



DECISION AND RATE ORDER

EB-2022-0043

INNPOWER CORPORATION

Application for rates and other charges to be effective
January 1, 2023

BEFORE: **Michael Janigan**
Presiding Commissioner

David Sword
Commissioner

December 8, 2022

1. OVERVIEW

The Ontario Energy Board is approving changes to the rates that InnPower Corporation (InnPower) charges to distribute electricity to its customers, effective January 1, 2023.

As a result of this Decision, there will be a monthly total bill increase of \$0.10 for a residential customer consuming 750 kWh. This change does not factor in applicable taxes or the Ontario Electricity Rebate.

2. CONTEXT AND PROCESS

InnPower filed its application on August 3, 2022 under section 78 of the *Ontario Energy Board Act, 1998* and in accordance with Chapter 3 of the OEB's [Filing Requirements for Incentive Rate-Setting Applications](#) (Filing Requirements). The application was based on the Price Cap Incentive Rate-setting (Price Cap IR) option, with a five-year term.

The Price Cap IR option is one of three incentive rate-setting mechanisms (IRM) approved by the OEB.¹ It involves the setting of rates through a cost of service application in the first year and mechanistic price cap adjustments which may be approved through IRM applications in each of the ensuing adjustment years.

The OEB follows a standardized and streamlined process for hearing IRM applications filed under Price Cap IR. In each adjustment year of a Price Cap IR term, the OEB prepares a Rate Generator Model that includes, as a placeholder, information from the distributor's past proceedings and annual reporting requirements. A distributor will then review, complete, and include the model with its application, and may update the model during the proceeding to make any necessary corrections or to incorporate new rate-setting parameters as they become available.

InnPower serves approximately 20,000 mostly residential and commercial electricity customers in the Towns of Alcona, Belle Ewart, Cookstown, Lefroy, Stroud, and South Barrie.

Notice of the application was issued on August 19, 2022. Vulnerable Energy Consumers Coalition (VECC) and Small Business Utility Alliance (SBUA) requested intervenor status. VECC and SBUA requested cost eligibility. The OEB approved VECC and SBUA as intervenors. The OEB approved cost eligibility for VECC and SBUA.

The application was supported by pre-filed written evidence and a completed Rate Generator Model and as required during the proceeding, InnPower updated and clarified the evidence.

InnPower responded to interrogatories from OEB staff and VECC. Final submissions on the application were filed by OEB staff, VECC and InnPower.

¹ Each of these options is explained in the OEB's [Handbook for Utility Rate Applications](#).

3. DECISION OUTLINE

Each of the following issues is addressed in this Decision, together with the OEB's findings.

- Annual Adjustment Mechanism
- Shared Tax Adjustments
- Retail Transmission Service Rates
- Group 1 and Group 2 Deferral and Variance Accounts
- Lost Revenue Adjustment Mechanism Variance Account

Instructions for implementing InnPower's new rates and charges are set out in the final section of this Decision.

This Decision does not address rates and charges approved by the OEB in prior proceedings, such as specific service charges² and loss factors, which are outside the scope of an IRM proceeding and for which no further approvals are required to continue to include them on the distributor's Tariff of Rates and Charges.

² Certain service charges are subject to annual inflationary adjustments to be determined by the OEB through a generic order. For example, the Decision and Order EB-2022-0220, issued November 3, 2022, established the adjustment for energy retailer service charges, effective January 1, 2023; and the Decision and Order EB-2022-0221, issued November 3, 2022, established the 2023 Wireline Pole Attachment Charge, effective January 1, 2023.

4. ANNUAL ADJUSTMENT MECHANISM

InnPower has applied to change its rates, effective January 1, 2023, based on a mechanistic rate adjustment using the OEB-approved **inflation minus X-factor** formula applicable to IRM applications. The adjustment applies to distribution rates (fixed and variable) uniformly across all customer classes.³

The components of the Price Cap adjustment formula applicable to InnPower are set out in the table below. Inserting these components into the formula results in a 3.40% increase to InnPower's rates: **3.40% = 3.70% - (0.00% + 0.30%)**.

Table 4.1: Price Cap IR Adjustment Formula

Components		Amount
Inflation factor ⁴		3.70%
Less: X-factor	Productivity factor ⁵	0.00%
	Stretch factor (0.00% to 0.60%) ⁶	0.30%

An inflation factor of 3.70% applies to all IRM applications for the 2023 rate year.

The X-factor is the sum of the productivity factor and the stretch factor. It is a productivity offset that varies among different groupings of distributors. Subtracting the X-factor from inflation ensures that rates decline in real, constant-dollar terms, providing distributors with a tangible incentive to improve efficiency or else experience declining net income. The productivity component of the X-factor is based on industry conditions over a historical study period and applies to all IRM applications for the 2023 rate year. The stretch factor component of the X-factor is distributor specific. The OEB has established five stretch factor groupings, ranging from 0.00% to 0.60%. The stretch factor assigned to any distributor is based on the distributor's total cost performance as

³ The adjustment does not apply to the following components of delivery rates: rate riders, rate adders, low voltage service charges, retail transmission service rates, wholesale market service rate, smart metering entity charge, rural or remote electricity rate protection charge, standard supply service – administrative charge, transformation and primary metering allowances, loss factors, specific service charges, microFIT charge, and retail service charges.

⁴ OEB Letter, 2023 Inflation Parameters, issued October 20, 2022

⁵ Report of the Ontario Energy Board – “Rate Setting Parameters and Benchmarking under the Renewed Regulatory Framework for Ontario’s Electricity Distributors” EB-2010-0379, December 4, 2013

⁶ Report to the Ontario Energy Board – “Empirical Research in Support of Incentive Rate-Setting: 2021 Benchmarking Update”, prepared by Pacific Economics Group LLC., July 2022

benchmarked against other distributors in Ontario. The stretch factor assigned to InnPower is 0.30%, resulting in a rate adjustment of 3.40%.

Findings

InnPower's request for a 3.40% rate adjustment is in accordance with the annually updated parameters set by the OEB.

The adjustment is approved and InnPower's new rates shall be effective January 1, 2023.

5. RETAIL TRANSMISSION SERVICE RATES

InnPower is fully embedded within Hydro One Networks Inc.'s distribution system.

To recover its cost of transmission services, InnPower requests approval to adjust the retail transmission service rates (RTSRs) that it charges its customers in accordance with the host distributor RTSRs currently in effect.

Findings

InnPower's proposed adjustment to its RTSRs is approved. The RTSRs were adjusted based on the 2022 OEB-approved host-RTSRs.⁷

Host-RTSRs are typically approved annually by the OEB.

In the event that host-RTSRs take effect during InnPower's 2023 rate year, any resulting differences (from the prior-approved host-RTSRs) are to be captured in Retail Settlement Variance Accounts 1584 (Retail Transmission Network Charge) and 1586 (Retail Transmission Connection Charge).

⁷ EB-2021-0032, Decision and Rate Order, December 14, 2021

6. GROUP 1 AND 2 DEFERRAL AND VARIANCE ACCOUNTS

Group 1 Deferral and Variance Accounts (DVAs)

In each year of an IRM term, the OEB will review a distributor's Group 1 deferral and variance accounts to determine whether those balances should be disposed. OEB policy states that Group 1 account balances should be disposed if they exceed, on a net basis (as a debit or credit), a pre-set disposition threshold of \$0.001 per kWh, unless a distributor justifies why balances should not be disposed.⁸ If the net balance does not exceed the threshold, a distributor may still request disposition.⁹

The 2021 year-end net balance for InnPower's Group 1 accounts eligible for disposition, including interest projected to December 31, 2022, is a debit of \$3,225,994, and pertains to variances accumulated during the 2021 calendar year. This amount represents a total claim of \$0.0116 per kWh, which exceeds the disposition threshold. InnPower has requested disposition of this amount over a one-year period, except for the Sentinel Rate class for which InnPower has requested a two-year disposition period to mitigate rate impact.

Included in the Group 1 accounts are certain variances related to costs that are paid for by a distributor's customers on different bases, depending on their classification. Namely, "Class A" customers, who participate in the Industrial Conservation Initiative, pay for Global Adjustment (GA) charges based on their contribution to the five highest Ontario demand peaks over a 12-month period. "Class B" customers pay for GA charges based on their monthly consumption totals, either as a standalone charge or embedded in the Regulated Price Plan (RPP).¹⁰ A similar mechanism applies to Class A and Class B customers for Capacity Based Recovery (CBR) charges.¹¹ The balance in the GA variance account is attributable to non-RPP Class B customers and is disposed through a separate rate rider. The balance in the CBR Class B variance account is attributable to all Class B customers.

InnPower had Class A customers during the period in which variances accumulated so it has applied to have the balance of the CBR Class B variance account disposed

⁸ Report of the OEB – "Electricity Distributors' Deferral and Variance Account Review Initiative (EDDVAR)." EB-2008-0046, July 31, 2009.

⁹ OEB letter, "Update to the Electricity Distributors' Deferral and Variance Account Review ("EDDVAR Report"), released July 2009 (EB-2008-0046)", issued July 25, 2014

¹⁰ For additional details on the Global Adjustment charge, refer to the Independent Electricity System Operator (IESO)'s [website](#).

¹¹ All Class B customers (RPP and non-RPP) pay the CBR as a separate charge based on their monthly consumption. For additional details on the CBR for Class A customers, refer to the IESO's [website](#).

through a separate rate rider for Class B customers to ensure proper allocation between Class A and Class B customers.

Group 2 DVAs

In a letter dated February 17 2022,¹² the OEB requested InnPower to seek disposition of a credit amount of \$67,453 in a Group 2 Account with its application for 2023 rates. Group 2 accounts are normally disposed of in a cost of service application. The credit amount is a net impact from two new variance accounts created in InnPower's last cost of service Decision and Order,¹³ Account 1508 – Other Regulatory Assets, Sub-account differences in Revenue from Affiliate Services Account 1508 – Other Regulatory Assets, Sub-account differences in Expenses from Affiliate Services.

InnPower requested the disposition of its December 31, 2021 Group 2 Deferral and Variance Account 1508 in the credit amount of \$72,199 on a final basis over 12 months. The disposition balance comprises of the principal balance of \$67,453 as at December 31, 2021 and the interest of \$4,746 projected to December 31, 2022.

OEB staff and VECC reviewed the Group 2 account balance and the supporting evidence substantiating the balance. OEB staff and VECC support InnPower's request to dispose of its December 31, 2021, Group 2 DVAs on a final basis.

Findings

Group 1 DVAs

The balances proposed for disposition reconcile with the amounts reported as part of the OEB's *Electricity Reporting and Record-Keeping Requirements*.

The OEB approves the disposition of a debit balance of \$3,225,994 as of December 31, 2021, including interest projected to December 31, 2022, for Group 1 accounts on a final basis.

Table 6.1 identifies the principal and interest amounts, which the OEB approves for disposition.

¹² EB-2022-0043

¹³ EB-2016-0085

Table 6.1: Group 1 Deferral and Variance Account Balances

Account Name	Account Number	Principal Balance (\$) A	Interest Balance (\$) B	Total Claim (\$) C=A+B
LV Variance Account	1550	1,014,558	18,139	1,032,697
Smart Meter Entity Variance Charge	1551	(14,963)	(254)	(15,216)
RSVA - Wholesale Market Service Charge	1580	271,713	4,916	276,629
Variance WMS - Sub-account CBR Class B	1580	(31,062)	(500)	(31,562)
RSVA - Retail Transmission Network Charge	1584	650,424	11,708	662,132
RSVA - Retail Transmission Connection Charge	1586	602,005	10,850	612,856
RSVA - Power	1588	627,647	10,726	638,373
RSVA - Global Adjustment	1589	75,221	1,348	76,569
Disposition and Recovery of Regulatory Balances (2019)	1595	(78,208)	51,726	(26,483)
Total for Group 1 accounts		3,117,336	108,659	3,225,994

The balance of each of the Group 1 accounts approved for disposition shall be transferred to the applicable principal and carrying charge sub-accounts of Account 1595. Such transfer shall be pursuant to the requirements specified in the *Accounting Procedures Handbook for Electricity Distributors*.¹⁴ The date of the transfer must be the same as the effective date for the associated rates, i.e. January 1, 2023, which is generally the start of the rate year.

The OEB approves the Group 1 balances to be disposed through final rate riders, charges or payments, as calculated in the Rate Generator Model. The final rate riders, charges or payments, as applicable, will be in effect over a one-year period from

¹⁴ Article 220, Account Descriptions, Accounting Procedures Handbook for Electricity Distributors, effective January 1, 2012

January 1, 2023 to December 31, 2023,¹⁵ except for the Sentinel Rate Class which will be over a 2-year period to mitigate rate impact.

Group 2

The OEB approves the disposition of a credit amount of \$67,453 in additional affiliate revenue offsets, plus interest of \$4,746.

The OEB notes that this credit amount is derived from revenues from previous affiliate services disclosed in the OEB directed audit of affiliate transactions. The disposition in advance of a cost of service application is appropriate given the source of the revenues, and the positive effect of the disposition on rates.

¹⁵ 2023 IRM Rate Generator Model Tab 6.1 GA, Tab 6.1a GA Allocation, Tab 6.2 CBR B, Tab 6.2a CBR B_Allocation and Tab 7 Calculation of Def-Var RR

7. LOST REVENUE ADJUSTMENT MECHANISM VARIANCE ACCOUNT

The OEB has historically utilized a Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) to capture a distributor's revenue implications resulting from differences between actual and forecast conservation and demand management (CDM) savings included in its last OEB-approved load forecast. The use of the LRAMVA is no longer the default approach for CDM activities.¹⁶

Distributors delivered CDM programs to their customers through the Conservation First Framework (CFF) that began on January 1, 2015 until March 20, 2019, when the CFF was revoked.¹⁷

Distributors filing an application for 2023 rates are required to seek disposition of all outstanding LRAMVA balances related to program savings for CFF programs or other conservation programs they delivered, unless they do not have complete information on eligible program savings.¹⁸

Distributors are also eligible under the LRAM for persisting impacts of conservation programs until their next rebasing. The OEB provided direction for distributors to seek approval of LRAM-eligible amounts for 2023 onwards on a prospective basis, and a rate rider in the corresponding rate year, to address amounts that would otherwise be recorded in the LRAMVA for all years until their next rebasing application.¹⁹

InnPower indicated that it will not be seeking disposition of any balance in the LRAMVA in order to mitigate bill impacts for customers.²⁰

OEB staff requested that InnPower confirm that the LRAMVA balance is either zero or a debit, not a credit that would need to be refunded to customers. OEB staff submitted that, if confirmed, no further entries to the LRAMVA be permitted at this time, but that the LRAMVA not be discontinued, in the event that InnPower requests the use of the LRAMVA for a CDM activity in a future application, which the OEB can consider on a case-by-case basis.

¹⁶ Conservation and Demand Management Guidelines for Electricity Distributors, December 20, 2021, chapter 8.

¹⁷ On March 20, 2019 the Minister of Energy, Northern Development and Mines issued separate Directives to the OEB and the IESO.

¹⁸ Chapter 3 Filing Requirements, section 3.2.6.1

¹⁹ [Guidance on Prospective Lost Revenue Adjustment Mechanism \(LRAM\) Amounts – 2023 Rates](#), June 16, 2022

²⁰ Staff Interrogatory 8, October 13, 2022

InnPower confirmed in its reply submission that the amount is not a credit balance that would be refunded to customers.²¹

Findings

The OEB notes that InnPower has confirmed that the amount recorded in the LRAMVA is not a credit to ratepayers and that it will not be seeking disposition of any balance in the LRAMVA.

No further LRAMVA entries shall be permitted at this time, however the LRAMVA shall be retained by InnPower for possible CDM activity in a future application, which the OEB can consider on a case-by-case basis.

²¹ InnPower Submission, November 2, 2022

8. IMPLEMENTATION

This Decision is accompanied by a Rate Generator Model, applicable supporting models, and a Tariff of Rates and Charges (Schedule A). The Rate Generator Model also incorporates the rates set out in Table 8.1.

Table 8.1: Regulatory Charges

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

Each of these rates is a component of the “Regulatory Charge” on a customer’s bill, established annually by the OEB through a separate, generic order. The RRRP and WMS rates were set by the OEB on December 16, 2021 and July 12, 2022.²²

The Smart Metering Entity Charge is a component of the “Distribution Charge” on a customer’s bill, established by the OEB through a separate order. The Smart Metering Entity Charge was set by the OEB at \$0.42 on September 8, 2022.²³

In the *Report of the Board: Review of Electricity Distribution Cost Allocation Policy*,²⁴ the OEB indicated that it will review the default province-wide microFIT charge annually to ensure it continues to reflect actual costs in accordance with the established methodology. Distributors shall apply the updated value, if applicable, following the OEB’s announcement of the microFIT charge for the 2023 rate year.

²² EB-2021-0300, Decision and Order, December 16, 2021 and EB-2021-0300, Supplemental Decision and Order, July 12, 2022

²³ EB-2022-0137, Decision and Order, September 8, 2022

²⁴ EB-2010-0219, Report of the Board “Review of Electricity Distribution Cost Allocation Policy”, March 31, 2011

9. ORDER

THE ONTARIO ENERGY BOARD ORDERS THAT:

1. InnPower Corporation's new final distribution rates shall be effective January 1, 2023, in accordance with the Tariff of Rates and Charges set out in Schedule A.
2. The Tariff of Rates and Charges are deemed draft until InnPower Corporation has complied with the subsequent procedural steps.
3. InnPower Corporation shall review the Tariff of Rates and Charges and shall file with the OEB, as applicable, a written confirmation of its completeness and accuracy, or provide a detailed explanation of any inaccuracies or missing information, by **December 15, 2022**.
4. This Decision and Rate Order will be considered a final rate order if InnPower Corporation does not provide a submission to the OEB that inaccuracies were found or information was missing pursuant to item 3.
5. If the OEB receives a submission from InnPower Corporation to the effect that inaccuracies were found or information was missing pursuant to item 3, the OEB will consider the submission prior to issuing a final rate order.
6. InnPower Corporation shall notify its customers of the rate changes no later than the delivery of the first bill reflecting the new rates.

COST AWARDS

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

1. VECC and SBUA shall submit to the OEB and copy InnPower Corporation their cost claims no later than **December 15, 2022**.
2. InnPower Corporation may file with the OEB and forward to VECC and SBUA any objections to the claimed costs by **December 22, 2022**.
3. VECC and SBUA file with the OEB and forward to InnPower Corporation any responses to any objections for cost claim by **December 29, 2022**.
4. InnPower Corporation shall pay the OEB's costs incidental to this proceeding upon receipt of the OEB's invoice.

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

Please quote file number, **EB-2022-0043** for all materials filed and submit them in searchable/unrestricted PDF format with a digital signature through the [OEB's online filing portal](#).

- Filings should clearly state the sender's name, postal address, telephone number and e-mail address.
- Please use the document naming conventions and document submission standards outlined in the [Regulatory Electronic Submission System \(RESS\) Document Guidelines](#) found at the [File documents online page](#) on the OEB's website.
- Parties are encouraged to use RESS. Those who have not yet [set up an account](#), or require assistance using the online filing portal can contact registrar@oeb.ca for assistance.
- Cost claims are filed through the OEB's online filing portal. Please visit the [File documents online page](#) of the OEB's website for more information. All participants shall download a copy of their submitted cost claim and serve it on all required parties as per the [Practice Direction on Cost Awards](#).

All communications should be directed to the attention of the Registrar and be received by end of business, 4:45 p.m., on the required date.

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

Email: registrar@oeb.ca

Tel: 1-877-632-2727 (Toll free)

DATED at Toronto, December 8, 2022

ONTARIO ENERGY BOARD

Nancy Marconi
Registrar

SCHEDULE A
DECISION AND RATE ORDER
INNPOWER CORPORATION
TARIFF OF RATES AND CHARGES
EB-2022-0043
DECEMBER 8, 2022

InnPower Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2023

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

EB-2022-0043

RESIDENTIAL SERVICE CLASSIFICATION

This classification refers to the supply of electrical energy to residential customers residing in detached, semi detached, townhouse (freehold or condominium) dwelling units, duplexes or triplexes. Supply will be limited up to a maximum of 200 amp @ 240/120 volt. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	48.13
Smart Metering Entity Charge - effective until December 31, 2027	\$	0.42
Low Voltage Service Rate	\$/kWh	0.0025
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until December 31, 2023 Applicable only for Non-RPP Customers	\$/kWh	0.0014
Rate Rider for Disposition of Deferral/Variance Accounts (2023) - effective until December 31, 2023	\$/kWh	0.0114
Rate Rider for Disposition of Capacity Based Recovery Account (2023) - effective until December 31, 2023 Applicable only for Class B Customers	\$/kWh	(0.0001)
Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2023	\$/kWh	(0.0003)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0083
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0051

MONTHLY RATES AND CHARGES - Regulatory Component

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

InnPower Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2023

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

EB-2022-0043

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification refers to a non-residential account taking electricity at 750 volts or less whose monthly peak demand is less than or expected 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	46.24
Smart Metering Entity Charge - effective until December 31, 2027	\$	0.42
Distribution Volumetric Rate	\$/kWh	0.0112
Low Voltage Service Rate	\$/kWh	0.0024
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until December 31, 2023 Applicable only for Non-RPP Customers	\$/kWh	0.0014
Rate Rider for Disposition of Deferral/Variance Accounts (2023) - effective until December 31, 2023	\$/kWh	0.0115
Rate Rider for Disposition of Capacity Based Recovery Account (2023) - effective until December 31, 2023 Applicable only for Class B Customers	\$/kWh	(0.0001)
Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2023	\$/kWh	(0.0003)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0075
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0047

MONTHLY RATES AND CHARGES - Regulatory Component

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

InnPower Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2023

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EB-2022-0043

GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION

This classification refers to a non-residential account whose monthly average peak demand is equal to or greater than, or expected 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.

APPLICATION

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

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

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	236.52
Distribution Volumetric Rate	\$/kW	4.7930
Low Voltage Service Rate	\$/kW	1.3285
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until December 31, 2023		
Applicable only for Non-RPP Customers	\$/kWh	0.0014
Rate Rider for Disposition of Deferral/Variance Accounts (2023) - effective until December 31, 2023	\$/kW	4.2152
Rate Rider for Disposition of Capacity Based Recovery Account (2023) - effective until December 31, 2023		
Applicable only for Class B Customers	\$/kW	(0.0418)
Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2023	\$/kW	(0.1152)
Retail Transmission Rate - Network Service Rate	\$/kW	2.9509

Issued - December 8, 2022

InnPower Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2023

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

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Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.6717
Retail Transmission Rate - Network Service Rate - Interval Metered	\$/kW	2.9509
Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered	\$/kW	2.5034

MONTHLY RATES AND CHARGES - Regulatory Component

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

InnPower Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2023

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EB-2022-0043

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification refers to a non-residential account taking electricity at 240/120 or 120 volts whose monthly peak demand is less than, or expected to be less than, 50kW and the consumption is unmetered. A detailed calculation of the load will be calculated for billing purposes. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	14.31
Distribution Volumetric Rate	\$/kWh	0.0241
Low Voltage Service Rate	\$/kWh	0.0024
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until December 31, 2023 Applicable only for Non-RPP Customers	\$/kWh	0.0014
Rate Rider for Disposition of Deferral/Variance Accounts (2023) - effective until December 31, 2023	\$/kWh	0.0115
Rate Rider for Disposition of Capacity Based Recovery Account (2023) - effective until December 31, 2023 Applicable only for Class B Customers	\$/kWh	(0.0001)
Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2023	\$/kWh	(0.0003)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0075
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0047

MONTHLY RATES AND CHARGES - Regulatory Component

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

InnPower Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2023

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SENTINEL LIGHTING SERVICE CLASSIFICATION

This classification refers to accounts that are an unmetered lighting load supplied to a sentinel light. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	15.08
Distribution Volumetric Rate	\$/kW	68.7371
Low Voltage Service Rate	\$/kW	1.0383
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until December 31, 2024 Applicable only for Non-RPP Customers	\$/kWh	0.0007
Rate Rider for Disposition of Deferral/Variance Accounts (2023) - effective until December 31, 2024	\$/kW	2.0646
Rate Rider for Disposition of Capacity Based Recovery Account (2023) - effective until December 31, 2023 Applicable only for Class B Customers	\$/kW	(0.0435)
Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2023	\$/kW	(0.1073)
Retail Transmission Rate - Network Service Rate	\$/kW	2.3093
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.0880

MONTHLY RATES AND CHARGES - Regulatory Component

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

InnPower Corporation

TARIFF OF RATES AND CHARGES

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STREET LIGHTING SERVICE CLASSIFICATION

This classification refers to accounts concerning roadway lighting for a Municipality, Regional Municipality, and/or the Ministry of Transportation. This lighting will be controlled by photocells. The consumption for these customers will be based on the calculated connected load times as established in the approved Ontario Energy Board 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

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

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	4.61
Distribution Volumetric Rate	\$/kW	31.8708
Low Voltage Service Rate	\$/kW	0.7003
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until December 31, 2023 Applicable only for Non-RPP Customers	\$/kWh	0.0014
Rate Rider for Disposition of Deferral/Variance Accounts (2023) - effective until December 31, 2023	\$/kW	3.7874
Rate Rider for Disposition of Capacity Based Recovery Account (2023) - effective until December 31, 2023 Applicable only for Class B Customers	\$/kW	(0.0386)
Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2023	\$/kW	(0.0976)
Retail Transmission Rate - Network Service Rate	\$/kW	2.2978
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.4083

MONTHLY RATES AND CHARGES - Regulatory Component

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

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microFIT SERVICE CLASSIFICATION

This classification applies to an electricity generation facility contracted under the Independent Electricity System Operator's microFIT program and connected to the distributor's distribution system.

APPLICATION

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	4.55
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ALLOWANCES

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

SPECIFIC SERVICE CHARGES

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Customer Administration

Arrears certificate	\$	15.00
Easement letter	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Returned cheque (plus bank charges)	\$	15.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00

Non-Payment of Account

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

Other

Special meter reads	\$	30.00
Temporary service - install & remove - overhead - no transformer	\$	632.00
Temporary service - installation and removal - underground - no transformer	\$	468.00
Temporary service - installation and removal - overhead - with transformer	\$	2,525.00
Specific charge for access to the power poles - per pole/year (with the exception of wireless attachments)	\$	36.05

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RETAIL SERVICE CHARGES (if applicable)

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

One-time charge, per retailer, to establish the service agreement between the distributor and the retailer	\$	111.66
Monthly Fixed Charge, per retailer	\$	44.67
Monthly Variable Charge, per customer, per retailer	\$/cust.	1.11
Distributor-consolidated billing monthly charge, per customer, per retailer	\$/cust.	0.66
Retailer-consolidated billing monthly credit, per customer, per retailer	\$/cust.	(0.66)
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	\$	0.56
Processing fee, per request, applied to the requesting party	\$	1.11
Request for customer information as outlined in Section 10.6.3 and Chapter 11 of the Retail Settlement Code directly to retailers and customers, if not delivered electronically through the Electronic Business Transaction (EBT) system, applied to the requesting party		
Up to twice a year	\$	no charge
More than twice a year, per request (plus incremental delivery costs)	\$	4.47
Notice of switch letter charge, per letter (unless the distributor has opted out of applying the charge as per the Ontario Energy Board's Decision and Order EB-2015-0304, issued on February 14, 2019)	\$	2.23

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	1.0604
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0498