proposal the 14,950,000 kWh was split by rate class to reflect the final 2011 to 2013 OPA CDM Results.

Table 8 – CDM Savings

LRAMVA Split kWh 11-14		CDM Savings	
		kWh	kW
Residential	18.7%	2,793,968	
GS < 50 kW	24.7%	3,691,547	
GS >50 kW	42.4%	6,337,140	15,626
Large User	14.2%	2,127,346	3,895
Total	100.0%	14,950,000	

Subject to the adjustments above, the Parties agree that the customer forecast, loss factors, CDM adjustments and the resulting billing determinates are appropriate and are reflective of the energy and demand requirements of the applicant's customers. The adjusted 2016 load forecast is presented below as Table 9:

Table 9 – Load Forecast

Rate Class / Details	Application (A)	Interrogatories (B)	Variance (C) = (B) - (A)	Settlement (D)	Variance (E) = (D) - (B)
Predicted kWh Purchases	1,513,105,368	1,513,105,368	-	1,540,000,000	26,894,632
CDM Purchase Adjustment	(14,562,388)	(14,558,610)	3,778	(15,534,181)	(975,571)
Predicted kWh Purchases after CDM	1,498,542,980	1,498,546,758	3,778	1,524,465,819	25,919,062
Residential					
Customers	49,305	49,305	-	49,453	148
kWh	399,341,268	399,471,640	130,373	408,868,804	9,397,164
General Service < 50 kW					
Customers	5,632	5,632	-	5,642	10
kWh	192,108,795	192,172,348	63,554	196,732,916	4,560,568
General Service > 50 to 4999 kW					
Customers	693	693	-	693	-
kWh	710,364,299	712,810,799	2,446,499	721,724,020	8,913,222
kW	1,746,786	1,752,802	6,016	1,774,720	21,918
Large User					
Customers	1	1	-	1	-
kWh	95,063,906	92,802,320	(2,261,586)	94,944,937	2,142,617
kW	173,581	169,451	(4,130)	173,364	3,912
Direct Market Participant					
Customers	2	2	-	2	-
kWh	6,823,514	6,823,514	-	6,823,514	-
kW	12,620	12,620	-	12,620	-
Street Lights					
Connections	13,828	13,828	-	13,828	-
kWh	7,594,660	7,594,660	-	7,594,660	-
kW	21,115	21,115	-	21,115	-
Unmetered Loads					
Connections	563	563	-	563	-
kWh	3,140,372	3,140,372	-	3,140,372	-
Embedded Distributor					
Customers	1	1	-	1	-
kWh	31,378,863	31,378,863	-	31,378,863	-
kW	71,406	71,406	-	71,406	-
Total					
Customer/Connections	70,025	70,025	-	70,183	158
kWh	1,445,815,676	1,446,194,516	378,840	1,471,208,086	25,013,570
kW from applicable classes	2,025,508	2,027,394	1,886	2,053,224	25,830

Rate Class / Details	Settlement before CDM (A)	Settlement after CDM (B)	CDM Adjustment (C) = (B) - (A)
Predicted kWh Purchases	1,540,000,000	1,524,465,819	(15,534,181)
Residential			
Customers	49,453	49,453	-
kWh	411,670,526	408,868,804	(2,801,722)
General Service < 50 kW			
Customers	5,642	5,642	-
kWh	200,434,708	196,732,916	(3,701,791)
General Service > 50 to 4999 kW			
Customers	693	693	-
kWh	728,078,747	721,724,020	(6,354,726)
kW	1,790,346	1,774,720	(15,626)
Large User			
Customers	1	1	-
kWh	97,078,186	94,944,937	(2,133,250)
kW	177,259	173,364	(3,895)
Direct Market Participant			
Customers	2	2	-
kWh	6,823,514	6,823,514	-
kW	12,620	12,620	-
Street Lights			
Connections	13,828	13,828	-
kWh	7,594,660	7,594,660	-
kW	21,115	21,115	-
Unmetered Loads			
Connections	563	563	-
kWh	3,140,372	3,140,372	-
Embedded Distributor			
Customers	1	1	-
kWh	31,378,863	31,378,863	-
kW	71,406	71,406	-
Total			
Customer/Connections	70,183	70,183	-
kWh	1,486,199,575	1,471,208,086	(14,991,489)
kW from applicable classes	2,072,746	2,053,224	(19,521)

For the purposes of settlement, Parties agreed the manual CDM adjustment would be updated to include the persistence of 2014 programs into 2016 that were outlined in the final 2011 to 2014 OPA CDM Results.

A revised load forecast model in working Microsoft Excel format reflecting this Settlement Proposal is included together with this Settlement Proposal under file named “Waterloo_2016_Load Forecast Model_Settlement_20150921”.

Evidence:

Application: Exhibit 1 page 57; Exhibit 3 including pages 2-37, Tables 3-2 through 3-36

IRRs: 1-Staff-15; 3-Staff-94, 95, 96, 99, 100, 102, 104, 105, 107, 3-Energy Probe-21, 23, 24, 25, 3.0-VECC-17, 18, 19, 21, 23, 24

TC Transcript: August 19, 2015 TC Transcript at pages 88-92, 96-97

Undertaking Responses: JTC1.11, JTC1.12, JTC1.13, JTC1.14, JTC1.22

Appendices to this Settlement Proposal: N/A

Supporting Parties: All

3.2 Are the proposed cost allocation methodology, allocations, and revenue-to-cost ratios appropriate?

Complete Settlement: For the purposes of the settlement of the issues in this proceeding, the Parties agree that the base numbers prepared in response to Undertaking JTC1.22 are appropriate.

Subject to the above, the Parties agree that the cost allocation methodology is appropriate and results in revenue-to-cost ratios that are within the Board's permitted ranges. These revenue-to-cost ratios are reproduced below in Table 10.

Table 10: Revenue-to-Cost Ratios

Rate Class	2016 Settlement Cost Allocation Study	2016 Settlement Proposed Ratios
Residential	103.01%	102.98%
GS < 50 kW	102.48%	102.48%
GS >50 to 4999 kW	94.49%	94.49%
Large Use	77.04%	85.00%
Unmetered Scattered Load	190.32%	120.00%
Street Lighting	103.40%	102.98%
Embedded Distributor	67.52%	100.00%

A revised working Microsoft Excel format of the cost allocation model from this Settlement Proposal is provided as part of the supporting material in file named "Waterloo_2016_COS_Cost_Allocation_Model_Settlement_Update CoC_20151023".

On a best effort basis, WNH agrees to provide notice to the University of Waterloo, and specifically to the attention of its Director, Maintenance & Utilities, Rick Zalagenas via email at rszalagenas@uwaterloo.ca and also to its consultant, E2 Energy, specifically to the attention of its CEO, Scott Walker via email at swalker@e2energyinc.com, if WNH believes that a new or existing customer may likely qualify as a (new) Large User customer in its service territory. This notification will be as soon as reasonably possible but no later than when it first begins to bill a customer as a Large User. Currently, WNH does not commence billing a customer as a Large User until such a time as the customer has proven 12 consecutive months of billing data, meeting or exceeding the Large User threshold parameter).

Evidence:

Application: Exhibit 1 pages 70-72; Exhibit 7 including pages 2-13, Tables 7-1 through 7-8, Attachment 7-1

IRRs: 7-Staff-135, 136, 137, 7-Energy Probe-50, 51, 1-E2-1, 1-E2-2, 1-E2-3, 7.0-VECC-44

TC Transcript: August 19, 2015 TC Transcript at pages 86-88, 93-95, 130-133

Undertaking Responses: JTC1.22, JTC1.23

Appendices to this Settlement Proposal: N/A

Supporting Parties: All

3.3 Are the applicant's proposals, including the proposed fixed/variable splits, for rate design appropriate?

Complete Settlement: For the purposes of settlement of the issues in this proceeding, WNH has increased the Residential fixed charge to \$19.71. WNH used the fixed charge of \$16.20 based on the current fixed/variable revenue proportions as the starting point for the calculation in Appendix 2-PA since \$16.20 was below the ceiling fixed charge from the cost allocation model of \$19.53. WNH has adjusted the \$16.20 fixed charge to \$19.71 as calculated by the Board's Appendix 2-PA which reflects the first year of a four year transition to a 100% fixed charge. Appendix 2-PA is shown in Table 12 below.

For the purpose of settlement of the issues in this proceeding, the Parties agree to maintain the current 2015 monthly fixed charge for all non-residential rate classes, where the proposed fixed charge is above the Customer Unit Cost per month - Minimum System with PLCC (Peak Load Carrying Capability). This results in the following adjustments:

- General Service < 50 kW fixed charge is reduced to \$31.96, with a corresponding change to the variable charge;
- General Service > 50 kW fixed charge is reduced to \$119.38, with a corresponding change to the variable charge;
- Large Use fixed charge is reduced to \$6,975.72, with a corresponding change to the variable charge;
- Street Lighting fixed charge is reduced to \$0.33, with a corresponding change to the variable charge;

For the purposes of settlement of the issues in this proceeding, WNH has reduced the Unmetered Scattered Load fixed charge to \$10.61. The ceiling fixed charge from the cost allocation model is \$9.41 and the current 2015 fixed charge is \$15.98. WNH has adjusted to the fixed charge based on the current fixed/variable revenue proportions.

Subject to the above, the Parties agree that WNH's proposals, including the proposed fixed/variable splits, for rate design are appropriate. The distribution charges resulting from this Settlement Proposal are produced below as Table 11.

Table 11: Distribution Charges

Rate Class	Proposed Monthly Service Charge	Unit of Measure	Proposed Distribution Volumetric Charge
Residential	\$ 19.71	\$/kWh	\$ 0.0154
GS < 50 kW	\$ 31.96	\$/kWh	\$ 0.0159
GS >50 to 4999 kW	\$ 119.38	\$/kW	\$ 5.0649
Large Use	\$ 6,975.72	\$/kW	\$ 4.0196
Unmetered Scattered Load	\$ 10.61	\$/kWh	\$ 0.0132
Street Lighting	\$ 0.33	\$/kW	\$ 9.3754
Embedded Distributor	\$ -	\$/kW	\$ 0.0200

Table 12 – OEB Appendix 2-PA Residential Service Charge Transition

**Appendix 2-PA
New Rate Design Policy For Residential Customers**

Please complete the following tables.

A) Data Inputs

Test Year Billing Determinants for Residential Class	
Customers	49,453
kWh	408,916,548

Proposed Residential Class Specific Revenue Requirement ¹	\$ 17,976,876.42
--	------------------

Residential Base Rates on Current Tariff	
Monthly Fixed Charge (\$)	16.20
Distribution Volumetric Rate (\$/kWh)	0.0205

B) Current Fixed/Variable Split

	Base Rates	Billing Determinants	Revenue	% of Total Revenue
Fixed	16.2	49,453	\$ 9,613,663.20	53.42%
Variable	0.0205	408,916,548	\$ 8,382,789.23	46.58%
TOTAL	-	-	\$ 17,996,452.43	-

C) Calculating Test Year Base Rates

Number of Required Rate Design Policy Transition Years ²	4
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	Test Year Revenue @ Current F/V Split	Test Year Base Rates @ Current F/V Split	Reconciliation - Test Year Base Rates @ Current F/V Split
Fixed	\$ 9,603,205.74	16.18	\$ 9,601,794.48
Variable	\$ 8,373,670.68	0.0205	\$ 8,382,789.23
TOTAL	\$ 17,976,876.42	-	\$ 17,984,583.71

	New F/V Split	Revenue @ new F/V Split	Final Adjusted Base Rates	Reconciliation @ Adjusted Rates
Fixed	65.06%	\$ 11,696,623.41	19.71	\$ 11,696,623.56
Variable	34.94%	\$ 6,280,253.01	0.0154	\$ 6,297,314.83
TOTAL	-	\$ 17,976,876.42	-	\$ 17,993,938.39

Checks ³	
Change in Fixed Rate	\$ 3.53
Difference Between Revenues @ Proposed Rates and Class Specific Revenue Requirement	\$ 17,061.97
	0.09%

The reconciliation of revenue reflecting the rate design from this Settlement Proposal is provided in Table 13 below.

Table 13 – Revenue Reconciliation

Rate Class	Customers/ Connections	Number of Customers/Connections			Test Year Consumption		Proposed Rates			Revenues at Proposed Rates	Class Specific Revenue Requirement	Transformer Allowance Credit	Total	Difference
		Start of Test Year	End of Test Year	Average	kWh	kW	Monthly Service Charge	Volumetric						
								kWh	kW					
Residential	Customers	49,005	49,901	49,453	408,868,804		\$ 19.71	\$ 0.0154		\$ 17,993,203	\$ 17,976,876		\$17,976,876	-\$ 16,327
GS < 50 kW	Customers	5,615	5,669	5,642	196,732,916		\$ 31.96	\$ 0.0159		\$ 5,291,873	\$ 5,225,595	\$ 74,612	\$ 5,300,207	\$ 8,333
GS > 50 kW	Customers	695	695	695		1,787,340	\$ 119.38		\$ 5.0649	\$ 10,048,330	\$ 9,406,347	\$ 641,990	\$10,048,337	\$ 7
Large User	Customers	1	1	1		173,364	\$ 6,975.72		\$ 4.0196	\$ 780,561	\$ 780,567		\$ 780,567	\$ 7
Unmetered Scattered Load	Connections	552	574	563	3,140,372		\$ 10.61	\$ 0.0132		\$ 113,134	\$ 113,196		\$ 113,196	\$ 62
Streetlighting	Connections	13,818	13,838	13,828		21,115	\$ 0.33		\$ 9.3754	\$ 252,717	\$ 252,717		\$ 252,717	\$ 0
Embedded Distributor Class	Customers	1	1	1		71,406	\$ -		\$ 0.0200	\$ 1,428	\$ 1,430		\$ 1,430	\$ 2
Total										\$ 34,481,246	\$ 33,756,728	\$ 716,602	\$34,473,330	-\$ 7,916

Evidence:

Application: Exhibit 1 pages 70, 72; Exhibit 8 including Tables 8-1 through 8-7 and Table 8-11 through 8-14, Attachments 8-2 through 8-4

IRRs: 1-Energy Probe-7; 8-Staff-138, 8-Energy Probe-52, 53, 8.0-VECC-46

TC Transcript: N/A

Undertaking Responses: JTC1.9, JTC1.22, JTC1.24, JTC1.25

Appendices to this Settlement Proposal: N/A

Supporting Parties: All

3.4 Are the proposed Retail Transmission Service Rates and Low Voltage service rates appropriate?

Complete Settlement: For the purposes of the settlement of the issues in this proceeding, the Parties agree that the proposed forecast of other regulated rates and charges including the proposed Retail Transmission Service Rates and Low Voltage service rates are appropriate. Retail Transmission Service Rates and Low Voltage service rates have been reproduced below as Tables 14 and 15, respectively.

Table 14: Retail Transmission Service Rates

Rate Class	Unit of Measure	Proposed RTSR - Network	Proposed RTSR - Connection
Residential	\$/kWh	\$ 0.0074	\$ 0.0023
General Service < 50 kW	\$/kWh	\$ 0.0067	\$ 0.0021
General Service 50 To 4,999 KW (less than 1,000 kW)	\$/kW	\$ 2.7741	\$ 0.8036
General Service 50 To 4,999 KW (Interval Metered less than 1,000 kW)	\$/kW	\$ 2.9465	\$ 1.0037
General Service 50 To 4,999 KW (Interval Metered 1,000 to 4,999 kW)	\$/kW	\$ 2.9427	\$ 1.0026
Large Use	\$/kW	\$ 3.2624	\$ 1.0072
Unmetered Scattered Load	\$/kWh	\$ 0.0067	\$ 0.0021
Street Lighting	\$/kW	\$ 2.0924	\$ 0.6210

Table 15: Low Voltage service rates

Rate Class	Unit of Measure	Proposed Low Voltage Charges
Residential	\$/kWh	\$ 0.0002
GS < 50 kW	\$/kWh	\$ 0.0002
GS > 50 kW	\$/kW	\$ 0.0738
Large Use	\$/kW	\$ 0.0925
Unmetered Scattered Load	\$/kWh	\$ 0.0002
Street Lighting	\$/kW	\$ 0.0570

Evidence:

Application: Exhibit 8 including pages 10-11 and 12-14, Tables 8-8, 8-9, 8-10, Attachment 8-1

IRRs: N/A

TC Transcript:

Undertaking Responses: August 19, 2015 TC Transcript at pages 142 - 143

Appendices to this Settlement Proposal: N/A

Supporting Parties: All

4. Accounting

- 4.1** Have all impacts of any changes in accounting standards, policies, estimates and adjustments been properly identified and recorded, and is the rate-making treatment of each of these impacts appropriate?

Complete Settlement: For the purposes of the settlement of the issues in this proceeding, and subject to the adjustment in the depreciation calculations noted in the settlement of issue 2.1 above, the Parties agree that the impacts of any changes in accounting standards, policies, estimates and adjustments have been properly identified, and the treatment of each of these impacts is appropriate.

An updated EDDVAR Continuity Schedule is provided in working Microsoft Excel format reflecting this Settlement Proposal provided under file named “Waterloo_2016_COS_2015_EDDVAR_Continuity Schedule_Settlement_Update CoC_20151023”. This file also includes the calculation of the various riders discussed below.

Evidence:

Application: Exhibit 1 pages 109 -112; Exhibit 2 pages 3-4, 23-24, 52-56, 79-86; Exhibit 4 pages 80-99; Exhibit 9 pages 9-24

IRRs: N/A

TC Transcript: N/A

Undertaking Responses: JTC1.22

Appendices to this Settlement Proposal: N/A

Supporting Parties: All

4.2 Are the applicant's proposals for deferral and variance accounts, including the balances in the existing accounts and their disposition, and the continuation of existing accounts, appropriate?

Complete Settlement: For the purposes of the settlement of the issues in this proceeding, the Parties agree to the following:

- i) The disposition of the balance and the discontinuance of the Other Regulatory Asset – Sub-Account – Other Capital Gain Variance – 2011 COS Settlement Agreement Item Account 1508 related to the Administration Building and Service Centre on Northfield Drive in Waterloo, as was created in EB-2010-0144, is appropriate as further described in Exhibit 9;
- ii) The disposition of the balance and the discontinuance of the Other Regulatory Asset – Sub-Account – Other OMERS Difference – 2011 COS Settlement Agreement Item Account 1508 related to the difference in actual OMERS costs to the amounts included in rates, as was created in EB-2010-0144, is appropriate as further described in Exhibit 9;
- iii) The disposition of the balance of Account 1576 as described in issue 4.1 above is appropriate, as further described in as further described in Exhibit 9 9.0-VECC-47. The Weighted Average Cost of Capital will be adjusted when the Board updated rates are published, as discussed in item 2.1 (c) above. This proposal has updated Account 1576 to reflect the updated Weighted Average Cost of Capital, based on the Cost of Capital Parameter Updates issued by the Board on October 15, 2015 for applications with rates effective in 2016. A revised OEB Appendix 2-EC, Account 1576, is reflected in Appendix E of this Settlement Proposal;
- iv) The disposition of the balance and the discontinuance of the Other Regulatory Asset – Sub-Account – 1508 - Deferred IFRS Transition Costs is appropriate as further described in Exhibit 9;
- v) The disposition of the balance and the discontinuance of the PILs and Tax Variances for 2006 and Subsequent Years, including the Sub-Account – 1592 , is appropriate as further described in Exhibit 9;
- vi) The disposition of the balance and the discontinuance of the Smart Meter Capital and Recovery Offset Variance –Sub Account – Stranded Meter Costs - 1555 , is appropriate as further described in Exhibit 9;
- vii) The disposition of the balance and the discontinuance of the Disposition and Recovery/Refund of Regulatory Balances (2010 – 2013) - 1595, is appropriate as further described in Exhibit 9;

- viii) The creation of a variance account 1508 Other Regulatory Assets - Sub-account Wireless and Wireline to record two items: 1) the net (less any related costs) incremental revenues received from any wireless attachments during the IRM period; and 2) any changes in revenue received due to any change in the currently regulated wireline attachment rate of \$22.35 per attachment per pole per year. For clarity, the latter is a symmetrical account that reflects changes to the rate rather than change in number of wireline attachments. Any balance in this variance account is to be cleared in WNH's next Cost of Service Application. A draft accounting order for this account is attached as Appendix F to this Settlement Proposal;
- ix) The creation of a variance account 1508 Other Regulatory Asset - Sub-account Gains/Losses on Disposition of Municipal Stations, to capture net gains and losses on disposition of various Municipal Station properties inclusive of remediation costs. Upon disposition, the balance of this account will be distributed with 75% to ratepayers and 25% to WNH. For clarity, this account is not symmetrical in that the Parties agree ratepayers will not owe a credit to WNH if this account is in a net loss scenario at the time of disposition. Any applicable balance is to be disposed of in WNH's next Cost of Service Application. A draft accounting order for this account is attached as Appendix G to this Settlement Proposal;
- x) WNH is to establish a new variance account 1508 Other Regulatory Asset Sub-account OPEB for the purpose of recording the difference in revenue requirement each year, starting in the test year, between both the capitalized and OM&A components of OPEBs accounted for using a cost basis (as to be reflected in rates if this settlement is accepted by the Board) and both capitalized and OM&A components of OPEBs accounted for using an accrual basis together with related PILs adjustments. This account will accrue interest until final disposition. If the Board determines that LDCs must only include in rates OPEBs accounted for using a cash basis, WNH will seek to discontinue this account without seeking disposition of the amounts recorded in this account. If the Board determines that LDCs may recover OPEBs in rates using an accrual accounting methodology, the Parties agree that WNH will be permitted to seek disposition of this account to recover the amounts so recorded in its rate application following the Board's Decision. WNH will propose a disposition period over which the account should be recovered depending on the quantum in the account and the potential rate impacts at the time. A draft accounting order for this account is attached as Appendix H to this Settlement Proposal.; and
- xi) The disposition of the balance of Account the remaining deferral and variance accounts are reflected in EDDVAR Model which is attached to this Settlement Proposal as "Waterloo_2016_COS_2015_EDDVAR _ContinuitySchedule_Settlement_Update CoC_20151023".

WNH notes that it has now received verified final results from the IESO for 2014 CDM. This report is attached as Appendix I in this Settlement Proposal.

For the purposes of settlement of the issues in this proceeding, the Parties agree that the LRAMVA calculations for 2011 to 2014 should be updated to reflect the latest IESO results. In addition, the Parties agree that WNH is now entitled to seek disposition of 2014 LRAMVA amounts and for the purposes of settlement of the issues in this proceeding, the Parties agree that it would be appropriate for WNH to do so now. An update of the LRAMVA numbers for 2011 to 2014 is shown in Tables 16 – 18 below.

Table 16 - Summary of Requested LRAM Amounts

LRAM Rate Rider	LRAMVA	CDM \$ in 2011 COS	Net LRAMVA	Interest	Total LRAMVA Claim	2016 Proposed Billing Determinant	UOM	LRAMVA Rider
Residential	229,389	163,011	66,378	2,003	68,381	408,916,548	kWh	\$ 0.0002
General Service Less Than 50 kW	225,354	55,489	169,865	5,126	174,991	196,359,585	kWh	\$ 0.0009
General Service 50 to 4,999 kW	548,117	108,485	439,632	13,266	452,898	1,788,910	kW	\$ 0.2532
Large User	44,212	10,161	34,051	1,027	35,078	172,792	kW	\$ 0.2030
Total	1,047,072	337,146	709,926	21,422	731,348			

Table 17 - Allocation of OPA Results

LRAMVA Calculation for 2011 to 2014 final results of OPA Program									
Net KWh saved from OPA program									
OPA Initiative Name	Program Year	Results Status	Rate Class	Market	2011 kWh Saved	2012 kWh Saved	2013 kWh Saved	2014 kWh Saved	Total kWh Saved
Appliance Retirement	2011	Final	Residential	Consumer	180,566	180,566	180,566	180,463	722,161
Appliance Exchange	2011	Final	Residential	Consumer	3,051	3,051	3,051	1,895	11,046
HVAC Incentives	2011	Final	Residential	Consumer	650,749	650,749	650,749	650,749	2,602,995
Conservation Instant Coupon Booklet	2011	Final	Residential	Consumer	189,312	189,312	189,312	189,312	757,248
Bi-Annual Retailer Event	2011	Final	Residential	Consumer	316,302	316,302	316,302	316,302	1,265,210
Equipment Replacement Incentive Initiative	2011	Final	<50 kW - 12%	Business	172,665	172,665	172,665	172,665	690,658
			>50 kW - 88%	Business	1,260,457	1,260,457	1,260,457	1,260,457	5,041,828
Direct Install Lighting	2011	Final	<50 kW	Business	635,841	635,841	635,841	419,046	2,326,569
Energy Audit	2011	Final	<50 kW	Business	79,195	79,195	79,195	79,195	316,780
Demand Response 3	2011	Final	>50 kW	Business	4,323	-	-	-	4,323
Equipment Replacement Incentive Initiative	2011	Final	>50 kW	Industrial	1,128,878	1,128,878	1,128,878	1,128,878	4,515,511
Demand Response 3	2011	Final	>50 kW	Industrial	23,003	-	-	-	23,003
Electricity Retrofit Incentive Program	2011	Final	<50 kW	Business	913,663	913,663	913,663	913,663	3,654,650
High Performance New Construction	2011	Final	>50 kW	Business	346,664	346,664	346,664	346,664	1,386,657
Appliance Retirement	2012	Final	Residential	Consumer	-	99,292	99,292	99,292	297,876
Appliance Exchange	2012	Final	Residential	Consumer	-	18,832	18,832	18,832	56,496
HVAC Incentives	2012	Final	Residential	Consumer	-	450,936	450,936	450,936	1,352,808
Conservation Instant Coupon Booklet	2012	Final	Residential	Consumer	-	14,008	14,008	14,008	42,025
Bi-Annual Retailer Event	2012	Final	Residential	Consumer	-	268,321	268,321	268,321	804,962
Retrofit	2012	Final	<50 kW - 6.2%	Business	-	336,278	336,278	330,681	1,003,237
			>50 kW - 37.4%	Business	-	2,034,971	2,034,971	2,001,102	6,071,044
			Large Use - 56.4%	Business	-	3,062,531	3,062,531	3,011,560	9,136,621
Direct Install Lighting	2012	Final	<50 kW	Business	-	307,810	307,810	307,692	923,312
New Construction	2012	Final	>50 kW	Business	-	5,261	5,261	5,261	15,782
Energy Audit	2012	Final	<50 kW	Business	-	208,243	208,243	208,243	624,728
Demand Response 3	2012	Final	>50 kW	Business	-	1,614	-	-	1,614
Demand Response 3	2012	Final	>50 kW	Industrial	-	30,360	-	-	30,360
Home Assistance Program	2012	Final	Residential	Consumer	-	29,893	29,893	29,862	89,649
High Performance New Construction	2012	Final	>50 kW	Business	-	105,383	105,383	105,383	316,150
Appliance Retirement	2013	Final	Residential	Consumer	-	-	63,885	63,885	127,770
Appliance Exchange	2013	Final	Residential	Consumer	-	-	23,275	23,275	46,549
HVAC Incentives	2013	Final	Residential	Consumer	-	-	427,746	427,746	855,492
Conservation Instant Coupon Booklet	2013	Final	Residential	Consumer	-	-	77,457	77,457	154,913
Bi-Annual Retailer Event	2013	Final	Residential	Consumer	-	-	172,122	172,122	344,243
Residential Demand Response	2013	Final	Residential	Consumer	-	-	652	-	652
Retrofit	2013	Final	<50 kW - 17.4%	Business	-	-	645,460	643,144	1,288,604
			>50 kW - 78.9%	Business	-	-	2,920,048	2,909,570	5,829,618
			Large Use - 3.7%	Business	-	-	137,217	136,725	273,942
Direct Install Lighting	2013	Final	<50 kW	Business	-	-	408,878	408,878	817,756
New Construction	2013	Final	>50 kW	Business	-	-	8,839	8,839	17,679
Energy Audit	2013	Final	<50 kW	Business	-	-	1,696,902	1,696,902	3,393,803
Small Commercial Demand Response	2013	Final	<50 kW	Business	-	-	10	-	10
Demand Response 3	2013	Final	>50 kW	Business	-	-	1,504	-	1,504
Energy Manager	2013	Final	>50 kW	Business	-	-	69,300	69,300	138,600
Demand Response 3	2013	Final	>50 kW	Industrial	-	-	30,917	-	30,917
Home Assistance Program	2013	Final	Residential	Consumer	-	-	188,705	187,478	376,183
Appliance Retirement	2014	Final	Residential	Consumer	-	-	-	80,001	80,001
Appliance Exchange	2014	Final	Residential	Consumer	-	-	-	52,460	52,460
HVAC Incentives	2014	Final	Residential	Consumer	-	-	-	544,462	544,462
Conservation Instant Coupon Booklet	2014	Final	Residential	Consumer	-	-	-	515,369	515,369
Bi-Annual Retailer Event	2014	Final	Residential	Consumer	-	-	-	1,231,340	1,231,340
Retrofit	2014	Final	<50 kW - 11.8%	Business	-	-	-	575,911	575,911
			>50 kW - 87.9%	Business	-	-	-	4,289,821	4,289,821
			Large Use - .3%	Business	-	-	-	15,620	15,620
Direct Install Lighting	2014	Final	<50 kW	Business	-	-	-	349,433	349,433
New Construction	2014	Final	>50 kW	Business	-	-	-	147,947	147,947
Energy Audit	2014	Final	<50 kW	Business	-	-	-	391,641	391,641
Energy Manager	2014	Final	>50 kW	Business	-	-	-	91,627	91,627
Home Assistance Program	2014	Final	Residential	Consumer	-	-	-	48,046	48,046
Program Enabled Savings	2014	Final	>50 kW	Business	-	-	-	125,622	125,622
									-
									-
Total					5,904,668	12,851,074	19,692,018	27,795,080	66,242,840
Rate Class Allocation (kWh)					2011 kWh Saved	2012 kWh Saved	2013 kWh Saved	2014 kWh Saved	Total kWh Saved
Residential					1,339,980	2,221,262	3,175,104	5,643,612	12,379,958
General Service < 50 kW					1,801,363	2,653,693	5,404,943	6,497,092	16,357,092
General Service 50 to 4,999 kW					2,763,326	4,913,588	7,912,223	12,490,471	28,079,607
Large Use					3,062,531	3,199,748	3,163,905	3,426,183	12,852,367
Total					5,904,668	12,851,074	19,692,018	27,795,080	66,242,840

Waterloo North Hydro Inc.
EB-2015-0108
Settlement Proposal

Net KW saved from OPA program									
OPA Initiative Name	Program Year	Results Status	Rate Class	Market	2011 kW Saved	2012 kW Saved	2013 kW Saved	2014 kW Saved	Total kW Saved
Appliance Retirement	2011	Final	Residential	Consumer	24.31	24.3	24.3	24.20	97.1
Appliance Exchange	2011	Final	Residential	Consumer	2.36	2.4	2.4	1.06	8.1
HVAC Incentives	2011	Final	Residential	Consumer	349.92	349.9	349.9	349.92	1,399.7
Conservation Instant Coupon Booklet	2011	Final	Residential	Consumer	11.66	11.7	11.7	11.66	46.6
Bi-Annual Retailer Event	2011	Final	Residential	Consumer	17.93	17.9	17.9	17.93	71.7
Residential Demand Response	2011	Final	Residential	Consumer	72.24	-	-	-	72.2
Equipment Replacement Incentive Initiative	2011	Final	<50 kW - 16% >50 kW - 84%	Business	41.17	41.2	41.2	41.17	164.7
Direct Install Lighting	2011	Final	<50 kW	Business	221.42	221.4	221.4	221.42	885.7
Energy Audit	2011	Final	<50 kW	Business	256.29	256.3	249.11	184.53	946.2
Commercial Demand Response	2011	Final	<50 kW	Business	16.27	16.27	16.27	16.27	65.1
Demand Response 3	2011	Final	>50 kW	Business	5.12	-	-	-	5.1
Equipment Replacement Incentive Initiative	2011	Final	>50 kW	Industrial	110.39	-	-	-	110.4
Demand Response 3	2011	Final	>50 kW	Industrial	179.85	179.9	179.9	179.85	719.4
Electricity Retrofit Incentive Program	2011	Final	<50 kW	Consumer, Business	391.88	-	-	-	391.9
High Performance New Construction	2011	Final	>50 kW	Business	180.79	180.8	180.8	180.79	723.2
Appliance Retirement	2012	Final	Residential	Consumer	187.08	187.1	187.1	187.08	748.3
Appliance Exchange	2012	Final	Residential	Consumer		14.45	14.45	14.45	43.4
HVAC Incentives	2012	Final	Residential	Consumer		10.78	10.78	10.78	32.4
Conservation Instant Coupon Booklet	2012	Final	Residential	Consumer		261.32	261.32	261.32	784.0
Bi-Annual Retailer Event	2012	Final	Residential	Consumer		2.31	2.31	2.31	6.9
Retrofit	2012	Final	<50 kW - 9.8% >50 kW - 50.2% Large Use - 40.0%	Business		14.83	14.83	14.83	44.5
Direct Install Lighting	2012	Final	<50 kW	Business		87.98	86.95	86.28	261.2
New Construction	2012	Final	>50 kW	Business		451.75	446.43	443.00	1,341.2
Energy Audit	2012	Final	<50 kW	Business		360.74	356.49	353.75	1,071.0
Demand Response 3	2012	Final	>50 kW	Business		82.23	82.23	82.21	246.7
Demand Response 3	2012	Final	>50 kW	Business		4.66	4.66	4.66	14.0
Demand Response 3	2012	Final	>50 kW	Business		42.80	42.80	42.80	128.4
Home Assistance Program	2012	Final	Residential	Consumer		111.06	-	-	111.1
High Performance New Construction	2012	Final	>50 kW	Business		1,259.75	-	-	1,259.8
Appliance Retirement	2013	Final	Residential	Consumer		2.81	2.81	2.81	8.4
Appliance Exchange	2013	Final	Residential	Consumer		21.44	21.44	21.44	64.3
HVAC Incentives	2013	Final	Residential	Consumer			9.67	9.67	19.3
Conservation Instant Coupon Booklet	2013	Final	Residential	Consumer			13.05	13.05	26.1
Bi-Annual Retailer Event	2013	Final	Residential	Consumer			251.03	251.03	502.1
Residential Demand Response	2013	Final	Residential	Consumer			5.18	5.18	10.4
Retrofit	2013	Final	<50 kW - 22.4% >50 kW - 73.5% Large Use - 4.1%	Business			11.86	11.86	23.7
Direct Install Lighting	2013	Final	<50 kW	Business			195.75	195.7	391.5
New Construction	2013	Final	>50 kW	Business			167.10	166.25	333.4
Energy Audit	2013	Final	<50 kW	Business			546.97	544.19	1,091.2
Small Commercial Demand Response	2013	Final	<50 kW	Business			30.79	30.64	61.4
Demand Response 3	2013	Final	>50 kW	Business			114.01	114.01	228.0
Energy Manager	2013	Final	<50 kW	Business			20.65	20.65	41.3
Demand Response 3	2013	Final	>50 kW	Business			308.65	308.65	617.3
Home Assistance Program	2013	Final	Residential	Consumer			6.40		6.4
Appliance Retirement	2013	Final	>50 kW	Business			112.64		112.6
Appliance Exchange	2013	Final	>50 kW	Business			33.09	33.09	66.2
HVAC Incentives	2013	Final	>50 kW	Industrial			1,150.81		1,150.8
Conservation Instant Coupon Booklet	2013	Final	Residential	Consumer			13.89	13.83	27.7
Bi-Annual Retailer Event	2014	Final	Residential	Consumer				12.2	12.2
Residential Demand Response	2014	Final	Residential	Consumer				29.4	29.4
Retrofit	2014	Final	<50 kW - 13.5% >50 kW - 86.3% Large Use - 2%	Business				296.2	296.2
Direct Install Lighting	2014	Final	<50 kW	Business				42.3	42.3
New Construction	2014	Final	>50 kW	Business				80.6	80.6
Energy Audit	2014	Final	<50 kW	Business				365.2	365.2
Small Commercial Demand Response	2014	Final	<50 kW	Business				108.5	108.5
Demand Response 3	2014	Final	>50 kW	Business				695.4	695.4
Energy Manager	2014	Final	>50 kW	Business				1.5	1.5
Demand Response 3	2014	Final	>50 kW	Business				94.3	94.3
Home Assistance Program	2014	Final	>50 kW	Industrial				30.3	30.3
Appliance Retirement	2014	Final	Residential	Consumer				80.2	80.2
Appliance Exchange	2014	Final	Residential	Consumer				8.4	8.4
HVAC Incentives	2014	Final	Residential	Consumer				104.2	104.2
Conservation Instant Coupon Booklet	2014	Final	Residential	Consumer				23.5	23.5
Bi-Annual Retailer Event	2014	Final	Residential	Consumer				1,081.1	1,081.1
Residential Demand Response	2014	Final	Residential	Consumer				4.2	4.2
Retrofit	2014	Final	<50 kW - 13.5% >50 kW - 86.3% Large Use - 2%	Business				88.6	88.6
Direct Install Lighting	2014	Final	<50 kW	Business				650.5	650.5
New Construction	2014	Final	>50 kW	Business				-	-
Energy Audit	2014	Final	<50 kW	Business				-	-
Small Commercial Demand Response	2014	Final	<50 kW	Business				-	-
Demand Response 3	2014	Final	>50 kW	Business				-	-
Energy Manager	2014	Final	>50 kW	Industrial				-	-
Demand Response 3	2014	Final	>50 kW	Industrial				-	-
Home Assistance Program	2014	Final	Residential	Consumer				-	-
Program Enabled Savings	2014	Final	>50 kW	Business				-	-
Time-of-Use Savings	2014	Final	Residential	Consumer				-	-
Total					2,068.69	4,217.98	5,820.89	8,075.27	20,182.83
General Service 50 to 4,999 kW (kW)					1,090.6	2,437.0	2,925.0	3,678.4	10,131.1
Large Use kW (kW)						360.7	387.3	385.9	1,133.9

Table 18 - Calculation of LRAMVA

Summary Units Lost	2011 kWh Saved	2012 kWh Saved	2013 kWh Saved	2014 kWh Saved	Total kWh Saved	
Residential (/kWh)	1,339,980	2,221,262	3,175,104	5,643,612	12,379,958	
General Service Less Than 50 kW (/kWh)	1,801,363	2,653,693	5,404,943	6,497,092	16,357,092	
General Service 50 to 4,999 kW (/kW)	13,088	29,244	35,100	44,141	121,574	
Large Use (/kW)	-	4,329	4,647	4,631	13,607	
Rate Class Distribution Volumetric Rates	Eff: Apr 1, 2010	Eff: May 1, 2011	Eff: May 1, 2012	Eff: May 1, 2013	Eff: May 1, 2014	
Residential (/kWh)	0.0131	0.0184	0.0186	0.0187	0.0190	
General Service Less Than 50 kW (/kWh)	0.0104	0.0137	0.0138	0.0139	0.0141	
General Service 50 to 4999 kW (/kW)	3.5420	4.3073	4.4733	4.6141	4.6787	
Large User (/kW)	2.6959	3.1991	3.2337	3.2492	3.2947	
Rate Class Distribution Volumetric Rates (Annualized)	2011	2012	2013	2014		
Residential (/kWh)	0.0166	0.0185	0.0187	0.0189		
General Service Less Than 50 kW (/kWh)	0.0126	0.0138	0.0139	0.0140		
General Service 50 to 4,999 kW (/kW)	4.0522	4.4180	4.5672	4.6572		
Large User	3.0314	3.2222	3.2440	3.2795		
LRAM \$	2011	2012	2013	2014	Total	
Residential (/kWh)	22,288	41,167	59,269	106,664	229,389	
General Service Less Than 50 kW (/kWh)	22,697	36,533	74,949	91,176	225,354	
General Service 50 to 4,999 kW (/kW)	53,034	129,200	160,309	205,574	548,117	
Large User (/kW)	-	13,948	15,076	15,187	44,212	
Total	98,019	220,849	309,602	418,601	1,047,072	
CDM in 2011 Forecast	Unit	2011	2012	2013	2014	
Residential (/kWh)	kWh	2,241,213	2,241,213	2,241,213	2,241,213	
General Service Less Than 50 kW (/kWh)	kWh	1,022,523	1,022,523	1,022,523	1,022,523	
General Service 50 to 4,999 kW (/kW)	kW	6,131	6,131	6,131	6,131	
Large User (/kW)	kW	795	795	795	795	
CDM in 2011 Forecast \$	Unit	2011	2012	2013	2014	Total
Residential (/kWh)	kWh	\$ 37,279	\$ 41,537	\$ 41,836	\$ 42,359	\$ 163,011
General Service Less Than 50 kW (/kWh)	kWh	\$ 12,884	\$ 14,077	\$ 14,179	\$ 14,349	\$ 55,489
General Service 50 to 4,999 kW (/kW)	kW	\$ 24,844	\$ 27,087	\$ 28,001	\$ 28,553	\$ 108,485
Large User (kW)	kW	\$ 2,411	\$ 2,562	\$ 2,580	\$ 2,608	\$ 10,161
Total		\$ 77,417	\$ 85,263	\$ 86,596	\$ 87,869	\$ 337,146
LRAMVA - LRAM \$ vs CDM in 2011 Forecast \$	Unit	2011	2012	2013	2014	Total
Residential (/kWh)	kWh	\$ (14,991)	\$ (370)	\$ 17,433	\$ 64,305	\$ 66,378
General Service Less Than 50 kW (/kWh)	kWh	\$ 9,813	\$ 22,456	\$ 60,770	\$ 76,826	\$ 169,865
General Service 50 to 4,999 kW (/kW)	kW	\$ 28,190	\$ 102,114	\$ 132,308	\$ 177,021	\$ 439,632
Large User (kW)	kW	\$ (2,411)	\$ 11,386	\$ 12,496	\$ 12,579	\$ 34,051
Total		\$ 20,602	\$ 135,586	\$ 223,006	\$ 330,732	\$ 709,926

For the purposes of the settlement of the issues in this proceeding, and subject to the above, the Parties agree that the Applicant's proposals for deferral and variance accounts, including the balances in the existing accounts and their disposition and the continuation of existing accounts, are appropriate.

Eligible Investments for Connection of Qualifying Generation Facilities to be funded by the IESO

WNH had one qualifying Expansion Generation Facility connected in 2013, allocated in Table 19 below.

Table 19 - Calculation of the Direct Benefit / Provincial Portion of Qualifying Expansion Generation Facility

Expansion Connection Project	\$ 117,320
Direct Benefit - 17%	\$ 19,944
Provincial - 83%	\$ 97,376
Total	\$ 117,320

WNH recorded the total cost of the project in its Rate Base and recorded the IESO revenue to be received, in the amount of \$9,766, as a Revenue Offset.

IESO Funding for Connection of Qualifying Generation Facilities for Board Approval

The amount of Eligible Investments for Connection of Qualifying Generation Facilities to be funded by the IESO for which WNH is seeking Board Approval is shown in Table 20 below.

Table 20 - Schedule of IESO Payments Requesting Approval

IESO Payments Requesting Board Approval		
Year	Annual	Monthly
2016	\$ 9,766	\$ 814
2017	\$ 9,499	\$ 792
2018	\$ 9,232	\$ 769
2019	\$ 8,965	\$ 747
2020	\$ 8,698	\$ 725

Appendix 2-FA and 2-FC were filed in response to 9-Staff-149 which provides the calculation of this funding request.

The Parties anticipate that the Board will facilitate the compensation payments from the IESO to WNH as per O.Reg. 330/09.

Evidence:

Application: Exhibit 1 page 73; Exhibit 2 pages 3-4, 23-24, 52-56, 79-86; Exhibit 4 pages 80-99; Exhibit 9

IRRs: 2-Staff-25; 4-Staff-131, 4.0-VECC-39, 40, 41; 9-Staff-143, 145, 146, 147, 148, 149, 150, 9-Energy Probe-54, 2-E2-1, 9.0-VECC-47

TC Transcript: August 19, 2015 TC Transcript at pages 143-145

Undertaking Responses: JTC1.2, JTC1.22

Appendices to this Settlement Proposal: Appendix E, Appendix F, Appendix G, Appendix H

Supporting Parties: All

Appendix A – WNH 2016 Tariff Sheet

Please see below the Proposed 2016 Tariff Sheet, as revised to reflect this Settlement Proposal.

Waterloo North Hydro Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2016

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

EB-2015-0108

RESIDENTIAL SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less where the electricity is used exclusively in a separate metered living accommodation. Customers shall be residing in single-dwelling units that consist of a detached house or one unit of a semi-detached, duplex, triplex or quadruplex house, with a residential zoning. Separately metered dwellings within a town house complex or apartment building also qualify as residential customers. All customers are single-phase. 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 Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	19.71
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Rate Rider for Disposition of Stranded Meter Costs - effective until December 31, 2018	\$	0.58
Distribution Volumetric Rate	\$/kWh	0.0154
Low Voltage Service Rate	\$/kWh	0.0002
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0074
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0023
Rate Rider for Tax Change (2015) - effective until April 30, 2016	\$/kWh	(0.0001)
Rate Rider for Disposition of Deferral/Variance Accounts (2015) - effective until April 30, 2016	\$/kWh	(0.0014)
Rate Rider for Disposition of Global Adjustment Account (2015) - effective until April 30, 2016 Applicable only for Non RPP Customers	\$/kWh	0.0006
Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until December 31, 2016	\$/kWh	0.0016
Rate Rider for Disposition of Global Adjustment Account (2016) - effective until December 31, 2016 Applicable only for Non RPP Customers	\$/kWh	0.0031
Rate rider for Disposition of Accounting Changes Under CGAAP Account 1576 - effective until December 31, 2016	\$/kWh	(0.0016)
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2016) - effective until December 31, 2016	\$/kWh	0.0002

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Waterloo North Hydro Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2016

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

EB-2015-0108

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification applies to a non residential account taking electricity at 750 volts or less whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW. 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 Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	31.96
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Rate Rider for Disposition of Stranded Meter Costs - effective until December 31, 2018	\$	1.38
Distribution Volumetric Rate	\$/kWh	0.0159
Low Voltage Service Rate	\$/kWh	0.0002
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0067
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0021
Rate Rider for Tax Change (2015) - effective until April 30, 2016	\$/kWh	(0.00005)
Rate Rider for Disposition of Deferral/Variance Accounts (2015) - effective until April 30, 2016	\$/kWh	(0.0014)
Rate Rider for Disposition of Global Adjustment Account (2015) - effective until April 30, 2016 Applicable only for Non RPP Customers	\$/kWh	0.0006
Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until December 31, 2016	\$/kWh	0.0017
Rate Rider for Disposition of Global Adjustment Account (2016) - effective until December 31, 2016 Applicable only for Non RPP Customers	\$/kWh	0.0031
Rate rider for Disposition of Accounting Changes Under CGAAP Account 1576 - effective until December 31, 2016	\$/kWh	(0.0016)
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2016) - effective until December 31, 2016	\$/kWh	0.0009

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Waterloo North Hydro Inc.
TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2016

**This schedule supersedes and replaces all previously
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EB-2015-0108

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. Further servicing details are available in the distributor's Conditions of Service. Note that for the application of the Retail Transmission Rate – Network Service Rate and the Retail Transmission Rate – Line and Transformation Connection Service Rate the following sub-classifications apply: General Service 50 to 999 kW non-interval metered General Service 50 to 999 kW interval metered General Service 1,000 to 4,999 kW interval metered.

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 Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	119.38
Distribution Volumetric Rate	\$/kW	5.0649
Low Voltage Service Rate	\$/kW	0.0738
Retail Transmission Rate - Network Service Rate - (less than 1,000 kW)	\$/kW	2.7741
Retail Transmission Rate - Network Service Rate - Interval Metered (less than 1,000 kW)	\$/kW	2.9465
Retail Transmission Rate - Network Service Rate - Interval Metered (1,000 to 4,999 kW)	\$/kW	2.9427
Retail Transmission Rate - Line and Transformation Connection Service Rate - (less than 1,000 kW)	\$/kW	0.8036
Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered (less than 1,000 kW)	\$/kW	1.0037
Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered (1,000 to 4,999 kW)	\$/kW	1.0026
Rate Rider for Tax Change (2015) - effective until April 30, 2016	\$/kW	(0.0099)
Rate Rider for Disposition of Deferral/Variance Accounts (2015) - effective until April 30, 2016 Applicable only for Non Wholesale Market Participants	\$/kW	(0.6502)
Rate Rider for Disposition of Deferral/Variance Accounts (2015) - effective until April 30, 2016 Applicable only for Wholesale Market Participants	\$/kW	(0.1945)
Rate Rider for Disposition of Global Adjustment Account (2015) - effective until April 30, 2016 Applicable only for Non RPP Customers	\$/kW	0.2675
Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until December 31, 2016 Applicable Only for Non Wholesale Market Participants	\$/kW	0.7720
Rate Rider for Disposition of Global Adjustment Account (2016) - effective until December 31, 2016 Applicable only for Non RPP Customers	\$/kW	1.2659
Rate rider for Disposition of Accounting Changes Under CGAAP Account 1576 - effective until December 31, 2016 Applicable only for Non Wholesale Market Participants	\$/kW	(0.6390)
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2016) - effective until December 31, 2016	\$/kW	0.2552
Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until December 31, 2016 Applicable Only for Wholesale Market Participants	\$/kW	0.1181
Rate rider for Disposition of Accounting Changes Under CGAAP Account 1576 - effective until December 31, 2016 Applicable only for Wholesale Market Participants	\$/kW	(0.8496)

GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Waterloo North Hydro Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2016

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EB-2015-0108

LARGE USE SERVICE CLASSIFICATION

This classification applies to an 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, 5,000 kW. 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 Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	6,975.72
Distribution Volumetric Rate	\$/kW	4.0196
Low Voltage Service Rate	\$/kW	0.0925
Retail Transmission Rate - Network Service Rate	\$/kW	3.2624
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.0072
Rate Rider for Tax Change (2015) - effective until April 30, 2016	\$/kW	(0.0072)
Rate Rider for Disposition of Deferral/Variance Accounts (2015) - effective until April 30, 2016	\$/kW	(0.7541)
Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until December 31, 2016	\$/kW	1.0507
Rate rider for Disposition of Accounting Changes Under CGAAP Account 1576 - effective until December 31, 2016	\$/kW	(0.8606)
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2016) - effective until December 31, 2016	\$/kW	0.2023

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Waterloo North Hydro Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2016

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approved schedules of Rates, Charges and Loss Factors**

EB-2015-0108

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This 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. Such connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, 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. 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 Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	10.61
Distribution Volumetric Rate	\$/kWh	0.0132
Low Voltage Service Rate	\$/kWh	0.0002
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0067
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0021
Rate Rider for Tax Change (2015) - effective until April 30, 2016	\$/kWh	(0.0002)
Rate Rider for Disposition of Deferral/Variance Accounts (2015) - effective until April 30, 2016	\$/kWh	(0.0015)
Rate Rider for Disposition of Global Adjustment Account (2015) - effective until April 30, 2016	\$/kWh	0.0006
2016 Applicable only for Non RPP Customers		
Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until December 31, 2016	\$/kWh	0.0016
Rate Rider for Disposition of Global Adjustment Account (2016) - effective until December 31, 2016	\$/kWh	0.0031
2016 Applicable only for Non RPP Customers		
Rate rider for Disposition of Accounting Changes Under CGAAP Account 1576 - effective until December 31, 2016	\$/kWh	(0.0016)

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Waterloo North Hydro Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2016

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EB-2015-0108

STREET LIGHTING SERVICE CLASSIFICATION

This classification applies to an account for roadway lighting with a Municipality, Regional Municipality, Ministry of Transportation and private roadway lighting, controlled by photo cells. The consumption for these customers will be based on the calculated connected load times the required lighting times established in the approved OEB street lighting load shape template. 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 Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	0.33
Distribution Volumetric Rate	\$/kW	9.3754
Low Voltage Service Rate	\$/kW	0.0570
Retail Transmission Rate - Network Service Rate	\$/kW	2.0924
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	0.6210
Rate Rider for Tax Change (2015) - effective until April 30, 2016	\$/kW	(0.0208)
Rate Rider for Disposition of Deferral/Variance Accounts (2015) - effective until April 30, 2016	\$/kW	(0.5199)
Rate Rider for Disposition of Global Adjustment Account (2015) - effective until April 30, 2016 Applicable only for Non RPP Customers	\$/kW	0.2139
Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until December 31, 2016	\$/kW	0.7019
Rate Rider for Disposition of Global Adjustment Account (2016) - effective until December 31, 2016 Applicable only for Non RPP Customers	\$/kW	1.1196
Rate rider for Disposition of Accounting Changes Under CGAAP Account 1576 - effective until December 31, 2016	\$/kW	(0.5652)

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Waterloo North Hydro Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2016

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EB-2015-0108

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 Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the 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 Board approval, such as the Debt Retirement Charge, the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	5.40
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Waterloo North Hydro Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2016

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EB-2015-0108

EMBEDDED DISTRIBUTOR SERVICE CLASSIFICATION

This classification applies to an electricity distributor licensed by the Board that is provided electricity by means of this distributor's facilities. 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 Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the 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 Board approval, such as the Debt Retirement Charge, the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Distribution Volumetric Rate	\$/kW	0.0200
Rate Rider for Disposition of Deferral/Variance Accounts (2015) - effective until April 30, 2016	\$/kW	(0.5823)
Rate Rider for Disposition of Global Adjustment Account (2015) - effective until April 30, 2016 Applicable only for Non RPP Customers	\$/kW	0.2396
Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until December 31, 2016	\$/kW	0.5306
Rate Rider for Disposition of Global Adjustment Account (2016) - effective until December 31, 2016 Applicable only for Non RPP Customers	\$/kW	1.3679

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Waterloo North Hydro Inc.
TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2016

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EB-2015-0108

ALLOWANCES

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

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 Board, and amendments thereto as approved by the 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 Board, and amendments thereto as approved by the 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 Board approval, such as the Debt Retirement Charge, the Global Adjustment and the HST.

Customer Administration

Easement letter	\$	15.00
Notification charge	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Returned cheque charge (plus bank charges)	\$	15.00
Duplicate invoices for previous billing	\$	15.00
Income tax letter	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00

Non-Payment of Account

Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Disconnect/Reconnect at meter - during regular hours	\$	65.00
Disconnect/Reconnect at meter - after regular hours	\$	185.00
Specific Charge for Access to the Power Poles \$/pole/year	\$	22.35

Waterloo North Hydro Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2016

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approved schedules of Rates, Charges and Loss Factors**

EB-2015-0108

RETAIL SERVICE CHARGES (if applicable)

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

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the 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 Board approval, such as the Debt Retirement Charge, 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	\$	100.00
Monthly Fixed Charge, per retailer	\$	20.00
Monthly Variable Charge, per customer, per retailer	\$/cust.	0.5000
Distributor-consolidated billing monthly charge, per customer, per retailer	\$/cust.	0.3000
Retailer-consolidated billing monthly credit, per customer, per retailer	\$/cust.	(0.3000)
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	\$	0.25
Processing fee, per request, applied to the requesting party	\$	0.50
Request for customer information as outlined in Section 10.6.3 and Chapter 11 of the 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)	\$	2.00

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	1.0362
Total Loss Factor – Secondary Metered Customer > 5,000 kW	1.0147
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0259
Total Loss Factor – Primary Metered Customer > 5,000 kW	1.0047

Appendix B – OEB Appendix 2-AB

Please see below for an updated Appendix 2-AB revised to reflect this Settlement Proposal.

OEB Investment Category	Historical Period										Test Year					
	Bridge Year										Forecast Period					
	2011		2012		2013		2014		2015		2016	2017	2018	2019	2020	Average 2016 - 2020
	Plan	Actual	Plan	Actual	Plan	Actual	Plan	Actual	Plan	Budgeted (2)						
System Access	(1)	\$ 5,616,458	(1)	\$ 7,835,847	(1)	\$ 8,667,885	(1)	\$ 5,625,933	(1)	\$ 11,905,668	\$ 11,171,628	\$ 7,520,910	\$ 6,020,046	\$ 5,946,859	\$ 6,085,796	\$ 7,349,048
System Renewal	(1)	\$ 9,731,967	(1)	\$ 9,253,544	(1)	\$ 7,569,002	(1)	\$ 9,711,737	(1)	\$ 7,101,086	\$ 7,360,065	\$ 10,001,084	\$ 9,438,200	\$ 8,800,764	\$ 8,975,779	\$ 8,915,178
System Service	(1)	\$ 1,832,799	(1)	\$ 1,649,794	(1)	\$ 1,573,868	(1)	\$ 2,311,676	(1)	\$ 1,571,473	\$ 2,405,950	\$ 1,680,000	\$ 1,725,200	\$ 1,175,404	\$ 1,175,612	\$ 1,632,433
General Plant	(1)	\$ 29,572,430	(1)	\$ 3,380,268	(1)	\$ 2,140,562	(1)	\$ 2,044,660	(1)	\$ 2,260,750	\$ 1,869,078	\$ 2,813,765	\$ 1,661,176	\$ 1,670,309	\$ 1,649,525	\$ 1,932,771
Totals		\$ 46,753,654		\$ 22,119,452		\$ 19,951,316		\$ 19,694,006		\$ 22,838,977	\$ 22,806,721	\$ 22,015,759	\$ 18,844,622	\$ 17,593,336	\$ 17,886,713	\$ 19,829,430
System Operations		\$ 3,567,713		\$ 4,464,684		\$ 6,122,581		\$ 6,246,577		\$ 6,018,379	\$ 5,689,381					
System Maintenance		\$ 1,287,857		\$ 1,266,289		\$ 1,283,983		\$ 1,845,659		\$ 1,607,062	\$ 1,613,140					
Total O&M		\$ 4,855,570		\$ 5,730,973		\$ 7,406,564		\$ 8,092,236		\$ 7,625,441	\$ 7,302,521					

(1) This is Waterloo North Hydro's first Distribution System Plan and as such planned expenditures are not provided.

(2) due to the timing of the Application there are no actual expenditures available for 2015

Appendix C – 2016 Fixed Asset Continuity Schedule

Please see below for an updated 2016 Fixed Asset Continuity Schedule to reflect this Settlement Proposal.

Appendix 2-BA
Fixed Asset Continuity Schedule
Accounting Standard: MIFRS
Year: 2016

Cost							Accumulated Depreciation				
CCA Class	OEB	Description	Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	Net Book Value
N/A	1805	Land	2,321,684		15,095	2,306,589	0			0	2,306,589
1b	1612	Land Rights	697,180	43,259		740,439	0			0	740,439
1b	1808	Buildings and Fixtures	30,493,333	128,050	35,688	30,585,695	3,962,605	839,579	23,473	4,778,711	25,806,984
13	1810	Leasehold Improvements	0			0	0			0	0
47	1815	Transformer Station Equipment - Normally Primary above	32,702,772	516,518		33,219,290	13,396,067	1,137,573		14,533,640	18,685,650
47	1820	Distribution Station Equipment - Normally Primary below	5,597,083	94,587		5,691,670	3,710,322	137,510		3,847,832	1,843,838
47	1825	Storage Battery Equipment	0			0	0			0	0
47	1830	Poles, Towers and Fixtures	68,420,424	3,611,587		72,032,011	26,053,752	1,176,513		27,230,264	44,801,746
47	1835	Overhead Conductors and Devices	37,985,703	3,319,842		41,305,544	11,439,265	832,160		12,271,425	29,034,120
47	1840	Underground Conduit	19,166,859	1,964,870		21,131,729	8,425,233	280,113		8,705,346	12,426,383
47	1845	Underground Conductors and Devices	44,392,197	5,336,630		49,728,827	20,205,930	1,023,385		21,229,315	28,499,512
47	1850	Line Transformers	57,507,844	4,106,004		61,613,848	24,113,855	1,146,132		25,259,987	36,353,861
47	1855	Services	26,409,533	1,044,553		27,454,086	12,779,915	364,147		13,144,063	14,310,024
8	1860	Meters	13,677,132	644,367		14,321,499	5,172,592	861,031		6,033,622	8,287,877
N/A	1865	Other Installations on Customer's Premises	0			0	0			0	0
N/A	1905	Land	0			0	0			0	0
CEC	1906	Land Rights	0			0	0			0	0
47	1908	Buildings and Fixtures	0			0	0			0	0
13	1910	Leasehold Improvements	0			0	0			0	0
8	1915	Office Furniture and Equipment	1,577,130	7,000		1,584,130	1,016,580	106,957		1,123,536	460,593
45/50	1920	Computer Equipment - Hardware	4,234,789	108,650		4,343,439	3,917,361	132,136		4,049,497	293,943
12/50	1611	Computer Software	6,823,715	871,760		7,695,475	5,793,849	476,948		6,270,797	1,424,678
10	1930	Transportation Equipment	9,126,170	619,409	316,071	9,429,508	5,472,270	589,154	305,084	5,756,340	3,673,169
8	1935	Stores Equipment	542,506			542,506	334,631	46,942		381,573	160,933
8	1940	Tools, Shop and Garage Equipment	1,447,361	77,000		1,524,361	1,131,371	117,919		1,249,290	275,072
8	1945	Measurement and Testing Equipment	941,204	15,000		956,204	822,680	44,963		867,642	88,562
8	1950	Power Operated Equipment	0			0	0			0	0
8	1955	Communication Equipment	944,263			944,263	607,835	92,368		700,203	244,060
8	1960	Miscellaneous Equipment	2,621,400	32,000		2,653,400	1,713,374	242,943		1,956,317	697,083
47	1970	Load Management Controls - Customer Premises	0			0	0			0	0
47	1975	Load Management Controls - Utility Premises	0			0	0			0	0
8	1980	System Supervisory Equipment	4,964,601	265,636		5,230,237	2,923,239	210,279		3,133,518	2,096,718
47	1985	Sentinel Lighting Rentals	0			0	0			0	0
47	1990	Other Tangible Property	0			0	0			0	0
47	1995	Contributions and Grants	(33,424,664)			(33,424,664)	(10,527,550)	(778,853)		(11,306,403)	(22,118,261)
2005		Property under Capital Lease	0			0	0			0	0
47	2440	Deferred Revenue - Contributed Capital	(6,288,938)	(6,372,309)		(12,661,248)	(164,469)	(248,033)		(412,501)	(12,248,746)
		Total before Work in Process	332,881,281	16,434,411	366,854	348,948,838	142,300,708	8,831,862	328,557	150,804,014	198,144,825
WIP	2070	Other utility plant	0			0				0	0
WIP	2055	Work in Process	1,704,604	1,703,555	1,704,604	1,703,555	0			0	1,703,555
WIP	2040	Electric Plant Held for Future Use	834,656			834,656					834,656
		Total after Work in Process	335,420,541	18,137,966	2,071,458	351,487,049	142,300,708	8,831,862	328,557	150,804,014	200,683,036

Less: Fully Allocated Depreciation	
Transportation	589,154
Truck Tools	117,919
Stores	46,942
Net Depreciation	8,077,849

Appendix D – Bill Impacts

Please see below for updated Bill Impacts to reflect this Settlement Proposal.

Rate Class	kWh	kW	# of Connections	2015 Bill \$	2016 Bill \$	\$ Difference	Total Bill Impact %	Distribution Bill Impact % *	Distribution Bill Impact % **
Residential Time-of-Use	100			32.89	35.49	2.60	7.91%	12.77%	12.76%
	250			54.23	56.19	1.96	3.62%	7.59%	8.51%
	500			89.78	90.69	0.90	1.01%	1.40%	3.55%
	800			132.46	132.09	(0.37)	-0.28%	-3.64%	-0.41%
	1,000			160.91	159.69	(1.21)	-0.75%	-6.11%	-2.32%
	1,500			232.03	228.69	(3.34)	-1.44%	-10.50%	-5.68%
	2,000			303.16	297.69	(5.47)	-1.80%	-13.38%	-7.86%
GS < 50 kW Time-of-Use	1,000			175.53	173.39	(2.14)	-1.22%	-6.24%	-3.32%
	2,000			311.89	311.82	(0.07)	-0.02%	-3.53%	0.66%
	5,000			720.97	727.11	6.14	0.85%	0.34%	6.04%
	10,000			1,402.78	1,419.25	16.47	1.17%	2.71%	9.16%
	15,000			2,084.58	2,111.38	26.80	1.29%	3.73%	10.48%
GS 50-4,999 kW	20,000	60		3,368.95	3,488.74	119.78	3.56%	-0.87%	23.90%
	40,000	100		6,420.55	6,616.79	196.24	3.06%	-0.99%	25.23%
	100,000	250		15,848.61	16,339.20	490.59	3.10%	-1.12%	28.00%
	200,000	500		31,562.05	32,543.23	981.18	3.11%	-1.18%	29.06%
	400,000	1,000		60,412.51	62,374.87	1,962.36	3.25%	-1.20%	29.62%
Large Use	8,000,000	14,500		1,163,016.08	1,179,364.98	16,348.90	1.41%	0.62%	32.26%
USL	150		1	43.19	35.89	(7.30)	-16.91%	-34.92%	-33.20%
Street Lighting	150	1	1	33.43	35.51	2.08	6.23%	1.41%	20.42%
	50	0.14	1	9.14	9.42	0.28	3.03%	1.15%	14.89%
Embedded Distributor	2,615,000	6,000		337,870.45	350,697.10	12,826.65	3.80%	58.73%	1750.28%

* Excludes Pass Through Items

** Includes Pass Through Items

Appendix E – OEB Appendix 2-EC, Account 1576

Please see below for an updated OEB Appendix 2-EC, Account 1576, to reflect this Settlement Proposal.

Appendix 2-EC Account 1576 - Accounting Changes under CGAAP 2013 Changes in Accounting Policies under CGAAP

For applicants that made capitalization and depreciation expense accounting policy changes under CGAAP effective January 1, 2013

Reporting Basis	Rebasing Year	2011	2012	2013	2014	2015	2016 Rebasing Year
	CGAAP	IRM	IRM	IRM	IRM	MIFRS	MIFRS
	Forecast	Actual	Actual	Actual	Actual	Forecast	Forecast
				\$	\$	\$	\$
PP&E Values under former CGAAP							
Opening net PP&E - Note 1				164,787,950	173,961,321	181,552,703	
Net Additions - Note 4				20,339,324	13,206,059	18,222,841	
Net Depreciation (amounts should be negative) - Note 3				(11,165,953)	(5,614,676)	(11,366,992)	
Closing net PP&E (1)				173,961,321	181,552,703	188,408,552	
PP&E Values under revised CGAAP (Starts from 2013)							
Opening net PP&E - Note 1				164,787,950	174,590,342	183,020,607	
Net Additions - Note 4				17,881,164	11,001,407	15,907,904	
Net Depreciation (amounts should be negative) - Note 3				(8,078,771)	(2,571,143)	(8,345,826)	
Closing net PP&E (2)				174,590,342	183,020,607	190,582,685	
Difference in Closing net PP&E, former CGAAP vs. revised CGAAP				(629,021)	(1,467,904)	(2,174,132)	
Effect on Deferral and Variance Account Rate Riders							
Closing balance in Account 1576						(2,174,132)	
Return on Rate Base Associated with Account 1576 balance at WACC - Note 2						(88,416)	
Amount included in Deferral and Variance Account Rate Rider Calculation						(2,262,548)	

WACC	6.02%
# of years of rate rider disposition period	1

Appendix F – Draft Accounting Order – Wireless and Wireline

Please see below for a Draft Accounting Order - Wireless, to reflect this Settlement Proposal.

Accounting Order Requested – 1508 Other Regulatory Asset – Sub-account Wireless and Wireline

WNH requests a new variance account 1508 Other Regulatory Asset – Sub-account Wireless and Wireline Attachments, in relation to the creation of a variance account to record two items: 1) the net (less any related costs) incremental revenues received from any wireless attachments during the IRM period; and 2) any changes in revenue received due to any change in the currently regulated wireline attachment rate of \$22.35 per attachment per pole per year. For clarity, this is a symmetrical account that reflects changes to the rate rather than change in number of wireline attachments.

The Boards *Filing Requirements* indicate that in the event an applicant seeks an accounting order to establish a new deferral/variance account, the eligibility criteria must be met, including causation, materiality and prudence. The eligibility criteria has been met.

In the absence of a general variance account for this purpose, WNH requests that the Board approve an Accounting Order for WNH as part of this settlement, and that such an Accounting Order include the following:

- 1) The net (less any related costs) incremental revenues received from any wireless attachments during the IRM period. These incremental revenues will be recorded as follows:

Accounting Entry:

Debit - Account 4210, Rent from Electric Property

Credit - Account 1508, Other Regulatory Asset – Sub-account Wireless and Wireline

- 2) Any changes in revenue received due to any change in the currently regulated wireline attachment rate of \$22.35 per attachment per pole per year;

Accounting Entry:

Debit/Credit - Account 4210, Rent from Electric Property

Credit/Debit - Account 1508, Other Regulatory Asset – Sub-account Wireless and Wireline

- 3) The account is symmetrical that reflects changes to the rate rather than change in number of wireline attachments;
- 4) The balance in the variance account is to be disposed of at WNH's next Cost of Service Filing; and

- 5) Carrying charges, at the Board's Prescribed Interest Rate for Deferral and Variance Accounts, would be applied until final disposition.

Appendix G – Draft Accounting Order – MS Disposition

Please see below for a Draft Accounting Order – MS Disposition, to reflect this Settlement Proposal.

Accounting Order Requested – 1508 Other Regulatory Asset – Sub-account MS Disposition

WNH requests a new deferral/variance account 1508 Other Regulatory Asset – Sub-account MS Disposition, in relation creation of a variance account to capture net gains and losses on disposition of various Municipal Station properties inclusive of remediation costs and taxes. Upon disposition, the balance of this account will be distributed with 75% to ratepayers and 25% to WNH. For clarity, this account is not symmetrical in that the Parties agree ratepayers will not owe a credit to WNH if this account is in a net loss scenario at the time of disposition. The balance in the variance account is to be disposed of at WNH's next Cost of Service Filing

The Boards *Filing Requirements* indicate that in the event an applicant seeks an accounting order to establish a new deferral/variance account, the eligibility criteria must be met, including causation, materiality and prudence. The eligibility criteria has been met.

In the absence of a general variance account for this purpose, WNH requests that the Board approve an Accounting Order for WNH as part of this settlement, and that such an Accounting Order include the following:

- 1) The net gains and losses on disposition of various Municipal Station properties inclusive of remediation costs;

Accounting Entry:

Debit/Credit - Account 4355/4360, Gain/Loss on Disposition of Utility and Other Property

Debit/Credit - Account 1508, Other Regulatory Asset – MS Disposition

- 2) Upon disposition, the balance of this account will be distributed with 75% to ratepayers and 25% to WNH;
- 3) The account is not symmetrical in that the Parties agree ratepayers will not owe a credit to WNH if this account is in a net loss scenario at the time of disposition;
- 4) The balance in the variance account is to be disposed of at WNH's next Cost of Service Filing; and
- 5) Carrying charges, at the Board's Prescribed Interest Rate for Deferral and Variance Accounts, would be applied until final disposition.

Appendix H – Draft Accounting Order – OPEB

Please see below for a Draft Accounting Order – OPEB Disposition, to reflect this Settlement Proposal.

Accounting Order Requested – 1508 Other Regulatory Asset – Sub-account OPEB

WNH requests a new deferral/variance account 1508 Other Regulatory Asset – Sub-account OPEB, for the purpose of recording the difference in revenue requirement each year, starting in the test year, between both the capitalized and OM&A components of OPEBs accounted for using a cost basis (as to be reflected in rates if this settlement is accepted by the Board) and both capitalized and OM&A components of OPEBs accounted for using an accrual basis together with related PILs adjustments. This account will accrue interest until final disposition. If the Board determines that LDCs must only include in rates OPEBs accounted for using a cash basis, WNH will seek to discontinue this account without seeking disposition of the amounts recorded in this account. If the Board determines that LDCs may recover OPEBs in rates using an accrual accounting methodology, the Parties agree that WNH will be permitted to seek disposition of this account to recover the amounts so recorded in its next Rate Application following the Board's Decision. WNH will propose a disposition period over which the account should be recovered depending on the quantum in the account and the potential rate impacts at the time.

The Boards *Filing Requirements* indicate that in the event an applicant seeks an accounting order to establish a new deferral/variance account, the eligibility criteria must be met, including causation, materiality and prudence. The eligibility criteria has been met.

In the absence of a general variance account for this purpose, WNH requests that the Board approve an Accounting Order for WNH as part of this settlement, and that such an Accounting Order include the following:

- 1) The recording the difference in revenue requirement each year, starting in the test year, between both the capitalized and OM&A components of OPEBs accounted for using a cost basis (as to be reflected in rates if this settlement is accepted by the Board) and both capitalized and OM&A components of OPEBs accounted for using an accrual basis together with related PILs adjustments;

Accounting Entry:

Debit - Account 1508, Other Regulatory Asset – Sub-account
Credit – Account 5645, Employee Pensions and Benefits

- 2) If the Board determines that LDCs must only include in rates OPEBs accounted for using a cash basis, WNH will seek to discontinue this account without seeking disposition of the amounts recorded in this account;

- 3) If the Board determines that LDCs may recover OPEBs in rates using an accrual accounting methodology, the Parties agree that WNH will be permitted to seek disposition of this account to recover the amounts so recorded in its next Rate Application following the Board's Decision. WNH will propose a disposition period over which the account should be recovered depending on the quantum in the account and the potential rate impacts at the time; and
- 4) Carrying charges, at the Board's Prescribed Interest Rate for Deferral and Variance Accounts, would be applied until final disposition.

Appendix I - OPA/IESO Final 2011-2014 CDM Results

Please see attached.



saveONenergy™

Message from the Vice President:

The IESO is pleased to provide the enclosed 2011-2014 Final Results Report. This report is designed to help populate LDC Annual Reports that will be submitted to the Ontario Energy Board (OEB) in September 2015.

2011-2014 Conservation Framework Highlights:

- LDCs have made significant achievements against dual energy and peak demand savings targets. Collectively, the LDCs have achieved 109% of the energy target and 70% of the peak demand target.
- Momentum has built as we transition to the Conservation First Framework. 2014 demonstrated an achievement of over 1 TWh of net incremental energy savings, positioning us well for average net incremental energy savings of 1.2 TWh required in the new framework to meet our 2020 CDM targets.
- Throughout the past framework, program results have become more predictable year over year as noted in the increasingly smaller variance between quarterly preliminary results and verified final results.
- Customer engagement continued to increase in both the Consumer and Business Programs. Between 2011 - 2014 consumers have purchased over 10 million energy efficient products through the saveONenergy COUPONS program. Customers in RETROFIT continue to declare a positive experience participating in the program with 86% likely to recommend.
- saveONenergy has seen a steady and significant increase in unaided brand awareness by 33% from 2011-2014
- Conservation is becoming even more cost-effective as programs become more efficient and effective. 2014 proved early investments in long lead time projects will pay off with the high savings now being realized in programs like PROCESS & SYSTEMS and RETROFIT. Within 4 cents per kWh, Conservation programs continue to be a valuable and cost effective resource for customers across the province.

The 2011-2014 Final Results within this report vary from the Draft 2011-2014 Final Results Report for the following reasons:

- Savings from Time of Use pricing are included in the Final Results Report. Overall the province saved 55 MWs from Time-of-Use pricing in 2014, or 0.73% of residential summer peak demand.
- Between August 4th and August 28th, the IESO and LDCs have worked collaboratively to reconcile projects from 2011-2014 Final Results Report to ensure every eligible project was captured and accurately reported.
- Verified savings from Innovation Fund pilots are also included for participating LDCs.

All results will be considered final for the 2011-2014 Conservation Framework. Any additional program activity not captured in the 2011-2014 Final Results Report will not be included as part of a future adjustment process.

Please continue to monitor saveONenergy E-blasts for future updates and should you have any other questions or comments please contact LDC.Support@ieso.ca.

We appreciate your collaboration and cooperation throughout the reporting and evaluation process and we look forward to the success ahead in the Conservation First Framework.

Sincerely,

Terry Young

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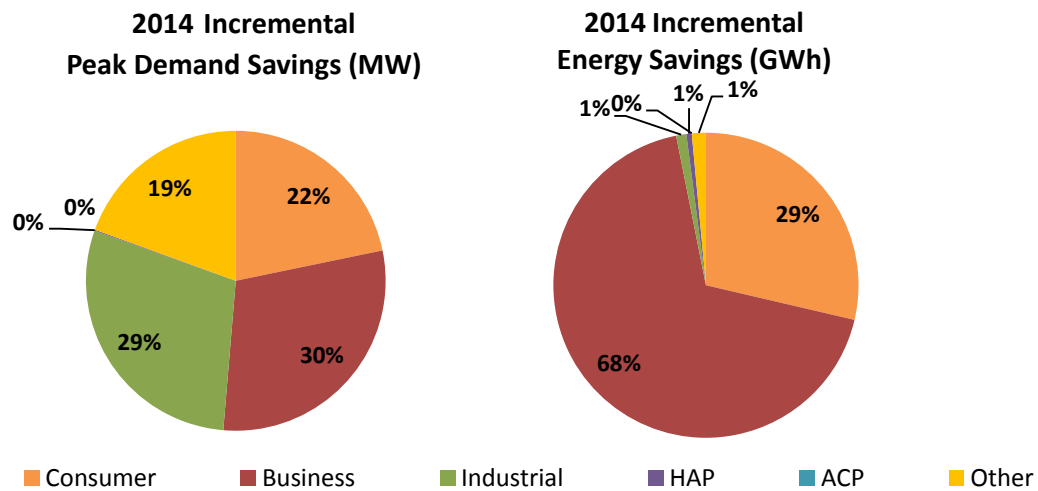
IESO-Contracted Province-Wide CDM Programs: 2011-2014 Final Results Report

LDC: Waterloo North Hydro Inc.

Final 2014 Achievement Against Targets	2014 Incremental	2011-2014 Achievement Against Target	% of Target Achieved
Net Annual Peak Demand Savings (MW)	4.2	8.1	51.1%
Net Energy Savings (GWh)	9.9	66.2	99.6%

Unless otherwise noted, results are presented using scenario 1 which assumes that demand response resources have a persistence of 1 year

Achievement by Sector



Comparison: LDC Achievement vs. LDC Community Achievement (Progress to Target)

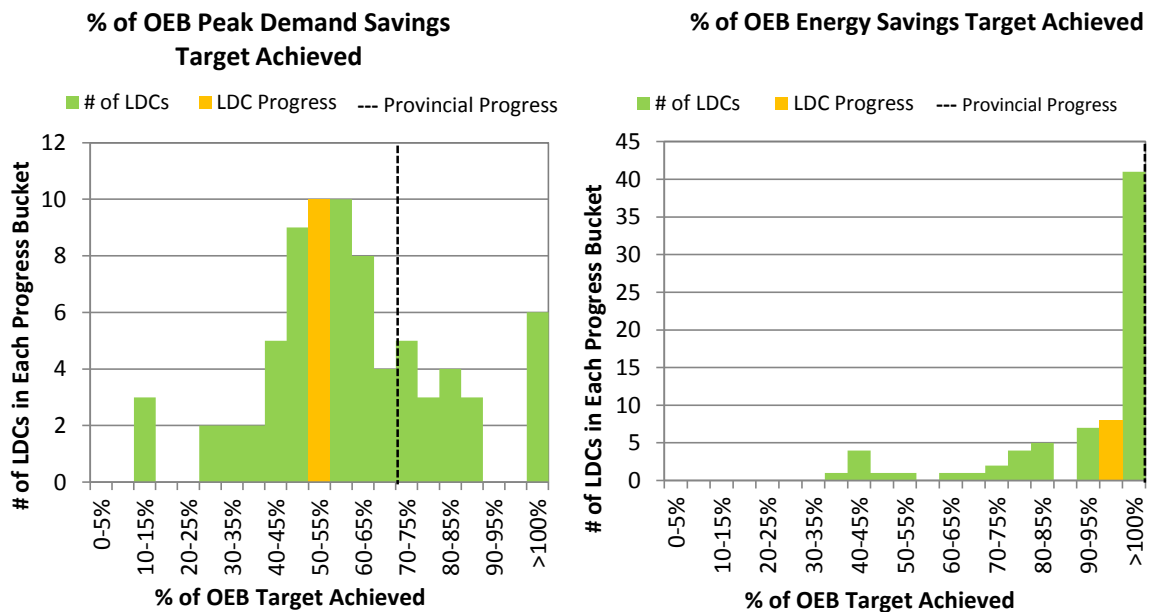


Table 1: Waterloo North Hydro Inc. Initiative and Program Level Net Savings by Year

Initiative	Unit	Incremental Activity (new program activity occurring within the specified reporting period)				Net Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Net Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)				Program-to-Date Verified Progress to Target (excludes DR)	
		2011*	2012*	2013*	2014	2011	2012	2013	2014	2011	2012	2013	2014	2014 Net Annual Peak Demand Savings (kW)	2011-2014 Net Cumulative Energy Savings (kWh)
Consumer Program															
Appliance Retirement	Appliances	433	246	148	182	24	14	10	12	180,566	99,292	63,885	80,001	60	1,227,809
Appliance Exchange	Appliances	22	75	63	142	2	11	13	29	3,051	18,832	23,275	52,460	54	166,552
HVAC Incentives	Equipment	1,199	1,155	1,196	1,521	417	255	240	296	773,162	439,314	409,133	544,462	1,209	5,773,317
Conservation Instant Coupon Booklet	Items	5,070	309	3,486	18,825	12	2	5	42	186,550	14,008	77,221	515,369	61	1,458,036
Bi-Annual Retailer Event	Items	9,539	10,629	9,465	48,338	17	15	12	81	294,427	268,321	172,122	1,231,340	124	3,558,254
Retailer Co-op	Items	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Residential Demand Response	Devices	129	0	511	1,031	72	0	196	365	0	0	652	0	365	652
Residential Demand Response (IHD)	Devices	0	0	381	853	0	0	0	0	0	0	0	0	0	0
Residential New Construction	Homes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Consumer Program Total						544	298	476	826	1,437,756	839,767	746,287	2,423,632	1,874	12,184,620
Business Program															
Retrofit	Projects	40	63	155	134	263	762	557	805	1,433,122	4,566,653	3,060,859	4,881,353	2,369	30,341,738
Direct Install Lighting	Projects	225	106	114	114	248	82	114	94	617,168	307,810	408,878	349,433	466	4,348,246
Building Commissioning	Buildings	0	0	0	0	0	0	0	0	0	0	0	0	0	0
New Construction	Buildings	0	2	3	4	0	4	1	30	0	3,763	1,047	147,947	35	161,329
Energy Audit	Audits	3	8	35	6	0	36	282	80	0	176,234	1,550,425	391,641	398	4,021,192
Small Commercial Demand Response	Devices	8	0	10	15	5	0	6	8	0	0	10	0	8	10
Small Commercial Demand Response (IHD)	Devices	0	0	2	3	0	0	0	0	0	0	0	0	0	0
Demand Response 3	Facilities	3	3	3	3	111	111	113	104	4,323	1,614	1,504	0	104	7,442
Business Program Total						626	996	1,073	1,123	2,054,613	5,056,074	5,022,723	5,770,374	3,381	38,879,957
Industrial Program															
Process & System Upgrades	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Monitoring & Targeting	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Energy Manager	Projects	0	0	1	17	0	0	0	24	0	0	0	91,627	24	91,627
Retrofit	Projects	11	0	0	0	180	0	0	0	1,128,878	0	0	0	180	4,515,511
Demand Response 3	Facilities	4	7	6	10	392	1,260	1,151	1,081	23,003	30,360	30,917	0	1,081	84,279
Industrial Program Total						572	1,260	1,151	1,105	1,151,881	30,360	30,917	91,627	1,284	4,691,417
Home Assistance Program															
Home Assistance Program	Homes	0	40	420	124	0	2	12	4	0	26,655	170,106	48,046	18	467,034
Home Assistance Program Total						0	2	12	4	0	26,655	170,106	48,046	18	467,034
Aboriginal Program															
Home Assistance Program	Homes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Direct Install Lighting	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Aboriginal Program Total						0	0	0	0	0	0	0	0	0	0
Pre-2011 Programs completed in 2011															
Electricity Retrofit Incentive Program	Projects	28	0	0	0	181	0	0	0	913,663	0	0	0	181	3,654,650
High Performance New Construction	Projects	6	1	0	0	182	21	0	0	932,887	105,383	0	0	203	4,047,698
Toronto Comprehensive	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Multifamily Energy Efficiency Rebates	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
LDC Custom Programs	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Pre-2011 Programs completed in 2011 Total						362	21	0	0	1,846,550	105,383	0	0	384	7,702,349
Other															
Program Enabled Savings	Projects	0	0	0	3	0	0	0	89	0	0	0	125,622	89	125,622
Time-of-Use Savings	Homes	0	0	0	n/a	0	0	0	651	0	0	0	0	651	0
LDC Pilots	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Total						0	0	0	739	0	0	0	125,622	739	125,622
Adjustments to 2011 Verified Results															
Adjustments to 2012 Verified Results															
Adjustments to 2013 Verified Results															
Energy Efficiency Total						1,524	1,206	1,246	2,238	6,463,473	6,026,264	5,936,950	8,459,300	6,122	63,958,615
Demand Response Total (Scenario 1)						580	1,371	1,466	1,559	27,327	31,974	33,083	0	1,559	92,384
Adjustments to Previous Years' Verified Results Total						0	-36	66	365	0	-589,797	387,881	1,424,149	393	2,191,842
OPA-Contracted LDC Portfolio Total (inc. Adjustments)						2,104	2,541	2,777	4,161	6,490,800	5,468,441	6,357,914	9,883,449	8,074	66,242,840
Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).														Full OEB Target:	
*Includes adjustments after Final Reports were issued														15,790	
Results presented using scenario 1 which assumes that demand response resources have a persistence of 1 year														66,490,000	
% of Full OEB Target Achieved to Date (Scenario 1):														51.1%	
														99.6%	

Table 2: Adjustments to Waterloo North Hydro Inc. Net Verified Results due to Variances

Initiative	Unit	Incremental Activity (new program activity occurring within the specified reporting period)				Net Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Net Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)				Program-to-Date Verified Progress to Target (excludes DR)	
		2011*	2012*	2013*	2014	2011	2012	2013	2014	2011	2012	2013	2014	2014 Net Annual Peak Demand Savings (kW)	2011-2014 Net Cumulative Energy Savings (kWh)
														2014	2014
Consumer Program															
Appliance Retirement	Appliances	0	0	0		0	0	0		0	0	0		0	0
Appliance Exchange	Appliances	0	0	0		0	0	0		0	0	0		0	0
HVAC Incentives	Equipment	-239	29	49		-67	6	11		-122,413	11,623	18,614		-50	-417,558
Conservation Instant Coupon Booklet	Items	82	0	11		0	0	0		2,762	0	236		0	11,519
Bi-Annual Retailer Event	Items	820	0	0		1	0	0		21,875	0	0		1	87,500
Retailer Co-op	Items	0	0	0		0	0	0		0	0	0		0	0
Residential Demand Response	Devices	0	0	0		0	0	0		0	0	0		0	0
Residential Demand Response (IHD)	Devices	0	0	0		0	0	0		0	0	0		0	0
Residential New Construction	Homes	0	0	0		0	0	0		0	0	0		0	0
Consumer Program Total						-66	6	11		-97,777	11,623	18,850		-49	-318,540
Business Program															
Retrofit	Projects	0	10	22		0	138	188		0	867,127	641,866		323	3,875,167
Direct Install Lighting	Projects	11	0	0		9	0	0		18,673	0	0		7	68,824
Building Commissioning	Buildings	0	0	0		0	0	0		0	0	0		0	0
New Construction	Buildings	0	1	2		0	1	20		0	1,498	7,792		21	20,079
Energy Audit	Audits	3	1	3		16	7	27		79,195	32,009	146,477		49	705,760
Small Commercial Demand Response	Devices	0	0	0		0	0	0		0	0	0		0	0
Small Commercial Demand Response (IHD)	Devices	0	0	0		0	0	0		0	0	0		0	0
Demand Response 3	Facilities	0	0	0		0	0	0		0	0	0		0	0
Business Program Total						25	146	235		97,868	900,633	796,135		401	4,669,830
Industrial Program															
Process & System Upgrades	Projects	0	0	0		0	0	0		0	0	0		0	0
Monitoring & Targeting	Projects	0	0	0		0	0	0		0	0	0		0	0
Energy Manager	Projects	0	0	1		0	0	33		0	0	69,300		33	138,600
Retrofit	Projects	0	0	0		0	0	0		0	0	0		0	0
Demand Response 3	Facilities	0	0	0		0	0	0		0	0	0		0	0
Industrial Program Total						0	0	33		0	0	69,300		33	138,600
Home Assistance Program															
Home Assistance Program	Homes	0	3	21		0	1	2		0	3,238	18,599		2	46,843
Home Assistance Program Total						0	1	2		0	3,238	18,599		2	46,843
Aboriginal Program															
Home Assistance Program	Homes	0	0	0		0	0	0		0	0	0		0	0
Direct Install Lighting	Projects	0	0	0		0	0	0		0	0	0		0	0
Aboriginal Program Total						0	0	0		0	0	0		0	0
Pre-2011 Programs completed in 2011															
Electricity Retrofit Incentive Program	Projects	0	0	0		0	0	0		0	0	0		0	0
High Performance New Construction	Projects	1	0	0		5	0	0		-586,223	0	0		5	-2,344,891
Toronto Comprehensive	Projects	0	0	0		0	0	0		0	0	0		0	0
Multifamily Energy Efficiency Rebates	Projects	0	0	0		0	0	0		0	0	0		0	0
LDC Custom Programs	Projects	0	0	0		0	0	0		0	0	0		0	0
Pre-2011 Programs completed in 2011 Total						5	0	0		-586,223	0	0		5	-2,344,891
Other															
Program Enabled Savings	Projects	0	0	0		0	0	0		0	0	0		0	0
Time-of-Use Savings	Homes	0	0	0		0	0	0		0	0	0		0	0
LDC Pilots	Projects	0	0	0		0	0	0		0	0	0		0	0
Other Total						0	0	0		0	0	0		0	0
Adjustments to 2011 Verified Results						-35				-586,131				-37	-2,350,395
Adjustments to 2012 Verified Results							152				915,494			152	2,746,451
Adjustments to 2013 Verified Results								280				902,884		277	1,795,785
Total Adjustments to Previous Years' Verified Results						-35	152	280		-586,131	915,494	902,884		393	2,191,842

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

Adjustments to previous years' results shown in this table will not align to adjustments shown in Table 1 as the information presented above is presented in the implementation year. Adjustments in Table 1 reflect persisted savings in the year in which that adjustment is verified.

Table 3: Waterloo North Hydro Inc. Realization Rate & NTG

Initiative	Peak Demand Savings								Energy Savings							
	Realization Rate				Net-to-Gross Ratio				Realization Rate				Net-to-Gross Ratio			
	2011	2012	2013	2014	2011	2012	2013	2014	2011	2012	2013	2014	2011	2012	2013	2014
Consumer Program																
Appliance Retirement	1.00	1.00	n/a	n/a	0.51	0.46	0.42	0.42	1.00	1.00	n/a	n/a	0.52	0.47	0.44	0.44
Appliance Exchange	1.00	1.00	1.00	1.00	0.52	0.52	0.53	0.53	1.00	1.00	1.00	1.00	0.52	0.52	0.53	0.53
HVAC Incentives	1.00	1.00	n/a	1.00	0.60	0.50	0.48	0.51	1.00	1.00	n/a	1.00	0.60	0.49	0.48	0.51
Conservation Instant Coupon Booklet	1.00	1.00	1.00	1.00	1.14	1.00	1.11	1.34	1.00	1.00	1.00	1.00	1.11	1.05	1.13	1.39
Bi-Annual Retailer Event	1.00	1.00	1.00	1.00	1.13	0.91	1.04	1.74	1.00	1.00	1.00	1.00	1.10	0.92	1.04	1.75
Retailer Co-op	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Residential Demand Response	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Residential Demand Response (IHD)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Residential New Construction	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Business Program																
Retrofit	0.97	0.94	0.91	0.85	0.71	0.71	0.70	0.70	1.16	1.00	0.96	0.93	0.74	0.70	0.71	0.70
Direct Install Lighting	1.08	0.68	0.81	0.78	0.93	0.94	0.94	0.94	0.90	0.85	0.84	0.83	0.93	0.94	0.94	0.94
Building Commissioning	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
New Construction	n/a	0.96	0.47	0.78	n/a	0.49	0.54	0.54	n/a	1.11	0.81	0.92	n/a	0.49	0.54	0.54
Energy Audit	n/a	n/a	1.02	0.96	n/a	n/a	0.66	0.68	n/a	n/a	0.97	1.00	n/a	n/a	0.66	0.67
Small Commercial Demand Response	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Small Commercial Demand Response (IHD)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Demand Response 3	0.76	n/a	n/a	n/a	n/a	n/a	n/a	n/a	1.00	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Industrial Program																
Process & System Upgrades	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Monitoring & Targeting	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Energy Manager	n/a	n/a	n/a	0.91	n/a	n/a	n/a	0.90	n/a	n/a	n/a	0.96	n/a	n/a	n/a	0.90
Retrofit																
Demand Response 3	0.84	n/a	n/a	n/a	n/a	n/a	n/a	n/a	1.00	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Home Assistance Program																
Home Assistance Program	n/a	1.15	0.93	0.95	n/a	1.00	1.00	1.00	n/a	1.03	0.86	0.74	n/a	1.00	1.00	1.00
Aboriginal Program																
Home Assistance Program	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Direct Install Lighting	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Pre-2011 Programs completed in 2011																
Electricity Retrofit Incentive Program	0.78	n/a	n/a	n/a	0.52	n/a	n/a	n/a	0.78	n/a	n/a	n/a	0.53	n/a	n/a	n/a
High Performance New Construction	1.00	1.00	1.00	1.00	0.50	0.50	0.50	0.50	1.00	1.00	1.00	1.00	0.50	0.50	0.50	0.50
Toronto Comprehensive	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Multifamily Energy Efficiency Rebates	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
LDC Custom Programs	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Other																
Program Enabled Savings	n/a	n/a	n/a	0.90	n/a	n/a	n/a	1.00	n/a	n/a	n/a	0.94	n/a	n/a	n/a	1.00
Time-of-Use Savings	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
LDC Pilots	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Summary Achievement Against CDM Targets

Results are recognized using current IESO reporting policies. Energy efficiency resources persist for the duration of the effective useful life. Any upcoming code changes are taken into account. Demand response resources persist for 1 year (Scenario 1). Please see methodology tab for more detailed information.

Table 4: Net Peak Demand Savings at the End User Level (MW) (Scenario 1)

Implementation Period	Annual			
	2011	2012	2013	2014
2011 - Verified	2.1	1.5	1.5	1.5
2012 - Verified†	0.0	2.5	1.2	1.2
2013 - Verified†	0.0	0.1	2.8	1.3
2014 - Verified†	0.0	0.1	0.4	4.2
Verified Net Annual Peak Demand Savings Persisting in 2014:				8.1
Waterloo North Hydro Inc. 2014 Annual CDM Capacity Target:				15.8
Verified Portion of Peak Demand Savings Target Achieved in 2014 (%):				51.1%

Table 5: Net Energy Savings at the End User Level (GWh)

Implementation Period	Annual				Cumulative
	2011	2012	2013	2014	2011-2014
2011 - Verified	6.5	6.5	6.4	6.3	25.7
2012 - Verified†	-0.6	5.5	5.4	5.4	15.7
2013 - Verified†	0.0	0.4	6.4	6.3	13.1
2014 - Verified†	0.0	0.5	1.43	9.9	11.9
Verified Net Cumulative Energy Savings 2011-2014:					66.2
Waterloo North Hydro Inc. 2011-2014 Annual CDM Energy Target:					66.5
Verified Portion of Cumulative Energy Target Achieved in 2014 (%):					99.6%

†Includes adjustments to previous years' verified results

Results presented using scenario 1 which assumes that demand response resources have a persistence of 1 year

Table 6: Province-Wide Initiatives and Program Level Net Savings by Year (Scenario 1)

Initiative	Unit	Incremental Activity (new program activity occurring within the specified reporting period)				Net Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Net Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)				Program-to-Date Verified Progress to Target (excludes DR)	
		2011*	2012*	2013*	2014	2011	2012	2013	2014	2011	2012	2013	2014	2014 Net Annual Peak Demand Savings (kW)	2011-2014 Net Cumulative Energy Savings (kWh)
Consumer Program															
Appliance Retirement	Appliances	56,110	34,146	20,952	22,563	3,299	2,011	1,433	1,617	23,005,812	13,424,518	8,713,107	9,497,343	8,221	159,100,415
Appliance Exchange	Appliances	3,688	3,836	5,337	5,685	371	556	1,106	1,178	450,187	974,621	1,971,701	2,100,266	2,973	10,556,192
HVAC Incentives	Equipment	92,748	87,540	96,286	113,002	32,037	19,060	19,552	23,106	59,437,670	32,841,283	33,923,592	42,888,217	93,755	447,009,930
Conservation Instant Coupon Booklet	Items	567,678	30,891	347,946	1,208,108	1,344	230	517	2,440	21,211,537	1,398,202	7,707,573	32,802,537	4,531	137,258,436
Bi-Annual Retailer Event	Items	952,149	1,060,901	944,772	4,824,751	1,681	1,480	1,184	8,043	29,387,468	26,781,674	17,179,841	122,902,769	12,389	355,157,348
Retailer Co-op	Items	152	0	0	0	0	0	0	0	2,652	0	0	0	0	10,607
Residential Demand Response	Devices	19,550	98,388	171,733	241,381	10,947	49,038	93,076	117,513	24,870	359,408	390,303	8,379	117,513	782,960
Residential Demand Response (IHD)	Devices	0	49,689	133,657	188,577	0	0	0	0	0	0	0	0	0	0
Residential New Construction	Homes	27	21	279	2,367	0	2	18	369	743	17,152	163,690	2,330,865	390	2,712,676
Consumer Program Total						49,681	72,377	116,886	154,267	133,520,941	75,796,859	70,049,807	212,530,376	239,772	1,112,588,565
Business Program															
Retrofit	Projects	2,828	6,481	9,746	10,925	24,467	61,147	59,678	70,662	136,002,258	314,922,468	345,346,008	462,903,521	213,493	2,631,401,223
Direct Install Lighting	Projects	20,741	18,691	17,833	23,784	23,724	15,284	18,708	23,419	61,076,701	57,345,798	64,315,558	84,503,302	73,304	604,196,658
Building Commissioning	Buildings	0	0	0	5	0	0	0	988	0	0	0	1,513,377	988	1,513,377
New Construction	Buildings	25	98	158	226	123	764	1,584	6,432	411,717	1,814,721	4,959,266	20,381,204	8,904	37,390,767
Energy Audit	Audits	222	357	589	473	0	1,450	2,811	6,323	0	7,049,351	15,455,795	30,874,399	10,583	82,934,042
Small Commercial Demand Response	Devices	132	294	1,211	3,652	84	187	773	2,116	157	1,068	373	319	2,116	1,916
Small Commercial Demand Response (IHD)	Devices	0	0	378	820	0	0	0	0	0	0	0	0	0	0
Demand Response 3	Facilities	145	151	175	180	16,218	19,389	23,706	23,380	633,421	281,823	346,659	0	23,380	1,261,903
Business Program Total						64,617	98,221	107,261	133,319	198,124,253	381,415,230	430,423,659	600,176,121	332,769	3,358,699,887
Industrial Program															
Process & System Upgrades	Projects	0	0	5	10	0	0	294	9,692	0	0	2,603,764	72,053,255	9,986	77,260,782
Monitoring & Targeting	Projects	0	1	3	5	0	0	0	102	0	0	0	502,517	102	502,517
Energy Manager	Projects	1	132	306	379	0	1,086	3,558	5,191	0	7,372,108	21,994,263	40,436,427	8,384	95,324,998
Retrofit	Projects	433	0	0	0	4,615	0	0	0	28,866,840	0	0	0	4,613	115,462,282
Demand Response 3	Facilities	124	185	281	336	52,484	74,056	162,543	166,082	3,080,737	1,784,712	4,309,160	0	166,082	9,174,609
Industrial Program Total						57,098	75,141	166,395	181,066	31,947,577	9,156,820	28,907,187	112,992,199	189,168	297,725,188
Home Assistance Program															
Home Assistance Program	Homes	46	5,920	29,654	25,424	2	566	2,361	2,466	39,283	5,442,232	20,987,275	19,582,658	5,370	77,532,571
Home Assistance Program Total						2	566	2,361	2,466	39,283	5,442,232	20,987,275	19,582,658	5,370	77,532,571
Aboriginal Program															
Home Assistance Program	Homes	0	0	717	1,125	0	0	267	549	0	0	1,609,393	3,101,207	816	6,319,993
Direct Install Lighting	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Aboriginal Program Total						0	0	267	549	0	0	1,609,393	3,101,207	816	6,319,993
Pre-2011 Programs completed in 2011															
Electricity Retrofit Incentive Program	Projects	2,028	0	0	0	21,662	0	0	0	121,138,219	0	0	0	21,662	484,552,876
High Performance New Construction	Projects	182	73	19	3	5,098	3,251	772	134	26,185,591	11,901,944	3,522,240	688,738	9,255	148,181,415
Toronto Comprehensive	Projects	577	15	4	5	15,805	0	0	281	86,964,886	0	0	2,479,840	16,086	350,339,385
Multifamily Energy Efficiency Rebates	Projects	110	0	0	0	1,981	0	0	0	7,595,683	0	0	0	1,981	30,382,733
LDC Custom Programs	Projects	8	0	0	0	399	0	0	0	1,367,170	0	0	0	399	5,468,679
Pre-2011 Programs completed in 2011 Total						44,945	3,251	772	415	243,251,550	11,901,944	3,522,240	3,168,578	49,382	1,018,925,088
Other															
Program Enabled Savings	Projects	33	71	46	43	0	2,304	3,692	5,500	0	1,188,362	4,075,382	19,035,337	11,496	30,751,187
Time-of-Use Savings	Homes	0	0	0	n/a	0	0	0	54,795	0	0	0	0	54,795	0
LDC Pilots	Projects	0	0	0	1,174	0	0	0	1,170	0	0	0	5,061,522	1,170	5,061,522
Other Total						0	2,304	3,692	61,466	0	1,188,362	4,075,382	24,096,859	67,462	35,812,709
Adjustments to 2011 Verified Results															
Adjustments to 2012 Verified Results															
Adjustments to 2013 Verified Results															
Energy Efficiency Total															
Demand Response Total (Scenario 1)															
Adjustments to Previous Years' Verified Results Total															
OPA-Contracted LDC Portfolio Total (inc. Adjustments)															
Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).														Full OEB Target:	
*Includes adjustments after Final Reports were issued														1,330,000	
Results presented using scenario 1 which assumes that demand response resources have a persistence of 1 year														6,000,000,000	
% of Full OEB Target Achieved to Date (Scenario 1):														70%	
														109%	

Table 7: Adjustments to Province-Wide Net Verified Results due to Variances

Initiative	Unit	Incremental Activity (new program activity occurring within the specified reporting period)				Net Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Net Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)				Program-to-Date Verified Progress to Target (excludes DR)	
		2011*	2012*	2013*	2014	2011	2012	2013	2014	2011	2012	2013	2014	2014	2011-2014 Net Cumulative Energy Savings (kWh) 2014
Consumer Program															
Appliance Retirement	Appliances	0	0	0		0	0	0		0	0	0		0	0
Appliance Exchange	Appliances	0	0	0		0	0	0		0	0	0		0	0
HVAC Incentives	Equipment	-18,839	2,319	4,705		-5,270	479	1,037		-9,707,002	955,512	1,838,408		-3,754	-32,284,656
Conservation Instant Coupon Booklet	Items	8,216	0	1,050		16	0	2		275,655	0	23,571		18	1,149,763
BI-Annual Retailer Event	Items	81,817	0	0		108	0	0		2,183,391	0	0		108	8,733,563
Retailer Co-op	Items	0	0	0		0	0	0		0	0	0		0	0
Residential Demand Response	Devices	0	0	0		0	0	0		0	0	0		0	0
Residential Demand Response (IHD)	Devices	0	0	0		0	0	0		0	0	0		0	0
Residential New Construction	Homes	20	2	193		1	1	72		14,667	985	441,938		74	945,497
Consumer Program Total						-5,145	480	1,111		-7,233,290	956,497	2,303,917		-3,555	-21,664,975
Business Program															
Retrofit	Projects	312	876	961		3,208	7,233	11,961		16,266,129	42,498,052	78,146,280		22,056	347,545,386
Direct Install Lighting	Projects	444	197	51		501	204	46		1,250,388	736,541	164,667		620	7,158,143
Building Commissioning	Buildings	0	0	0		0	0	0		0	0	0		0	0
New Construction	Buildings	15	29	72		850	1,304	2,241		3,604,553	4,825,774	8,636,179		4,401	46,187,216
Energy Audit	Audits	119	77	270		604	439	2,383		2,945,189	2,145,367	13,100,635		3,426	44,418,129
Small Commercial Demand Response	Devices	0	0	0		0	0	0		0	0	0		0	0
Small Commercial Demand Response (IHD)	Devices	0	0	0		0	0	0		0	0	0		0	0
Demand Response 3	Facilities	0	0	0		0	0	0		0	0	0		0	0
Business Program Total						5,162	9,181	16,631		24,066,259	50,205,734	100,047,761		30,503	385,148,444
Industrial Program															
Process & System Upgrades	Projects	0	0	2		0	0	324		0	0	968,659		324	1,937,318
Monitoring & Targeting	Projects	0	1	3		0	0	54		0	528,000	639,348		54	2,862,696
Energy Manager	Projects	1	93	101		27	1,067	2,395		241,515	8,266,841	25,814,853		4,345	81,853,489
Retrofit	Projects	0	0	0		0	0	0		0	0	0		0	0
Demand Response 3	Facilities	0	0	0		0	0	0		0	0	0		0	0
Industrial Program Total						27	1,067	2,774		241,515	8,794,841	27,422,860		4,723	61,215,516
Home Assistance Program															
Home Assistance Program	Homes	0	887	2,898		0	222	791		0	1,316,749	4,321,794		1,009	12,515,300
Home Assistance Program Total						0	222	791		0	1,316,749	4,321,794		1,009	8,581,177
Aboriginal Program															
Home Assistance Program	Homes	0	0	133		0	0	134		0	0	563,715		134	1,127,430
Direct Install Lighting	Projects	0	0	0		0	0	0		0	0	0		0	0
Aboriginal Program Total						0	0	134		0	0	563,715		134	1,127,430
Pre-2011 Programs completed in 2011															
Electricity Retrofit Incentive Program	Projects	12	0	0		138	0	0		545,536	0	0		138	2,182,145
High Performance New Construction	Projects	37	4	15		1,507	363	-184		2,398,941	2,832,533	-993,596		1,686	16,106,171
Toronto Comprehensive	Projects	0	15	4		0	672	185		0	4,523,517	1,324,388		857	16,219,327
Multifamily Energy Efficiency Rebates	Projects	0	0	0		0	0	0		0	0	0		0	0
LDC Custom Programs	Projects	0	0	0		0	0	0		0	0	0		0	0
Pre-2011 Programs completed in 2011 Total						1,645	1,035	2		2,944,477	7,356,050	330,792		2,682	11,104,528
Other															
Program Enabled Savings	Projects	33	55	33		1,776	3,712	2,020		7,727,573	11,481,687	10,688,564		7,509	86,732,481
Time-of-Use Savings	Homes	0	0	0		0	0	0		0	0	0		0	0
LDC Pilots	Projects	0	0	0		0	0	0		0	0	0		0	0
Other Total						1,776	3,712	2,020		7,727,573	11,481,687	10,688,564		7,509	86,732,481
Adjustments to 2011 Verified Results						3,465				27,746,535				3,215	110,143,550
Adjustments to 2012 Verified Results							15,697				80,111,558			15,401	238,780,637
Adjustments to 2013 Verified Results								23,463				145,679,403		24,391	296,465,211
Adjustments to Previous Years' Verified Results Total						3,465	15,697	23,463		27,746,535	80,111,558	145,679,403		43,006	645,389,397

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

Adjustments to previous years' results shown in this table will not align to adjustments shown in Table 1 as the information presented above is presented in the implementation year. Adjustments in Table 1 reflect persisted savings in the year in which that adjustment is verified.

Table 8: Province-Wide Realization Rate & NTG

Initiative	Peak Demand Savings								Energy Savings							
	Realization Rate				Net-to-Gross Ratio				Realization Rate				Net-to-Gross Ratio			
	2011	2012	2013	2014	2011	2012	2013	2014	2011	2012	2013	2014	2011	2012	2013	2014
Consumer Program																
Appliance Retirement	1.00	1.00	1.00	1.00	0.51	0.46	0.42	0.45	1.00	1.00	1.00	1.00	0.46	0.47	0.44	0.47
Appliance Exchange	1.00	1.00	1.00	1.00	0.51	0.52	0.53	0.53	1.00	1.00	1.00	1.00	0.52	0.52	0.53	0.53
HVAC Incentives	1.00	1.00	1.00	1.00	0.60	0.50	0.48	0.48	1.00	1.00	1.00	1.00	0.50	0.49	0.48	0.48
Conservation Instant Coupon Booklet	1.00	1.00	1.00	1.00	1.14	1.00	1.11	1.69	1.00	1.00	1.00	1.00	1.00	1.05	1.13	1.73
Bi-Annual Retailer Event	1.00	1.00	1.00	1.00	1.12	0.91	1.04	1.74	1.00	1.00	1.00	1.00	0.91	0.92	1.04	1.75
Retailer Co-op	1.00	n/a	n/a	n/a	0.68	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Residential Demand Response	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Residential Demand Response (IHD)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Residential New Construction	1.00	3.65	0.78	1.03	0.41	0.49	0.63	0.63	3.65	7.17	3.09	0.62	0.49	0.49	0.63	0.63
Business Program																
Retrofit	1.06	0.93	0.92	0.84	0.72	0.75	0.73	0.71	0.93	1.05	1.01	0.98	0.75	0.76	0.73	0.72
Direct Install Lighting	1.08	0.69	0.82	0.78	1.08	0.94	0.94	0.94	0.69	0.85	0.84	0.83	0.94	0.94	0.94	0.94
Building Commissioning	n/a	n/a	n/a	1.97	n/a	n/a	n/a	1.00	n/a	n/a	n/a	1.16	n/a	n/a	n/a	1.00
New Construction	0.50	0.98	0.68	0.71	0.50	0.49	0.54	0.54	0.98	0.99	0.76	0.79	0.49	0.49	0.54	0.54
Energy Audit	n/a	n/a	1.02	0.96	n/a	n/a	0.66	0.68	n/a	n/a	0.97	1.00	n/a	n/a	0.66	0.67
Small Commercial Demand Response	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Small Commercial Demand Response (IHD)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Demand Response 3	0.76	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Industrial Program																
Process & System Upgrades	n/a	n/a	0.85	0.96	n/a	n/a	0.94	0.79	n/a	n/a	0.87	0.96	n/a	n/a	0.93	0.80
Monitoring & Targeting	n/a	n/a	n/a	0.59	n/a	n/a	n/a	1.00	n/a	n/a	n/a	0.36	n/a	n/a	n/a	1.00
Energy Manager	n/a	1.16	0.90	0.91	n/a	0.90	0.90	0.90	1.16	1.16	0.90	0.96	0.90	0.90	0.90	0.85
Retrofit	1.11	n/a	n/a	n/a	0.72	n/a	n/a	n/a	0.91	n/a	n/a	n/a	0.75	n/a	n/a	n/a
Demand Response 3	0.84	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Home Assistance Program																
Home Assistance Program	1.00	0.32	0.26	0.49	0.70	1.00	1.00	1.00	0.32	0.99	0.88	0.78	1.00	1.00	1.00	1.00
Aboriginal Program																
Home Assistance Program	n/a	n/a	0.05	0.15	n/a	n/a	1.00	1.00	n/a	n/a	0.95	0.97	n/a	n/a	1.00	1.00
Direct Install Lighting	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Pre-2011 Programs completed in 2011																
Electricity Retrofit Incentive Program	0.80	n/a	n/a	n/a	0.54	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
High Performance New Construction	1.00	1.00	1.00	n/a	0.49	0.50	0.50	0.50	1.00	1.00	1.00	n/a	0.50	0.50	0.50	0.50
Toronto Comprehensive	1.13	n/a	n/a	n/a	0.50	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Multifamily Energy Efficiency Rebates	0.93	n/a	n/a	n/a	0.78	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
LDC Custom Programs	1.00	n/a	n/a	n/a	1.00	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Other																
Program Enabled Savings	n/a	1.06	1.00	0.86	n/a	1.00	1.00	1.00	n/a	2.26	1.00	0.98	n/a	1.00	1.00	1.00
Time-of-Use Savings	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
LDC Pilots	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Summary Provincial Progress Towards CDM Targets

Table 9: Province-Wide Net Peak Demand Savings at the End User Level (MW)

Implementation Period	Annual			
	2011	2012	2013	2014
2011	216.3	136.6	135.8	129.0
2012†	1.4	253.3	109.8	108.2
2013†	0.6	7.0	404.5	122.0
2014†	1.4	10.8	34.2	568.6
Verified Net Annual Peak Demand Savings in 2014:				927.7
2014 Annual CDM Capacity Target:				1,330
Verified Portion of Peak Demand Savings Target Achieved in 2014 (%):				69.8%

Table 10: Province-Wide Net Energy Savings at the End-User Level (GWh)

Implementation Period	Annual				Cumulative
	2011	2012	2013	2014	2011-2014
2011	606.9	603.0	601.0	582.3	2,393.1
2012†	18.7	503.6	498.4	492.6	1,513.3
2013†	1.7	44.4	603.3	583.4	1,232.8
2014†	7.3	44.8	191.0	1,170.8	1,413.9
Verified Net Cumulative Energy Savings 2011-2014:					6,553.0
2011-2014 Cumulative CDM Energy Target:					6,000
Verified Portion of Cumulative Energy Target Achieved in 2014 (%):					109.2%

†Includes adjustments to previous years' verified results

Results presented using scenario 1 which assumes that demand response resources have a persistence of 1 year

METHODOLOGY

All results are at the end-user level (not including transmission and distribution losses)

EQUATIONS	
Prescriptive Measures and Projects	Gross Savings = Activity * Per Unit Assumption Net Savings = Gross Savings * Net-to-Gross Ratio All savings are annualized (i.e. the savings are the same regardless of time of year a project was completed or measure installed)
Engineered and Custom Projects	Gross Savings = Reported Savings * Realization Rate Net Savings = Gross Savings * Net-to-Gross Ratio All savings are annualized (i.e. the savings are the same regardless of time of year a project was completed or measure installed)
Demand Response	Peak Demand: Gross Savings = Net Savings = contracted MW at contributor level * Provincial contracted to ex ante ratio Energy: Gross Savings = Net Savings = provincial ex post energy savings * LDC proportion of total provincial contracted MW All savings are annualized (i.e. the savings are the same regardless of the time of year a participant began offering DR)
Adjustments to Previous Years' Verified Results	All variances from the Final Annual Results Reports from prior years will be adjusted within this report. Any variances with regards to projects counts, data lag, and calculations etc., will be made within this report. Considers the cumulative effect of energy savings.

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Consumer Program			
Appliance Retirement	Includes both retail and home pickup stream. Retail stream allocated based on average of 2008 & 2009 residential throughput; Home pickup stream directly attributed by postal code or customer selection.	Savings are considered to begin in the year the appliance is picked up.	Peak demand and energy savings are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
Appliance Exchange	When postal code information is provided by customer, results are directly attributed to the LDC. When postal code is not available, results allocated based on average of 2008 & 2009 residential throughput.	Savings are considered to begin in the year that the exchange event occurred.	
HVAC Incentives	Results directly attributed to LDC based on customer postal code.	Savings are considered to begin in the year that the installation occurred.	

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Conservation Instant Coupon Booklet	LDC-coded coupons directly attributed to LDC. Otherwise results are allocated based on average of 2008 & 2009 residential throughput.	Savings are considered to begin in the year in which the coupon was redeemed.	Peak demand and energy savings are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
Bi-Annual Retailer Event	Results are allocated based on average of 2008 & 2009 residential throughput.	Savings are considered to begin in the year in which the event occurs.	
Retailer Co-op	When postal code information is provided by the customer, results are directly attributed. If postal code information is not available, results are allocated based on average of 2008 & 2009 residential throughput.	Savings are considered to begin in the year of the home visit and installation date.	Peak demand and energy savings are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
Residential Demand Response	Results are directly attributed to LDC based on data provided to IESO through project completion reports and continuing participant lists.	Savings are considered to begin in the year the device was installed and/or when a customer signed a peaksaver PLUS™ participant agreement.	Peak demand savings are based on an ex ante estimate assuming a 1 in 10 weather year and represents the "insurance value" of the initiative. Energy savings are based on an ex post estimate which reflects the savings that occurred as a result of activations in the year and accounts for any "snapback" in energy consumption experienced after the event. Savings are assumed to persist for only 1 year, reflecting that savings will only occur if the resource is activated.

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Residential New Construction	Results are directly attributed to LDC based on LDC identified in application in the iCon system. Initiative was not evaluated in 2011, reported results are presented with forecast assumptions as per the business case.	Savings are considered to begin in the year of the project completion date.	Peak demand and energy savings are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
Business Program			
Efficiency: Equipment Replacement	Results are directly attributed to LDC based on LDC identified at the facility level in the iCon system. Projects in the Application Status: "Post-Stage Submission" are included (excluding "Payment denied by LDC"); Please see page for Building type to Sector mapping.	Savings are considered to begin in the year of the actual project completion date in the iCON system.	Peak demand and energy savings are determined by the total savings for a given project as reported in the iCON system (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). Both realization rate and net-to-gross ratios can differ for energy and demand savings and depend on the mix of projects within an LDC territory (i.e. lighting or non-lighting project, engineered/custom/prescriptive track).
	Additional Note: project counts were derived by filtering out invalid statuses (e.g. Post-Project Submission - Payment denied by LDC) and only including projects with an "Actual Project Completion Date" in 2014)		

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Direct Installed Lighting	Results are directly attributed to LDC based on the LDC specified on the work order.	Savings are considered to begin in the year of the actual project completion date.	Peak demand and energy savings are determined using the verified measure level per unit assumptions multiplied by the uptake of each measure accounting for the realization rate for both peak demand and energy to reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings take into account net-to-gross factors such as free-ridership and spillover for both peak demand and energy savings at the program level (net).
Existing Building Commissioning Incentive	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year of the actual project completion date.	Peak demand and energy savings are determined by the total savings for a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).
New Construction and Major Renovation Incentive	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year of the actual project completion date.	
Energy Audit	Projects are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year of the audit date.	Peak demand and energy savings are determined by the total savings resulting from an audit as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Commercial Demand Response (part of the Residential program schedule)	Results are directly attributed to LDC based on data provided to IESO through project completion reports and continuing participant lists	Savings are considered to begin in the year the device was installed and/or when a customer signed a peaksaver PLUS™ participant agreement.	Peak demand savings are based on an ex ante estimate assuming a 1 in 10 weather year and represents the "insurance value" of the initiative. Energy savings are based on an ex post estimate which reflects the savings that occurred as a result of activations in the year. Savings are assumed to persist for only 1 year, reflecting that savings will only occur if the resource is activated.
Demand Response 3 (part of the Industrial program schedule)	Results are attributed to LDCs based on the total contracted megawatts at the contributor level as of December 31st, applying the provincial ex ante to contracted ratio (ex ante estimate/contracted megawatts); Ex post energy savings are attributed to the LDC based on their proportion of the total contracted megawatts at the contributor level.	Savings are considered to begin in the year in which the contributor signed up to participate in demand response.	Peak demand savings are ex ante estimates based on the load reduction capability that can be expected for the purposes of planning. The ex ante estimates factor in both scheduled non-performances (i.e. maintenance) and historical performance. Energy savings are based on an ex post estimate which reflects the savings that actually occurred as a results of activations in the year. Savings are assumed to persist for 1 year, reflecting that savings will not occur if the resource is not activated and additional costs are incurred to activate the resource.
Industrial Program			
Process & System Upgrades	Results are directly attributed to LDC based on LDC identified in application.	Savings are considered to begin in the year in which the incentive project was completed.	Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Monitoring & Targeting	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year in which the incentive project was completed.	Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).
Energy Manager	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year in which the project was completed by the energy manager. If no date is specified the savings will begin the year of the Quarterly Report submitted by the energy manager.	Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Efficiency: Equipment Replacement Incentive (part of the C&I program schedule)	Results are directly attributed to LDC based on LDC identified at the facility level in the saveONenergy CRM; Projects in the Application Status: "Post-Stage Submission" are included (excluding "Payment denied by LDC"); Please see "Reference Tables" tab for Building type to Sector mapping.	Savings are considered to begin in the year of the actual project completion date on the iCON CRM system.	Peak demand and energy savings are determined by the total savings for a given project as reported in the iCON CRM system (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). Both realization rate and net-to-gross ratios can differ for energy and demand savings and depend on the mix of projects within an LDC territory (i.e. lighting or non-lighting project, engineered/custom/prescriptive track).
Demand Response 3	Results are attributed to LDCs based on the total contracted megawatts at the contributor level as of December 31st, applying the provincial ex ante to contracted ratio (ex ante estimate/contracted megawatts); Ex post energy savings are attributed to the LDC based on their proportion of the total contracted megawatts at the contributor level.	Savings are considered to begin in the year in which the contributor signed up to participate in demand response.	Peak demand savings are ex ante estimates based on the load reduction capability that can be expected for the purposes of planning. The ex ante estimates factor in both scheduled non-performances (i.e. maintenance) and historical performance. Energy savings are based on an ex post estimate which reflects the savings that actually occurred as a results of activations in the year. Savings are assumed to persist for 1 year, reflecting that savings will not occur if the resource is not activated and additional costs are incurred to activate the resource.

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Home Assistance Program			
Home Assistance Program	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year in which the measures were installed.	Peak demand and energy savings are determined using the measure level per unit assumption multiplied by the uptake of each measure (gross), taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
Aboriginal Program			
Aboriginal Program	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year in which the measures were installed.	Peak demand and energy savings are determined using the measure level per unit assumption multiplied by the uptake of each measure (gross), taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Pre-2011 Programs completed in 2011			
Electricity Retrofit Incentive Program	Results are directly attributed to LDC based on LDC identified in the application; Initiative was not evaluated in 2011, 2012, 2013 or 2014 assumptions as per 2010 evaluation.	Savings are considered to begin in the year in which a project was completed.	Peak demand and energy savings are determined by the total savings from a given project as reported. A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). If energy savings are not available, an estimate is made based on the kWh to kW ratio in the provincial results from the 2010 evaluated results (http://www.powerauthority.on.ca/evaluation-measurement-and-verification/evaluation-reports).
High Performance New Construction	Results are directly attributed to LDC based on customer data provided to the OPA from Enbridge; Initiative was not evaluated in 2011, 2012, 2013 or 2014, assumptions as per 2010 evaluation.	Savings are considered to begin in the year in which a project was completed.	
Toronto Comprehensive	Program run exclusively in Toronto Hydro-Electric System Limited service territory; Initiative was not evaluated in 2011, 2012, 2013 or 2014, assumptions as per 2010 evaluation.		

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Multifamily Energy Efficiency Rebates	Results are directly attributed to LDC based on LDC identified in the application; Initiative was not evaluated in 2011, 2012, 2013 or 2014, assumptions as per 2010 evaluation.	Savings are considered to begin in the year in which a project was completed.	Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). If energy savings are not available, an estimate is made based on the kWh to kW ratio in the provincial results from the 2010 evaluated results (http://www.powerauthority.on.ca/evaluation-measurement-and-verification/evaluation-reports).
Data Centre Incentive Program	Program run exclusively in PowerStream Inc. service territory; Initiative was not evaluated in 2011, assumptions as per 2009 evaluation.		
EnWin Green Suites	Program run exclusively in ENWIN Utilities Ltd. service territory; Initiative was not evaluated in 2011 or 2012, assumptions as per 2010 evaluation.		

Consumer Program Allocation Methodology

Results can be allocated based on average of 2008 & 2009 residential throughput for each LDC (below) when additional information is not available. Source: OEB Yearbook Data 2008 & 2009

Local Distribution Company	Allocation
Algoma Power Inc.	0.2%
Atikokan Hydro Inc.	0.0%
Attawapiskat Power Corporation	0.0%
Bluewater Power Distribution Corporation	0.6%
Brant County Power Inc.	0.2%
Brantford Power Inc.	0.7%
Burlington Hydro Inc.	1.4%
Cambridge and North Dumfries Hydro Inc.	1.0%
Canadian Niagara Power Inc.	0.5%
Centre Wellington Hydro Ltd.	0.1%
Chapleau Public Utilities Corporation	0.0%
COLLUS Power Corporation	0.3%
Cooperative Hydro Embrun Inc.	0.0%
E.L.K. Energy Inc.	0.2%
Enersource Hydro Mississauga Inc.	3.9%
ENTEGRUS	0.6%
ENWIN Utilities Ltd.	1.6%
Erie Thames Powerlines Corporation	0.4%
Espanola Regional Hydro Distribution Corporation	0.1%
Essex Powerlines Corporation	0.7%
Festival Hydro Inc.	0.3%
Fort Albany Power Corporation	0.0%
Fort Frances Power Corporation	0.1%
Greater Sudbury Hydro Inc.	1.0%
Grimsby Power Inc.	0.2%
Guelph Hydro Electric Systems Inc.	0.9%
Haldimand County Hydro Inc.	0.4%
Halton Hills Hydro Inc.	0.5%
Hearst Power Distribution Company Limited	0.1%
Horizon Utilities Corporation	4.0%
Hydro 2000 Inc.	0.0%
Hydro Hawkesbury Inc.	0.1%
Hydro One Brampton Networks Inc.	2.8%
Hydro One Networks Inc.	30.0%
Hydro Ottawa Limited	5.6%
Innisfil Hydro Distribution Systems Limited	0.4%
Kashechewan Power Corporation	0.0%
Kenora Hydro Electric Corporation Ltd.	0.1%
Kingston Hydro Corporation	0.5%
Kitchener-Wilmot Hydro Inc.	1.6%
Lakefront Utilities Inc.	0.2%

Lakeland Power Distribution Ltd.	0.2%
London Hydro Inc.	2.7%
Middlesex Power Distribution Corporation	0.1%
Midland Power Utility Corporation	0.1%
Milton Hydro Distribution Inc.	0.6%
Newmarket - Tay Power Distribution Ltd.	0.7%
Niagara Peninsula Energy Inc.	1.0%
Niagara-on-the-Lake Hydro Inc.	0.2%
Norfolk Power Distribution Inc.	0.3%
North Bay Hydro Distribution Limited	0.5%
Northern Ontario Wires Inc.	0.1%
Oakville Hydro Electricity Distribution Inc.	1.5%
Orangeville Hydro Limited	0.2%
Orillia Power Distribution Corporation	0.3%
Oshawa PUC Networks Inc.	1.2%
Ottawa River Power Corporation	0.2%
Parry Sound Power Corporation	0.1%
Peterborough Distribution Incorporated	0.7%
PowerStream Inc.	6.6%
PUC Distribution Inc.	0.9%
Renfrew Hydro Inc.	0.1%
Rideau St. Lawrence Distribution Inc.	0.1%
Sioux Lookout Hydro Inc.	0.1%
St. Thomas Energy Inc.	0.3%
Thunder Bay Hydro Electricity Distribution Inc.	0.9%
Tillsonburg Hydro Inc.	0.1%
Toronto Hydro-Electric System Limited	12.8%
Veridian Connections Inc.	2.4%
Wasaga Distribution Inc.	0.2%
Waterloo North Hydro Inc.	1.0%
Welland Hydro-Electric System Corp.	0.4%
Wellington North Power Inc.	0.1%
West Coast Huron Energy Inc.	0.1%
Westario Power Inc.	0.5%
Whitby Hydro Electric Corporation	0.9%
Woodstock Hydro Services Inc.	0.3%

Reporting Glossary

Annual: the peak demand or energy savings that occur in a given year (includes resource savings from new program activity and resource savings persisting from previous years).

Cumulative Energy Savings: represents the sum of the annual energy savings that accrue over a defined period (in the context of this report the defined period is 2011 - 2014). This concept does not apply to peak demand savings.

End-User Level: resource savings in this report are measured at the customer level as opposed to the generator level (the difference being line losses).

Free-ridership: the percentage of participants who would have implemented the program measure or practice in the absence of the program.

Incremental: the new resource savings attributable to activity procured in a particular reporting period based on when the savings are considered to 'start'.

Initiative: a Conservation & Demand Management offering focusing on a particular opportunity or customer end-use (i.e. Retrofit, Fridge & Freezer Pickup).

Net-to-Gross Ratio: The ratio of net savings to gross savings, which takes into account factors such as free-ridership and spillover

Net Energy Savings (MWh): energy savings attributable to conservation and demand management activities net of free-riders, etc.

Net Peak Demand Savings (MW): peak demand savings attributable to conservation and demand management activities net of free-riders, etc.

Program: a group of initiatives that target a particular market sector (e.g. Consumer, Industrial).

Realization Rate: A comparison of observed or measured (evaluated) information to original reported savings which is used to adjust the gross savings estimates.

Settlement Account: the grouping of demand response facilities (contributors) into one contractual agreement

Spillover: Reductions in energy consumption and/or demand caused by the presence of the energy efficiency program, beyond the program-related gross savings of the participants. There can be participant and/or non-participant spillover.

Unit: for a specific initiative the relevant type of activity acquired in the market place (i.e. appliances picked up, projects completed, coupons redeemed).

Table 11: Waterloo North Hydro Inc. Initiative and Program Level Gross Savings by Year

Initiative	Unit	Gross Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Gross Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)			
		2011	2012	2013	2014	2011	2012	2013	2014
Consumer Program									
Appliance Retirement**	Appliances	49	14	21	26	359,259	99,292	135,218	169,628
Appliance Exchange**	Appliances	5	11	25	56	5,919	18,832	44,220	99,672
HVAC Incentives	Equipment	691	512	494	621	1,292,287	893,954	855,951	1,145,708
Conservation Instant Coupon Booklet	Items	10	2	5	25	169,297	13,284	68,551	300,894
Bi-Annual Retailer Event	Items	15	16	11	46	269,499	292,770	164,723	703,866
Retailer Co-op	Items	0	0	0	0	0	0	0	0
Residential Demand Response	Devices	72	0	196	365	0	0	652	0
Residential Demand Response (IHD)	Devices	0	0	0	0	0	0	0	0
Residential New Construction	Homes	0	0	0	0	0	0	0	0
Consumer Program Total		842	556	751	1,140	2,096,261	1,318,132	1,269,315	2,419,768
Business Program									
Retrofit	Projects	372	1,099	797	1,190	1,949,090	6,430,988	4,340,396	7,061,007
Direct Install Lighting	Projects	231	110	121	100	664,665	369,939	433,193	370,213
Building Commissioning	Buildings	0	0	0	0	0	0	0	0
New Construction	Buildings	0	8	1	56	0	24,046	1,939	273,975
Energy Audit	Audits	0	36	430	119	0	176,234	2,345,942	583,668
Small Commercial Demand Response	Devices	5	0	6	8	0	0	10	0
Small Commercial Demand Response (IHD)	Devices	0	0	0	0	0	0	0	0
Demand Response 3	Facilities	111	111	113	104	4,323	1,614	1,504	0
Business Program Total		719	1,364	1,468	1,578	2,618,079	7,002,822	7,122,984	8,288,864
Industrial Program									
Process & System Upgrades	Projects	0	0	0	0	0	0	0	0
Monitoring & Targeting	Projects	0	0	0	0	0	0	0	0
Energy Manager	Projects	0	0	0	26	0	0	0	101,808
Retrofit	Projects	249	0	0	0	1,453,318	0	0	0
Demand Response 3	Facilities	392	1,260	1,151	1,081	23,003	30,360	30,917	0
Industrial Program Total		641	1,260	1,151	1,107	1,476,321	30,360	30,917	101,808
Home Assistance Program									
Home Assistance Program	Homes	0	2	12	4	0	25,825	170,106	48,046
Home Assistance Program Total		0	2	12	4	0	25,825	170,106	48,046
Aboriginal Program									
Home Assistance Program	Homes	0	0	0	0	0	0	0	0
Direct Install Lighting	Projects	0	0	0	0	0	0	0	0
Aboriginal Program Total		0	0	0	0	0	0	0	0
Pre-2011 Programs completed in 2011									
Electricity Retrofit Incentive Program	Projects	346	0	0	0	1,742,736	0	0	0
High Performance New Construction	Projects	363	43	0	0	1,865,774	210,767	0	0
Toronto Comprehensive	Projects	0	0	0	0	0	0	0	0
Multifamily Energy Efficiency Rebates	Projects	0	0	0	0	0	0	0	0
LDC Custom Programs	Projects	0	0	0	0	0	0	0	0
Pre-2011 Programs completed in 2011 Total		709	43	0	0	3,608,510	210,767	0	0
Other									
Program Enabled Savings	Projects	0	0	0	89	0	0	0	125,622
Time-of-Use Savings	Homes	0	0	0	651	0	0	0	0
LDC Pilots	Projects	0	0	0	0	0	0	0	0
Other Total		0	0	0	739	0	0	0	125,622
Adjustments to 2011 Verified Results			290	0	1		156,341	0	5,402
Adjustments to 2012 Verified Results				81	122			439,367	714,506
Adjustments to 2013 Verified Results					415				1,288,369
Energy Efficiency Total		2,330	1,854	1,916	3,009	9,771,844	8,555,931	8,560,238	10,984,107
Demand Response Total		580	1,371	1,466	1,559	27,327	31,974	33,083	0
Adjustments to Previous Years' Verified Results Total		0	290	81	538	0	156,341	439,367	2,008,277
OPA-Contracted LDC Portfolio Total (inc. Adjustments)		2,910	3,515	3,463	5,106	9,799,171	8,744,246	9,032,688	12,992,383

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

*Includes adjustments after Final Reports were issued

Results presented using scenario 1 which assumes that demand response resources have a persistence of 1 year

Gross results are presented for informational purposes only and are not considered official 2014 Final Verified Results

**Net results substituted for gross results due to unavailability of data

Table 12: Adjustments to Waterloo North Hydro Inc. Gross Verified Results due to Variances

Initiative	Unit	Gross Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Gross Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)			
		2011	2012	2013	2014	2011	2012	2013	2014
Consumer Program									
Appliance Retirement	Appliances	0	0	0		0	0	0	
Appliance Exchange	Appliances	0	0	0		0	0	0	
HVAC Incentives	Equipment	-111	13	22		-204,642	23,715	39,112	
Conservation Instant Coupon Booklet	Items	0	0	0		2,565	0	207	
Bi-Annual Retailer Event	Items	1	0	0		23,781	0	0	
Retailer Co-op	Items	0	0	0		0	0	0	
Residential Demand Response	Devices	0	0	0		0	0	0	
Residential Demand Response (IHD)	Devices	0	0	0		0	0	0	
Residential New Construction	Homes	0	0	0		0	0	0	
Consumer Program Total		-109	13	22		-178,296	23,715	39,319	
Business Program									
Retrofit	Projects	0	63	283		0	1,088,649	931,863	
Direct Install Lighting	Projects	9	0	0		20,111	0	0	
Building Commissioning	Buildings	0	0	0		0	0	0	
New Construction	Buildings	0	0	37		0	3,057	14,430	
Energy Audit	Audits	16	5	41		75,529	35,244	221,634	
Small Commercial Demand Response	Devices	0	0	0		0	0	0	
Small Commercial Demand Response (IHD)	Devices	0	0	0		0	0	0	
Demand Response 3	Facilities	0	0	0		0	0	0	
Business Program Total		25	69	360		95,639	1,126,950	1,167,927	
Industrial Program									
Process & System Upgrades	Projects	0	0	0		0	0	0	
Monitoring & Targeting	Projects	0	0	0		0	0	0	
Energy Manager	Projects	0	0	37		0	0	77,000	
Retrofit	Projects	0	0	0		0	0	0	
Demand Response 3	Facilities	0	0	0		0	0	0	
Industrial Program Total		0	0	37		0	0	77,000	
Home Assistance Program									
Home Assistance Program	Homes	0	0	2		0	3,238	18,599	
Home Assistance Program Total		0	0	2		0	3,238	18,599	
Aboriginal Program									
Home Assistance Program	Homes	0	0	0		0	0	0	
Direct Install Lighting	Projects	0	0	0		0	0	0	
Aboriginal Program Total		0	0	0		0	0	0	
Pre-2011 Programs completed in 2011									
Electricity Retrofit Incentive Program	Projects	0	0	0		0	0	0	
High Performance New Construction	Projects	374	0	0		238,998	0	0	
Toronto Comprehensive	Projects	0	0	0		0	0	0	
Multifamily Energy Efficiency Rebates	Projects	0	0	0		0	0	0	
LDC Custom Programs	Projects	0	0	0		0	0	0	
Pre-2011 Programs completed in 2011 Total		374	0	0		238,998	0	0	
Other									
Program Enabled Savings	Projects	0	0	0		0	0	0	
Time-of-Use Savings	Homes	0	0	0		0	0	0	
LDC Pilots	Projects	0	0	0		0	0	0	
Other Total		0	0	0		0	0	0	
Adjustments to 2011 Verified Results		290				156,341			
Adjustments to 2012 Verified Results			81				1,153,903		
Adjustments to 2013 Verified Results				421				1,302,845	
Total Adjustments to Previous Years' Verified Results		290	81	421		156,341	1,153,903	1,302,845	

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

Gross results are presented for informational purposes only and are not considered official 2014 Final Verified Results

Table 13: Province-Wide Initiatives and Program Level Gross Savings by Year

Initiative	Unit	Gross Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Gross Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)			
		2011	2012	2013	2014	2011	2012	2013	2014
Consumer Program									
Appliance Retirement**	Appliances	6,750	2,011	3,151	3,579	45,971,627	13,424,518	18,616,239	20,315,770
Appliance Exchange**	Appliances	719	556	2,101	2,238	873,531	974,621	3,746,106	3,990,372
HVAC Incentives	Equipment	53,209	38,346	40,418	48,467	99,413,430	66,929,213	71,225,037	90,274,814
Conservation Instant Coupon Booklet	Items	1,184	231	464	1,442	19,192,453	1,325,898	6,842,244	19,000,254
Bi-Annual Retailer Event	Items	1,504	1,622	1,142	4,626	26,899,265	29,222,072	16,441,329	70,254,471
Retailer Co-op	Items	0	0	0	0	3,917	0	0	0
Residential Demand Response	Devices	10,390	49,038	93,076	117,513	23,597	359,408	390,303	8,379
Residential Demand Response (IHD)	Devices	0	0	0	0	0	0	0	0
Residential New Construction	Homes	0	1	29	587	1,813	4,884	259,826	3,699,786
Consumer Program Total		73,757	91,805	140,380	178,452	192,379,633	112,240,615	117,521,084	207,543,846
Business Program									
Retrofit	Projects	34,201	78,965	82,896	98,849	184,070,265	387,817,248	478,410,896	642,515,421
Direct Install Lighting	Projects	22,155	20,469	19,807	24,794	65,777,197	68,896,046	68,140,249	89,528,509
Building Commissioning	Buildings	0	0	0	988	0	0	0	1,513,377
New Construction	Buildings	247	1,596	2,934	11,911	823,434	3,755,869	9,183,826	37,742,970
Energy Audit	Audits	0	1,450	4,283	9,367	0	7,049,351	23,386,108	46,012,517
Small Commercial Demand Response	Devices	55	187	773	2,116	131	1,068	373	319
Small Commercial Demand Response (IHD)	Devices	0	0	0	0	0	0	0	0
Demand Response 3	Facilities	21,390	19,389	23,706	23,380	633,421	281,823	346,659	0
Business Program Total		78,048	122,056	134,399	171,405	251,304,448	467,801,406	579,468,111	817,313,113
Industrial Program									
Process & System Upgrades	Projects	0	0	313	12,287	0	0	2,799,746	90,463,617
Monitoring & Targeting	Projects	0	0	0	102	0	0	0	502,517
Energy Manager	Projects	0	1,034	3,953	5,767	0	7,067,535	24,438,070	44,929,364
Retrofit	Projects	6,372	0	0	0	38,412,408	0	0	0
Demand Response 3	Facilities	176,180	74,056	162,543	166,082	4,243,958	1,784,712	4,309,160	0
Industrial Program Total		182,552	75,090	166,809	184,238	42,656,366	8,852,247	31,546,976	135,895,498
Home Assistance Program									
Home Assistance Program	Homes	4	1,777	2,361	2,466	56,119	5,524,230	20,987,275	19,582,658
Home Assistance Program Total		4	1,777	2,361	2,466	56,119	5,524,230	20,987,275	19,582,658
Aboriginal Program									
Home Assistance Program	Homes	0	0	267	549	0	0	1,609,393	3,101,207
Direct Install Lighting	Projects	0	0	0	0	0	0	0	0
Aboriginal Program Total		0	0	267	549	0	0	1,609,393	3,101,207
Pre-2011 Programs completed in 2011									
Electricity Retrofit Incentive Program	Projects	40,418	0	0	0	223,956,390	0	0	0
High Performance New Construction	Projects	10,197	6,501	772	268	52,371,183	23,803,888	3,522,240	1,377,475
Toronto Comprehensive	Projects	33,467	0	0	802	174,070,574	0	0	7,085,257
Multifamily Energy Efficiency Rebates	Projects	2,553	0	0	0	9,774,792	0	0	0
LDC Custom Programs	Projects	534	0	0	0	649,140	0	0	0
Pre-2011 Programs completed in 2011 Total		87,169	6,501	772	1,070	460,822,079	23,803,888	3,522,240	8,462,733
Other									
Program Enabled Savings	Projects	0	2,177	3,692	5,500	0	525,011	4,075,382	19,035,337
Time-of-Use Savings	Homes	0	0	0	54,795	0	0	0	0
LDC Pilots	Projects	0	0	0	1,170	0	0	0	5,061,522
Other Total		0	2,177	3,692	60,296	0	525,011	4,075,382	19,035,337
Adjustments to 2011 Verified Results			13,266	645	1,601		48,705,294	20,581	6,028
Adjustments to 2012 Verified Results				8,632	13,449			54,301,893	59,098,939
Adjustments to 2013 Verified Results					34,727				206,413,158
Energy Efficiency Total		213,515	156,735	168,583	289,384	942,317,539	616,320,385	753,683,966	1,210,925,694
Demand Response Total		208,015	142,670	280,099	309,091	4,901,107	2,427,011	5,046,495	8,698
Adjustments to Previous Years' Verified Results Total		0	13,266	9,277	49,777	0	48,705,294	54,322,474	265,518,125
OPA-Contracted LDC Portfolio Total (inc. Adjustments)		421,530	312,671	457,958	648,252	947,218,646	667,452,690	813,052,934	1,476,452,516

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

Gross results are presented for informational purposes only and are not considered official 2014 Final Verified Results

**Net results substituted for gross results due to unavailability of data

Table 14: Adjustments to Province-Wide Gross Verified Results due to Variances

Initiative	Unit	Gross Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Gross Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)			
		2011	2012	2013	2014	2011	2012	2013	2014
Consumer Program									
Appliance Retirement	Appliances	0	0	0		0	0	0	
Appliance Exchange	Appliances	0	0	0		0	0	0	
HVAC Incentives	Equipment	-8,759	1,091	2,157		-16,241,086	1,952,473	3,873,449	
Conservation Instant Coupon Booklet	Items	15	0	1		255,975	0	20,668	
Bi-Annual Retailer Event	Items	117	0	0		2,373,616	0	0	
Retailer Co-op	Items	0	0	0		0	0	0	
Residential Demand Response	Devices	0	0	0		0	0	0	
Residential Demand Response (IHD)	Devices	0	0	0		0	0	0	
Residential New Construction	Homes	1	1	115		330,093	2,009	701,488	
Consumer Program Total		-8,628	1,092	2,273		-13,281,402	1,954,483	4,595,605	
Business Program									
Retrofit	Projects	4,511	10,114	16,584		22,046,931	58,528,789	108,677,566	
Direct Install Lighting	Projects	541	217	49		1,346,618	781,858	174,460	
Building Commissioning	Buildings	0	0	0		0	0	0	
New Construction	Buildings	3,287	2,673	4,151		11,323,593	9,884,305	15,992,924	
Energy Audit	Audits	656	488	3,631		2,391,744	2,386,374	19,822,524	
Small Commercial Demand Response	Devices	0	0	0		0	0	0	
Small Commercial Demand Response (IHD)	Devices	0	0	0		0	0	0	
Demand Response 3	Facilities	0	0	0		0	0	0	
Business Program Total		8,996	13,491	24,414		37,108,886	71,581,326	144,667,473	
Industrial Program									
Process & System Upgrades	Projects	0	0	426		0	0	1,232,785	
Monitoring & Targeting	Projects	0	0	54		0	528,000	639,348	
Energy Manager	Projects	29	1,071	2,687		0	8,968,007	28,893,596	
Retrofit	Projects	0	0	0		0	0	0	
Demand Response 3	Facilities	0	0	0		0	0	0	
Industrial Program Total		29	1,071	3,168		0	9,496,007	30,765,729	
Home Assistance Program									
Home Assistance Program	Homes	0	222	791		0	1,316,749	4,321,794	
Home Assistance Program Total		0	222	791		0	1,316,749	4,321,794	
Aboriginal Program									
Home Assistance Program	Homes	0	0	134		0	0	563,715	
Direct Install Lighting	Projects	0	0	0		0	0	0	
Aboriginal Program Total		0	0	134		0	0	563,715	
Pre-2011 Programs completed in 2011									
Electricity Retrofit Incentive Program	Projects	266	0	0		1,049,108	0	0	
High Performance New Construction	Projects	13,072	727	405		23,905,663	5,665,066	1,535,048	
Toronto Comprehensive	Projects	0	1,920	529		0	12,924,335	3,783,965	
Multifamily Energy Efficiency Rebates	Projects	0	0	0		0	0	0	
LDC Custom Programs	Projects	0	0	0		0	0	0	
Pre-2011 Programs completed in 2011 Total		13,337	2,647	934		24,954,771	18,589,400	5,319,013	
Other									
Program Enabled Savings	Projects	1,776	3,712	2,020		1,673,712	11,481,687	10,688,564	
Time-of-Use Savings	Homes	0	0	0		0	0	0	
LDC Pilots	Projects	0	0	0		0	0	0	
Other Total		1,776	3,712	2,020		1,673,712	11,481,687	10,688,564	
Adjustments to 2011 Verified Results		15,511				50,455,967			
Adjustments to 2012 Verified Results			22,235				114,419,652		
Adjustments to 2013 Verified Results				33,734				200,921,892	
Adjustments to Previous Years' Verified Results Total		15,511	22,235	33,734		50,455,967	114,419,652	200,921,892	

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

*Includes adjustments after Final Reports were issued

Results presented using scenario 1 which assumes that demand response resources have a persistence of 1 year

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