

1 **RATE DESIGN**

2

3 **1. INTRODUCTION AND SUMMARY**

4 In this application, Toronto Hydro is requesting new base distribution rates and new rate
5 riders effective January 1, 2025. Toronto Hydro has calculated rebased distribution rates for
6 2025 using the OEB’s standard revenue requirement methodology as set out in the Filing
7 Requirements for Electricity Distribution Rate Applications (December 15, 2022).¹ For the
8 period 2026 to 2029 period, Toronto Hydro calculated distribution rates using a Custom
9 Revenue Cap Index (“CRCI”). More details on this CRCI can be found in Exhibit 1B, Tab 4,
10 Schedule 1.

11

12 Consistent with EB-2014-0116 and EB-2018-0165, the distribution rates calculated in this
13 application for the outlying 2026-2029 years following the 2025 rebasing year are to be
14 updated, finalized, and approved through annual applications to the OEB.

15

16 This schedule includes sections that cover the following areas:

17

- 18 • **Section 2 – 2025 Base Distribution Rates:** A description of Toronto Hydro’s proposed
19 approach to rate design and the resulting outcomes for the 2025 rebasing year,
20 including standby rates;
- 21 • **Section 3 – 2026-2029 Rate Design:** A description of Toronto Hydro’s proposed
22 approach to 2026 to 2029 rates, relying on the CRCI;
- 23 • **Section 4 – Other Rates and Charges:** A description of Toronto Hydro’s proposed
24 approach with respect to retail transmission service rates, retailer service charges,

¹ Ontario Energy Board, Filing Requirements for Electricity Distribution Rate Applications, Chapter 2 – Cost of Service (December 15, 2022), section 2.8.

1 regulatory charges, the smart metering charge, specific service charges, loss
2 adjustment factors, and rate riders;

3 • **Section 5 - Tariff of Rates and Charges:** Provides Toronto Hydro’s current and
4 proposed tariffs; and,

5 • **Section 6 – Bill Impacts:** Refers to proposed bill impacts by rate class for 2025-2029,
6 rate mitigation, and Toronto Hydro’s proposed rate smoothing approach.

7

8 A summary of the total bill impacts resulting from the utility’s proposals is shown in Table 1
9 below.

1 **Table 1: Bill Impacts –Change in Total Monthly Bill**

	Change in Bill	2025 Proposed	2026 Proposed	2027 Proposed	2028 Proposed	2029 Proposed	2025-2029 Average Annual Increase
Residential	\$/30 days	\$0.91	\$3.44	\$3.77	\$3.61	\$2.90	
	%	0.7%	2.5%	2.6%	2.4%	1.9%	2.0%
Competitive Sector Multi-Unit Residential	\$/30 days	-\$2.10	\$1.86	\$2.21	\$1.88	\$1.66	
	%	-2.8%	2.6%	3.0%	2.5%	2.1%	1.5%
General Service <50 kW	\$/30 days	\$7.34	\$9.36	\$9.73	\$10.39	\$7.38	
	%	2.0%	2.5%	2.5%	2.6%	1.8%	2.3%
General Service 50-999 kW	\$/30 days	-\$73.44	\$188.05	\$197.76	\$217.72	\$170.01	
	%	-0.5%	1.3%	1.4%	1.5%	1.2%	1.0%
General Service 1,000-4,999 kW	\$/30 days	-\$1,565.72	\$1,657.27	\$1,713.81	\$1,807.60	\$1,560.87	
	%	-1.0%	1.1%	1.1%	1.2%	1.0%	0.7%
Large Use	\$/30 days	-\$7,459.85	\$6,638.41	\$9,677.61	\$10,769.78	\$8,543.60	
	%	-1.1%	1.0%	1.4%	1.6%	1.2%	0.8%
Street Lighting	\$/30 days	\$13,867.36	\$13,873.12	\$23,380.94	\$13,713.23	\$17,205.38	
	%	4.4%	4.2%	6.8%	3.7%	4.5%	4.7%
Unmetered Scattered Load	\$/30 days	\$1.88	\$2.44	\$2.52	\$3.15	\$2.04	
	%	3.0%	3.7%	3.7%	4.5%	2.8%	3.5%

1 **2. 2025 BASE DISTRIBUTION RATES**

2 As 2025 is Toronto Hydro's rebasing year, distribution rates for this year have been
3 developed on a cost of service basis. The revenue requirement for 2025 (as described in
4 Exhibit 6, Tab 1, Schedules 1 and 2) is allocated to rate classes using the OEB's latest cost
5 allocation model (as described in Exhibit 7, Tab 1, Schedule 1) and rates are designed to
6 collect the allocated costs from each customer class.

7

8 **2.1 Fixed versus Variable Charge**

9 Toronto Hydro is proposing to maintain the fixed/variable split from its current rate period,
10 as approved in EB-2018-0165, for all rate classes in all years of the 2025-2029 rate period.
11 This approach has been approved by the OEB in numerous cost of service proceedings,
12 including instances in which explicit approval of the maintenance of current fixed/variable
13 splits have been provided in an adjudicated context.^{2,3}

14

15 To determine Toronto Hydro's current fixed/variable split, consistent with previous
16 applications, the utility applied 2025 forecast customer connection counts to anticipated
17 2024 rates to determine 2025 fixed revenue at 2024 rates. The utility subsequently applied
18 2025 forecast kWh and kVA billing determinants to anticipated 2024 rates, including variable
19 distribution charges and adjustments for the transformer allowance, to determine the
20 percentage of fixed and variable revenue relative to total revenue, by rate class. Exhibit 8,
21 Tab 1, Schedule 2 provides details on the current fixed/variable split for each rate class
22 utilizing this methodology.

23

24 To maintain the current period's fixed/variable split for each rate class in 2025, Toronto
25 Hydro performed the following calculations, consistent with previous applications:

² For example, EB-2012-0113, EB-2011-0293, EB-2011-0319; EB-2014-0002.

³ EB-2016-0085.

- 1 • To establish 2025 fixed charges:
 - 2 ○ The fixed revenue to be collected from each rate class in 2025 is calculated
 - 3 by taking the 2025 base revenue requirement for each rate class and
 - 4 multiplying by the percentage of revenue, determined in the section above,
 - 5 to be recovered via fixed charges; and
 - 6 ○ The 2025 fixed revenue by rate class is divided by the 2025 forecast customer,
 - 7 connection, and device count, as applicable for each rate class.
- 8 • To establish 2025 variable charges:
 - 9 ○ The variable revenue to be collected from each rate class in 2025 is calculated
 - 10 by taking the 2025 base revenue requirement for each rate class and
 - 11 multiplying by the percentage of revenue, determined in the section above,
 - 12 to be recovered via variable charges; and
 - 13 ○ The 2025 variable revenue by rate class is divided by 2025 forecast kWh or
 - 14 kVA billing determinants applicable to each rate class. This establishes the
 - 15 variable charges for each rate class before accounting for the transformer
 - 16 allowance. Subsequently, adjustments are made to applicable rate classes to
 - 17 account for transformer allowance.
- 18 • Fixed charges are rounded to two decimal places, while variable charges for kWh and
- 19 kVA billing determinants are rounded to five and four decimal places, respectively.

20

21 **2.2 Monthly Fixed Charge**

22 Table 2 below summarizes the 2024 proposed and the 2025 proposed monthly fixed charge
23 with the floor and ceiling values, as calculated via the cost allocation model, for each
24 customer class.⁴

⁴ The proposed monthly fixed charges for 2024 are based on the rates outlined in Toronto Hydro's 2024 rate application (EB-2023-0054), filed on September 8, 2023.

1 **Table 2: Monthly Fixed Charge (\$)**

	Residential	CSMUR	GS<50 kW	GS 50-999 kW	GS 1000-4999 kW	Large Use	Street Lighting	USL
CA Model Floor	6.66	4.29	14.83	31.02	35.41	121.90	0.60	0.72
CA Model Ceiling	23.28	18.74	38.61	86.35	162.48	497.05	6.28	8.82
Proposed (2024)	45.93	37.68	44.31	58.88	1,109.35	4,910.79	1.87	7.25
Proposed (2025)	49.52	37.00	49.77	65.29	1,191.22	5,138.68	2.06	7.87

Proposed 2025 rates are shown on a 30-day basis. Floor, ceiling, and 2024 expected rates are not adjusted for 30-day basis, and come directly from the Cost Allocation model in Exhibit 7, Tab 1, Schedule 3.

2

3 For the Residential and Competitive Sector Multi-Unit Residential (“CSMUR”) classes, the
 4 proposed fixed rate is the result of the OEB’s EB-2012-0410 policy requiring fully fixed
 5 distribution rates for these classes.

6

7 **2.3 Transformer Allowance**

8 Toronto Hydro is not proposing to change its current transformer allowance rate in this
 9 application and proposes to maintain the credit provided to customers that own their
 10 transformation facilities at \$0.62/kVA per 30 days.

11

12 **2.4 Billing Determinants**

13 Toronto Hydro is not putting forward any changes to the currently approved billing
 14 determinants for any customer class and proposes to continue to bill customers on a 30-day
 15 fixed portion and on a kVA or kWh variable portion. For the Unmetered Scattered Load class,
 16 customers will continue to be charged a monthly service charge, a per-connection charge,
 17 and a variable charge based on kWh.

1 **2.5 Standby Rates**

2 In its 2006 rate application, Toronto Hydro applied to harmonize the standby rates inherited
3 from its six pre-amalgamation utilities. The OEB approved Toronto Hydro's proposal on an
4 interim basis, pending a separate generic proceeding to establish standby rates for all
5 Ontario electricity distributors.⁵ As of the 2020 rebasing, Toronto Hydro continued to include
6 these rates as part of its Custom Incentive Rates Application (EB-2018-0165). In its Decision
7 and Order dated December 19, 2019, the OEB stated the following:

8

9 *"The OEB approves the standby rates on an interim basis. The standby rates have*
10 *been interim for many years, on the expectation that a generic rate design policy may*
11 *be adopted that would eliminate the need for standby rates.*

12

13 *In accordance with Chapter 2 of the OEB's Filing Requirements for Electricity*
14 *Distribution Rate Applications (December 15, 2022), a distributor may seek approval*
15 *for its standby charges on a final basis but must provide evidence confirming that*
16 *they have advised all affected customers of the proposal. Toronto Hydro did not seek*
17 *approval for its standby rates to be made final.*

18

19 *Given the length of time that the standby rates have been set on an interim basis, the*
20 *OEB requires Toronto Hydro to file a proposal in its next rebasing application to*
21 *address this situation, unless it has been otherwise superseded by a generic policy."*

22

23 In 2020, the OEB updated Chapter 2 of its Filing Requirements for Electricity Distribution
24 Rate Applications to introduce a requirement for distributors who have had interim
25 approved standby rates since 2006 to seek approval for their standby rates to be made final.

⁵ Application to the Ontario Energy Board by Toronto Hydro-Electric System Limited for 2006 Electricity Distribution Rates RP-2005-0020/EB-2005-0421; Decision with Reasons (April 12, 2006).

1 On September 28, 2023, the OEB announced a Consultation on Policy for Standby Rates (EB-
2 2023-0278). In the letter announcing this consultation the OEB states;

3

4 *“The Ontario Energy Board (OEB) intends to engage stakeholders to inform its*
5 *approach to existing and future electricity distribution standby rates, including*
6 *consideration of the approach to standby rates outlined in the OEB’s Commercial and*
7 *Industrial Rate Design staff paper.”*

8

9 Given this announcement, Toronto Hydro submits that the best venue to determine an
10 approach to standby rates is the recently established generic policy consultation; not this
11 application. Consequently, and in recognition of both the OEB’s previous decision and its
12 recent policy announcement, Toronto Hydro is not proposing final standby rates in this
13 application.

14

15 Toronto Hydro notes that technology and customers’ usage of distributed energy
16 resources (“DERs”) have significantly evolved since the standby rates concept was
17 introduced. Further, there are an increasing number of public policy imperatives (e.g.
18 climate action, resiliency, affordability, flexibility) driving the sector to support the
19 adoption of DERs. Standby rates, which operate to increase the amount paid by customers
20 who utilize DERs, seem to conflict with those public policy imperatives. At the same time,
21 regulatory policy must balance those imperatives with the interests of fair cost allocation
22 among customers and full cost recovery for utilities.

23

24 **3. 2026-2029 RATE DESIGN**

25 Toronto Hydro proposes to update its 2026-2029 distribution rates based on the CRCI. For
26 each of these years, base revenue requirements will be brought forward for final approval
27 in Toronto Hydro’s annual rate update applications, inclusive of actual inflation factors

1 applicable to those years. In each annual application, Toronto Hydro will propose new
2 distribution rates based on the escalated base revenue requirement resulting from
3 application of the CRCI, in accordance with the OEB’s decision in this proceeding. Toronto
4 Hydro proposes that for the years 2026 to 2029, the final approved base revenue
5 requirements be allocated to each rate class based on the same allocations to rate classes
6 established in this proceeding for 2025. Toronto Hydro will hold constant the fixed/variable
7 revenue split for each rate class determined in 2025 for the purpose of designing rates from
8 2026 to 2029. Subsequently, the utility will calculate rates in each year relying on Toronto
9 Hydro’s 5-year customer and load forecast as approved in this application.

10

11 **4. OTHER RATES AND CHARGES**

12 **4.1 Retail Transmission Service Rates (“RTSRs”)**

13 Toronto Hydro’s proposed RTSRs for 2025 have been calculated using the OEB’s RTSR model,
14 as filed at Exhibit 8, Tab 5, Schedule 1 (a live MS Excel model has also been included).⁶ The
15 proposed 2025 rates in the completed RTSR model reflect projected 2025 billing units,
16 applied to the Uniform Transmission Rates (“UTRs”) available at the time of calculations.⁷
17 Toronto Hydro will update its RTSRs prior to the implementation of 2025 rates based on the
18 latest OEB-approved UTRs available at that time.

19

20 In order to meet Toronto Hydro’s requirements for the calculation of RTSR rates, Toronto
21 Hydro made the following changes to the OEB’s RTSR model:

- 22 • The “Year” columns in Sheet 4, UTRs and Sub-Transmission were changed to reflect
23 2023, 2024, and 2025 years.

⁶ In accordance with the OEB’s Guideline G-2008-0001: Electricity Distribution Retail Transmission Service Rates (June 28, 2012).

⁷ EB-2023-0101, Decision and Rate Order - 2023 Uniform Transmission Rates Update (June 1, 2023).

- 1 • On Sheet 8, RTSR Rates to Forecast, the Proposed RTSR rates are calculated to 5
2 decimal places for kWh rates, and 4 decimal places for kW rates. The kW rates are
3 also adjusted for 30-days of service.
4

5 Since the OEB updates UTRs annually, Toronto Hydro proposes to file updated RTSRs utilizing
6 the latest available OEB’s IRM Rate Generator Model and rates over the 2026-29 period, as
7 part of the annual rates update process under the CRCI framework.
8

9 **4.2 Retailer Service Charges (“RSCs”)**

10 Toronto Hydro’s calculations and assumptions incorporate the OEB-approved 2024 RSCs.⁸
11 The utility will update any relevant inputs prior to the implementation of 2025 rates based
12 on the latest OEB-approved RSCs that will be available at that time. Furthermore, since the
13 OEB updates RSCs annually, Toronto Hydro will flow through updated charges as part of the
14 annual rates update process under the CRCI framework throughout the 2026-2029 rate
15 period.
16

17 **4.3 Regulatory Charges**

18 This application reflects the latest OEB-approved Wholesale Market Service Rate (“WMS”)
19 rate of \$0.0041/kWh, Capacity Based Recovery (“CBR”) component of \$0.0004/kWh
20 applicable to Class B customers, and a Rural and Remote Rate Protection (“RRRP”) rate of
21 \$0.0007/kWh.⁹ The utility will update any relevant inputs prior to the implementation of
22 2025 rates based on the latest OEB-approved regulatory charges that will be available at that
23 time. Furthermore, since the OEB updates regulatory charges annually, Toronto Hydro will

⁸ EB-2023-0193, Decision and Order (September 26, 2023). In the matter of the inflationary adjustment effective January 1, 2024, for energy retailer service charges for electricity distributors.

⁹ EB-2022-0269, Decision and Order (December 8, 2022). In the matter of regulatory charges effective January 1, 2023, for the Wholesale Market Services rate and the Rural or Remote Electricity Rate Protection charge.

1 flow through updated charges as part of the annual rates update process under the CRCI
2 framework throughout the 2026-2029 rate period.

3

4 **4.4 Smart Metering Charge**

5 On September 8, 2022, the OEB issued a decision and order establishing a smart metering
6 charge of \$0.42 per month for Residential and GS< 50 kW customers effective January 1,
7 2023 until December 31, 2027.

8

9 Toronto Hydro implemented this charge (adjusted to \$0.41 to reflect the utility's fixed
10 charges on a 30-day basis) and included it in its proposed rates for the applicable period.

11

12 **4.5 Specific Service Charges**

13 Toronto Hydro is not proposing any changes to its specific service charges. For further details
14 on the utility's specific service charges, please refer to Exhibit 8, Tab 2, Schedule 1.

15

16 This application reflects the latest OEB-approved distribution (wireline) pole attachment
17 charge of \$37.78 per attacher, per year, per pole.¹⁰ The utility will update any relevant inputs
18 prior to the implementation of 2025 rates based on the latest OEB-approved distribution
19 (wireline) pole attachment charge that will be available at that time. Furthermore, since the
20 OEB updates this charge annually, Toronto Hydro will flow through updated charge as part
21 of the annual rates update process under the CRCI framework throughout the 2026-2029
22 rate period.

23

24 **4.6 Loss Adjustment Factors**

25 Toronto Hydro is not proposing any changes to the current OEB-approved loss adjustment
26 factors shown in Table 4.

¹⁰ EB-2023-0194, Decision and Order - Distribution Pole Attachment Charge for 2024 (September 26, 2023).

1

Table 4: Loss Adjustment Factors

	Current Approved
(A) Primary Metering Adjustment	0.9900
(B) Supply Facilities Loss Factor	1.0045
Distribution Loss Factors	
(C) Customer Less than 5,000kW	1.0249
(D) Customer Greater than 5,000kW	1.0126
Total Loss Factors	
Secondary Metered Customers	
(E) Customer Less than 5,000kW (B*C)	1.0295
(F) Customer Greater than 5,000kW (B*D)	1.0172
Primary Metered Customers	
(G) Customer Less than 5,000kW (A*E)	1.0192
(H) Customer Greater than 5,000kW (A*F)	1.0070

2

3 **4.7 Rate Riders**

4 Toronto Hydro is proposing new rate riders to clear a number of Deferral and Variance
 5 Accounts (“DVAs”). These new rate riders are discussed in the Exhibit 9, Tab 1, Schedule 1.

6

7 **5. TARIFF OF RATES AND CHARGES**

8 Toronto Hydro’s current Tariff of Rates and Charges is included in Exhibit 8, Tab 3, Schedule
 9 1 and proposed tariffs for 2025-2029 are included in Exhibit 8, Tab 3, Schedule 2.

10

11 **5.1 Revenue Reconciliation**

12 Tab 13 of each of the 2025-2029 revenue requirement workforms, filed at Exhibit 6, Tab 1,
 13 Schedules 2-6, shows the difference between revenue at the proposed rates and allocated
 14 revenue requirements by customer class.

1 **6. BILL IMPACTS**

2 Details of the bill impacts of the proposed rates are provided in Exhibit 8, Tab 6, Schedule 1,
3 showing the individual and combined impacts of the distribution component, rate riders,
4 other components (e.g. transmission and network charges), and total bill, calculated for
5 representative levels of consumption for each rate class.

6

7 **6.1 Rate Mitigation**

8 As shown in Table 1 above, the impacts of the proposed rates for 2025-2029 on the total bill
9 for all classes are less than 10 percent. As discussed in detail elsewhere in this application
10 (e.g. Exhibit 1B, Tab 2, Schedule 1; Exhibit 2B; and Exhibit 4, Tab 1, Schedule 1), Toronto
11 Hydro has incorporated consideration of rate impacts as part of its proposed capital and
12 OM&A funding requests.

13

14 **6.2 Rate Smoothing Approach**

15 Consistent with EB-2018-0165, Toronto Hydro proposes implementation of a rate smoothing
16 methodology, aimed at assisting customers in managing bill impacts. Toronto Hydro's
17 proposed rate smoothing plan offers several benefits: (i) it avoids a one-time step-change
18 increase for most customers in the rebasing year (2025), while (ii) maintaining relatively
19 consistent year-over-year annual increases for all customer classes.

20

21 A summary of the distribution (including non-pass through rate riders) and total bill impacts
22 resulting from the utility's proposals is shown in Tables 5-1, 5-2, and 5-3 below.

1 **Table 5-1: Bill Impacts – Change in Monthly Bill**

		Change in Bill	2025 Proposed	2026 Proposed	2027 Proposed	2028 Proposed	2029 Proposed	2025-2029 Average Annual Increase
Residential	Distribution Subtotal A	\$/30 days	\$3.24	\$3.40	\$3.72	\$3.97	\$2.86	\$3.44
		%	7.6%	7.4%	7.5%	7.5%	5.0%	7.0%
	Total Bill (After Taxes & Rebate)	\$/30 days	\$0.91	\$3.44	\$3.77	\$3.61	\$2.90	\$2.93
		%	0.7%	2.5%	2.6%	2.4%	1.9%	2.0%
Competitive Sector Multi-Unit Residential	Distribution Subtotal A	\$/30 days	-\$1.27	\$1.84	\$2.18	\$2.27	\$1.64	\$1.33
		%	-3.6%	5.4%	6.0%	5.9%	4.0%	3.6%
	Total Bill (After Taxes & Rebate)	\$/30 days	-\$2.10	\$1.86	\$2.21	\$1.88	\$1.66	\$1.10
		%	-2.8%	2.6%	3.0%	2.5%	2.1%	1.5%
General Service <50 kW	Distribution Subtotal A	\$/30 days	\$14.18	\$9.24	\$9.61	\$10.67	\$7.29	\$10.20
		%	12.0%	7.0%	6.8%	7.0%	4.5%	7.4%
	Total Bill (After Taxes & Rebate)	\$/30 days	\$7.34	\$9.36	\$9.73	\$10.39	\$7.38	\$8.84
		%	2.0%	2.5%	2.5%	2.6%	1.8%	2.3%

1 **Table 5-2: Bill Impacts – Change in Monthly Bill**

		Change in Bill	2025 Proposed	2026 Proposed	2027 Proposed	2028 Proposed	2029 Proposed	2025-2029 Average Annual Increase
General Service 50-999 kW	Distribution Subtotal A	\$/30 days	\$235.35	\$166.42	\$175.01	\$192.67	\$150.45	\$183.98
		%	13.0%	8.1%	7.9%	8.1%	5.8%	8.6%
	Total Bill (After Taxes & Rebate)	\$/30 days	-\$73.44	\$188.05	\$197.76	\$217.72	\$170.01	\$140.02
		%	-0.5%	1.3%	1.4%	1.5%	1.2%	1.0%
General Service 1,000-4,999 kW	Distribution Subtotal A	\$/30 days	\$1,993.46	\$1,466.61	\$1,516.65	\$1,599.65	\$1,381.30	\$1,591.53
		%	13.4%	8.7%	8.3%	8.0%	6.4%	9.0%
	Total Bill (After Taxes & Rebate)	\$/30 days	-\$1,565.72	\$1,657.27	\$1,713.81	\$1,807.60	\$1,560.87	\$1,034.77
		%	-1.0%	1.1%	1.1%	1.2%	1.0%	0.7%
Large Use	Distribution Subtotal A	\$/30 days	\$10,124.44	\$5,874.70	\$8,564.26	\$9,530.78	\$7,560.71	\$8,330.98
		%	13.1%	6.7%	9.2%	9.4%	6.8%	9.1%
	Total Bill (After Taxes & Rebate)	\$/30 days	-\$7,459.85	\$6,638.41	\$9,677.61	\$10,769.78	\$8,543.60	\$5,633.91
		%	-1.1%	1.0%	1.4%	1.6%	1.2%	0.8%

1 **Table 5-3: Bill Impacts – Change in Monthly Bill**

		Change in Bill	2025 Proposed	2026 Proposed	2027 Proposed	2028 Proposed	2029 Proposed	2025-2029 Average Annual Increase
Street Lighting	Distribution Subtotal A	\$/30 days	\$15,917.30	\$12,277.10	\$20,691.10	\$12,135.60	\$15,226.00	\$15,249.42
		%	11.0%	7.6%	11.9%	6.3%	7.4%	8.8%
	Total Bill (After Taxes & Rebate)	\$/30 days	\$13,867.36	\$13,873.12	\$23,380.94	\$13,713.23	\$17,205.38	\$16,408.01
		%	4.4%	4.2%	6.8%	3.7%	4.5%	4.7%
Unmetered Scattered Load	Distribution Subtotal A	\$/30 days	\$2.96	\$2.41	\$2.49	\$3.11	\$2.01	\$2.60
		%	9.5%	7.1%	6.8%	8.0%	4.8%	7.2%
	Total Bill (After Taxes & Rebate)	\$/30 days	\$1.88	\$2.44	\$2.52	\$3.15	\$2.04	\$2.41
		%	3.0%	3.7%	3.7%	4.5%	2.8%	3.5%

1 **SPECIFIC SERVICE CHARGES**

2

3 OEB-approved service charges apply to services that are over and above Toronto Hydro's
4 standard level of service offerings.¹ Some of these services, such as duplicate invoices, are
5 provided at customers' request. Others result from Toronto Hydro's business operations,
6 such as collection fees resulting from customers' non-payment of bills. The revenue from
7 these charges offset the total revenue requirement.

8

9 For this application, Toronto Hydro proposes to leave its specific service charges unchanged.

10

11 This application reflects the latest OEB-approved distribution (wireline) pole attachment
12 charge of \$37.78 per attacher, per year, per pole.² The utility will update any relevant inputs
13 prior to the implementation of 2025 rates based on the latest OEB-approved distribution
14 (wireline) pole attachment charge that will be available at that time. Furthermore, since the
15 OEB updates this charge annually, Toronto Hydro will flow through updated charge as part
16 of the annual rates update process under the CRCI framework throughout the 2026-2029
17 rate period.

18

19 A summary of the specific service charges proposed for the 2025-2029 rate period is shown
20 in Table 1. In addition to the charges listed in Table 1, Toronto Hydro applies late payment
21 charges at a rate of 1.50% per month, equivalent to an effective annual rate of 19.56% per
22 annum or a 0.04896% compounded daily rate. Historical and forecast revenues from these
23 service charges is part of Other Revenue and further described in Exhibit 3, Tab 2.

¹ In accordance with the OEB's 2006 Distribution Rate Handbook ("DRH", May 11, 2005), Toronto Hydro bills all other services on an actual cost, time, and materials basis or as a pass-through of third-party costs.

² EB-2023-0194, Decision and Order - Distribution Pole Attachment Charge for 2024 (September 26, 2023).

1 **Table 1: Specific Service Charges 2025-2029**

Specific Service Charge	Existing Rates (\$)	Proposed Rates (\$)	Existing Versus Proposed Variance (\$)
Account history	25.00	25.00	0
Duplicate invoices for previous billing	25.00	25.00	0
Request for other billing or system information	25.00	25.00	0
Easement letter	25.00	25.00	0
Income tax letter	25.00	25.00	0
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	35.00	35.00	0
Returned cheque (plus bank charges)	25.00	25.00	0
Special meter reads	55.00	55.00	0
Meter dispute charge plus Measurement Canada fees (if meter found correct)	55.00	55.00	0
Reconnection charge - at meter - during regular hours	120.00	120.00	0
Reconnection charge - at meter - after regular hours	400.00	400.00	0
Reconnection charge - at pole - during regular hours	300.00	300.00	0
Reconnection charge - at pole - after regular hours	820.00	820.00	0
Disconnect/reconnect at meter - during regular hours	120.00	120.00	0
Disconnect/reconnect at meter - after regular hours	400.00	400.00	0
Disconnect/reconnect at pole - during regular hours	300.00	300.00	0
Disconnect/reconnect at pole - after regular hours	820.00	820.00	0
Temporary service install & remove - overhead - no transformer	2,040.00	2,040.00	0
Specific charge for access to the power poles (wireline attachments) - per pole/year ³	37.78	37.78	0

³ As noted above, Toronto Hydro will update the pole attachment charge in accordance with future OEB orders.

1 **1. OTHER RATES AND CHARGES**

2 In accordance with the Filing Requirements,⁴ this section describes charges that appear in
3 Toronto Hydro's Conditions of Service but do not appear on the utility's OEB-approved tariff
4 sheet.

5

6 The following basic connection charges, which are not included in distribution rates, recover
7 the actual labour, materials, and equipment costs that Toronto Hydro incurs for making the
8 indicated types of connections:⁵

9

10 1) Unmetered Connections – Overhead Supply (excludes Street Lighting):

11 a) \$446 standard charge plus variable costs – for source connection made at the
12 Distributor's supply pole and where service mast located on same supply
13 pole; and

14 b) \$1,011 standard charge plus variable costs – for source connection made at
15 the Distributor's supply pole and where service mast is not located on same
16 supply pole.

17 2) Street Lighting Services:

18 a) \$533.36 standard charge plus variable costs – for municipal lights attached to
19 Distributor's poles and connected to Distributor's overhead 120/240 V
20 secondary bus;

21 b) \$573.97 standard charge plus variable costs – for municipal lights attached to
22 Distributor's poles in mixed used urban settings where streets are classified
23 as collector or arterial and connected to Distributor's underground 120/240
24 V secondary bus; and

⁴ Ontario Energy Board, Filing Requirements for Electricity Distribution Rate Applications, Chapter 2 (December 15, 2022), section 2.8.5.

⁵ Toronto Hydro's [Conditions of Service](#), Revision 22 (January 1, 2023), Table 2 at page 92 and Table 6 at page 97.

1 c) \$573.97 standard charge plus variable costs – for municipal lights attached to
2 Municipality’s poles in residential settings and connected to Distributor’s
3 underground 120/240 V secondary bus.

4 Toronto Hydro bills these charges directly to customers.

5
6 Table 2 below shows the total amounts Toronto Hydro collected through these charges over
7 the 2020-2022 period. Forecast amounts are not available, as the volumes of this work
8 depend upon the frequency of customer requests.

9

10 **Table 2: Unmetered Connections and Street Lighting Services Charges (\$)**

	2020	2021	2022
Service Connection Contributions	154,620	112,040	84,326

DECISION AND RATE ORDER

EB-2022-0065

TORONTO HYDRO-ELECTRIC SYSTEM LIMITED

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

BEFORE: **Allison Duff**
Presiding Commissioner

Michael Janigan
Commissioner

December 8, 2022

1. OVERVIEW

The Ontario Energy Board is approving changes to the rates that Toronto Hydro-Electric System Limited (Toronto Hydro) 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 \$4.93 for a residential customer consuming 750 kWh. This change does not factor in applicable taxes or the Ontario Electricity Rebate.

SCHEDULE A
DECISION AND RATE ORDER
TORONTO HYDRO-ELECTRIC SYSTEM LIMITED
TARIFF OF RATES AND CHARGES
EB-2022-0065
DECEMBER 8, 2022

Toronto Hydro-Electric System Limited

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-2022-0065

RESIDENTIAL SERVICE CLASSIFICATION

This classification is applicable to an account where electricity is used exclusively for residential purposes in a separately metered living accommodation, where the Competitive Sector Multi-Unit Residential classification is not applicable. Eligibility is restricted to a dwelling unit that consists of a detached house or one unit of a semi-detached, duplex, triplex or quadruplex building, with a residential zoning; a separately metered dwelling within a town house complex or apartment building; and bulk metered residential buildings with six or fewer units. Class B consumers are defined in accordance with O. Reg. 429/04. Further details concerning the terms of service 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	\$	43.31	(per 30 days)
Rate Rider for Smart Metering Entity Charge - effective until December 31, 2027	\$	0.41	(per 30 days)
Rate Rider for Disposition of Stranded Meter Assets - effective until December 31, 2024	\$	(0.02)	(per 30 days)
Rate Rider for Disposition of Capital Related Revenue Requirement Variance Account - effective until December 31, 2024	\$	(2.17)	(per 30 days)
Rate Rider for Disposition of Wireless Pole Attachment Revenue - effective until December 31, 2024	\$	(0.01)	(per 30 days)
Rate Rider for Disposition of Accounts Receivable Credits - effective until December 31, 2024	\$	(0.10)	(per 30 days)
Rate Rider for Disposition of PILs and Tax Variance - effective until December 31, 2024	\$	(0.31)	(per 30 days)
Rate Rider for Disposition of Deferral/Variance Accounts (2023) - effective until December 31, 2023	\$/kWh	0.00319	
Rate Rider for Disposition of Capacity Based Recovery Account (2023) - Applicable only for Class B Customers - effective until December 31, 2023	\$/kWh	(0.00015)	
Rate Rider for Disposition of Global Adjustment Account (2023) - Applicable only for Non-RPP Customers - effective until December 31, 2023	\$/kWh	(0.00251)	
Retail Transmission Rate - Network Service Rate	\$/kWh	0.01158	
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.00733	

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	(per 30 days)

Toronto Hydro-Electric System Limited

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-2022-0065

COMPETITIVE SECTOR MULTI-UNIT RESIDENTIAL SERVICE CLASSIFICATION

This classification is applicable to an account where electricity is used exclusively for residential purposes in a multi-unit residential building, where unit metering is provided using technology that is substantially similar to that employed by competitive sector sub-metering providers. Use of electricity in non-residential units of multi-unit buildings does not qualify for this classification and will instead be subject to the applicable commercial classification. Class B consumers are defined in accordance with O. Reg. 429/04. Further details concerning the terms of service 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	\$	35.53	(per 30 days)
Rate Rider for Smart Metering Entity Charge - effective until December 31, 2027	\$	0.41	(per 30 days)
Rate Rider for Disposition of Capital Related Revenue Requirement Variance Account - effective until December 31, 2024	\$	(1.45)	(per 30 days)
Rate Rider for Disposition of Wireless Pole Attachment Revenue - effective until December 31, 2024	\$	(0.01)	(per 30 days)
Rate Rider for Disposition of PILs and Tax Variance - effective until December 31, 2024	\$	(0.21)	(per 30 days)
Rate Rider for Disposition of Deferral/Variance Accounts (2023) - effective until December 31, 2023	\$/kWh	0.00303	
Rate Rider for Disposition of Capacity Based Recovery Account (2023) - Applicable only for Class B Customers - effective until December 31, 2023	\$/kWh	(0.00015)	
Rate Rider for Disposition of Global Adjustment Account (2023) - Applicable only for Non-RPP Customers - effective until December 31, 2023	\$/kWh	(0.00251)	
Retail Transmission Rate - Network Service Rate	\$/kWh	0.01158	
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.00733	

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	(per 30 days)

Toronto Hydro-Electric System Limited

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-2022-0065

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification refers to a non-residential account whose monthly average peak demand is less than, or is forecast to be less than 50 kW. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	41.78	(per 30 days)
Rate Rider for Smart Metering Entity Charge - effective until December 31, 2027	\$	0.41	(per 30 days)
Rate Rider for Disposition of Stranded Meter Assets - effective until December 31, 2024	\$	(0.13)	(per 30 days)
Distribution Volumetric Rate	\$/kWh	0.03864	
Rate Rider for Disposition of Capital Related Revenue Requirement Variance Account - effective until December 31, 2024	\$/kWh	(0.00252)	
Rate Rider for Disposition of Wireless Pole Attachment Revenue - effective until December 31, 2024	\$/kWh	(0.00002)	
Rate Rider for Disposition of Accounts Receivable Credits - effective until December 31, 2024	\$/kWh	(0.00006)	
Rate Rider for Disposition of PILs and Tax Variance - effective until December 31, 2024	\$/kWh	(0.00036)	
Rate Rider for Disposition of Deferral/Variance Accounts (2023) - effective until December 31, 2023	\$/kWh	0.00329	
Rate Rider for Disposition of Capacity Based Recovery Account (2023) - Applicable only for Class B Customers - effective until December 31, 2023	\$/kWh	(0.00015)	
Rate Rider for Disposition of Global Adjustment Account (2023) - Applicable only for Non-RPP Customers - effective until December 31, 2023	\$/kWh	(0.00251)	
Retail Transmission Rate - Network Service Rate	\$/kWh	0.01127	
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.00656	

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	(per 30 days)

Toronto Hydro-Electric System Limited

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-2022-0065

GENERAL SERVICE 50 TO 999 KW SERVICE CLASSIFICATION

This classification refers to a non-residential account whose monthly average peak demand is equal to or greater than 50 kW but less than 1,000 kW, or is forecast to be equal to or greater than 50 kW but less than 1,000 kW. This rate also applies to bulk metered residential apartment buildings or the house service of a residential apartment building with more than 6 units. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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.

The rate rider for the disposition of Post 2011 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	\$	55.52	(per 30 days)
Rate Rider for Disposition of Stranded Meter Assets - effective until December 31, 2024	\$	(0.47)	(per 30 days)
Distribution Volumetric Rate	\$/kVA	8.9153	(per 30 days)
Rate Rider for Disposition of Capital Related Revenue Requirement Variance Account - effective until December 31, 2024	\$/kVA	(0.4379)	(per 30 days)
Rate Rider for Disposition of Wireless Pole Attachment Revenue - effective until December 31, 2024	\$/kVA	(0.0013)	(per 30 days)
Rate Rider for Disposition of Expansion Deposits - effective until December 31, 2024	\$/kVA	(0.0699)	(per 30 days)
Rate Rider for Disposition of Accounts Receivable Credits - effective until December 31, 2024	\$/kVA	(0.0005)	(per 30 days)
Rate Rider for Disposition of PILs and Tax Variance - effective until December 31, 2024	\$/kVA	(0.0621)	(per 30 days)
Rate Rider for Disposition of Deferral/Variance Accounts (2023) - effective until December 31, 2023	\$/kVA	0.8996	(per 30 days)
Rate Rider for Disposition of Deferral/Variance Accounts for Non-Wholesale Market Participants (2023) - effective until December 31, 2023	\$/kVA	0.3679	(per 30 days)
Rate Rider for Disposition of Capacity Based Recovery Account (2023) - Applicable only for Class B Customers - effective until December 31, 2023	\$/kVA	(0.0578)	(per 30 days)
Rate Rider for Disposition of Global Adjustment Account (2023) - Applicable only for Non-RPP Customers - effective until December 31, 2023	\$/kWh	(0.00251)	
Retail Transmission Rate - Network Service Rate	\$/kW	3.8112	(per 30 days)
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.3701	(per 30 days)

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	(per 30 days)

Toronto Hydro-Electric System Limited

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-2022-0065

GENERAL SERVICE 1,000 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 1,000 kW but less than 5,000 kW, or is forecast to be equal to or greater than 1,000 kW but less than 5,000 kW. This rate also applies to bulk metered residential apartment buildings or the house service of a residential apartment building with more than 6 units. Class A and Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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.

The rate rider for the disposition of Post 2011 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	\$	1,046.03	(per 30 days)
Distribution Volumetric Rate	\$/kVA	7.3674	(per 30 days)
Rate Rider for Disposition of Capital Related Revenue Requirement Variance Account - effective until December 31, 2024	\$/kVA	(0.3301)	(per 30 days)
Rate Rider for Disposition of PILs and Tax Variance - effective until December 31, 2024	\$/kVA	(0.0468)	(per 30 days)
Rate Rider for Disposition of Wireless Pole Attachment Revenue - effective until December 31, 2024	\$/kVA	(0.0006)	(per 30 days)
Rate Rider for Disposition of Expansion Deposits - effective until December 31, 2024	\$/kVA	(0.0527)	(per 30 days)
Rate Rider for Disposition of Deferral/Variance Accounts (2023) - effective until December 31, 2023	\$/kVA	1.0560	(per 30 days)
Rate Rider for Disposition of Deferral/Variance Accounts for Non-Wholesale Market Participants (2023) - effective until December 31, 2023	\$/kVA	0.4277	(per 30 days)
Rate Rider for Disposition of Capacity Based Recovery Account (2023) - Applicable only for Class B Customers - effective until December 31, 2023	\$/kVA	(0.0592)	(per 30 days)
Rate Rider for Disposition of Global Adjustment Account (2023) - Applicable only for Non-RPP Customers - effective until December 31, 2023	\$/kWh	(0.00251)	
Retail Transmission Rate - Network Service Rate	\$/kW	3.6824	(per 30 days)
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.3677	(per 30 days)

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	(per 30 days)

Toronto Hydro-Electric System Limited

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-2022-0065

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

APPLICATION

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

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

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

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.

The rate rider for the disposition of Post 2011 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	\$	4,630.52	(per 30 days)
Distribution Volumetric Rate	\$/kVA	7.9826	(per 30 days)
Rate Rider for Disposition of Capital Related Revenue Requirement Variance Account - effective until December 31, 2024	\$/kVA	(0.3894)	(per 30 days)
Rate Rider for Disposition of Wireless Pole Attachment Revenue - effective until December 31, 2024	\$/kVA	(0.0006)	(per 30 days)
Rate Rider for Disposition of Expansion Deposits - effective until December 31, 2024	\$/kVA	(0.0622)	(per 30 days)
Rate Rider for Disposition of PILs and Tax Variance - effective until December 31, 2024	\$/kVA	(0.0552)	(per 30 days)
Rate Rider for Disposition of Deferral/Variance Accounts (2023) - effective until December 31, 2023	\$/kVA	1.0391	(per 30 days)
Rate Rider for Disposition of Deferral/Variance Accounts for Non-Wholesale Market Participants (2023) - effective until December 31, 2023	\$/kVA	0.4119	(per 30 days)
Rate Rider for Disposition of Capacity Based Recovery Account (2023) - Applicable only for Class B Customers - effective until December 31, 2023	\$/kVA	(0.0340)	(per 30 days)
Rate Rider for Disposition of Global Adjustment Account (2023) - Applicable only for Non-RPP Customers - effective until December 31, 2023	\$/kWh	(0.00251)	
Retail Transmission Rate - Network Service Rate	\$/kW	4.1977	(per 30 days)
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.6305	(per 30 days)

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	(per 30 days)

Toronto Hydro-Electric System Limited

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-2022-0065

STANDBY POWER SERVICE CLASSIFICATION

This classification refers to an account that has Load Displacement Generation and requires THESL to provide back- up service. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component - APPROVED ON AN INTERIM BASIS

Standby Charge - for a month where standby power is not provided. The charge is applied to the contracted amount (e.g. nameplate rating of generation facility).

Service Charge	\$	270.82	(per 30 days)
Distribution Volumetric Rate			
For General Service 50 - 999 kW Service Classification	\$/kVA	8.9153	(per 30 days)
For General Service 1,000 - 4,999 kW Service Classification	\$/kVA	7.3674	(per 30 days)
For Large Use Service Classification	\$/kVA	7.9826	(per 30 days)

Toronto Hydro-Electric System Limited

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-2022-0065

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less whose average monthly maximum demand at each location 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 THESL and the customer, based on detailed manufacturer information/ documentation with regard to electrical consumption of the unmetered load or periodic monitoring of actual consumption. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments there to 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	\$	6.84 (per 30 days)
Connection Charge (per connection)	\$	0.71 (per 30 days)
Distribution Volumetric Rate	\$/kWh	0.08606
Rate Rider for Disposition of Capital Related Revenue Requirement Variance Account - effective until December 31, 2024	\$/kWh	(0.00514)
Rate Rider for Disposition of Wireless Pole Attachment Revenue - effective until December 31, 2024	\$/kWh	(0.00003)
Rate Rider for Disposition of Expansion Deposits - effective until December 31, 2024	\$/kWh	(0.00082)
Rate Rider for Disposition of PILs and Tax Variance - effective until December 31, 2024	\$/kWh	(0.00073)
Rate Rider for Disposition of Deferral/Variance Accounts (2023) - effective until December 31, 2023	\$/kWh	0.00339
Rate Rider for Disposition of Capacity Based Recovery Account (2023) - Applicable only for Class B Customers - effective until December 31, 2023	\$/kWh	(0.00015)
Rate Rider for Disposition of Global Adjustment Account (2023) - Applicable only for Non-RPP Customers - effective until December 31, 2023	\$/kWh	(0.00250)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.00701
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.00463

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 (per 30 days)

Toronto Hydro-Electric System Limited

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2023

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EB-2022-0065

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

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per device)	\$	1.76	(per 30 days)
Distribution Volumetric Rate	\$/kVA	39.3057	(per 30 days)
Rate Rider for Disposition of Capital Related Revenue Requirement Variance Account - effective until December 31, 2024	\$/kVA	(2.4517)	(per 30 days)
Rate Rider for Disposition of Wireless Pole Attachment Revenue - effective until December 31, 2024	\$/kVA	(0.0120)	(per 30 days)
Rate Rider for Disposition of Expansion Deposits - effective until December 31, 2024	\$/kVA	(0.3914)	(per 30 days)
Rate Rider for Disposition of PILs and Tax Variance - effective until December 31, 2024	\$/kVA	(0.3476)	(per 30 days)
Rate Rider for Disposition of Deferral/Variance Accounts (2023) - effective until December 31, 2023	\$/kVA	1.0733	(per 30 days)
Rate Rider for Disposition of Capacity Based Recovery Account (2023) - Applicable only for Class B Customers - effective until December 31, 2023	\$/kVA	(0.0498)	(per 30 days)
Rate Rider for Disposition of Global Adjustment Account (2023) - Applicable only for Non-RPP Customers - effective until December 31, 2023	\$/kWh	(0.00251)	
Retail Transmission Rate - Network Service Rate	\$/kW	3.3900	(per 30 days)
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.8259	(per 30 days)

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	(per 30 days)

Toronto Hydro-Electric System Limited

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-2022-0065

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 utility's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	4.49	(per 30 days)
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Toronto Hydro-Electric System Limited

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2023

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EB-2022-0065

ALLOWANCES

Transformer Allowance for Ownership	\$/kVA	(0.62)	(per 30 days)
Primary Metering Allowance for Transformer Losses - applied to measured demand & 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

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

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Customer Administration

Account history	\$	25.00
Duplicate invoices for previous billing	\$	25.00
Request for other billing or system information	\$	25.00
Easement letter	\$	25.00
Income tax letter	\$	25.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	35.00
Returned cheque (plus bank charges)	\$	25.00
Special meter reads	\$	55.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	55.00

Non-Payment of Account

Late payment - per month (effective annual rate 19.56% per annum or 0.04896% compounded daily rate)	%	1.50
Reconnection charge - at meter - during regular hours	\$	120.00
Reconnection charge - at meter - after regular hours	\$	400.00
Reconnection charge - at meter - during regular hours	\$	300.00
Reconnection charge - at meter - after regular hours	\$	820.00

Other

Reconnection charge - at meter - during regular hours	\$	120.00
Reconnection charge - at meter - after regular hours	\$	400.00
Reconnection charge - at meter - during regular hours	\$	300.00
Reconnection charge - at meter - after regular hours	\$	820.00
Temporary service install & remove - overhead - no transformer	\$	2,040.00
Specific charge for access to the power poles (wireline attachments) - per pole/year	\$	36.05

Toronto Hydro-Electric System Limited

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2023

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EB-2022-0065

RETAIL SERVICE CHARGES (if applicable)

APPLICATION

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

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

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

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

Retail Service Charges refer to services provided by THESL to retailers or customers related to the supply of competitive electricity and are defined in the 2006 Electricity Distribution Rate Handbook.

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

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	1.0295
Total Loss Factor - Secondary Metered Customer > 5,000 kW	1.0172
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0192
Total Loss Factor - Primary Metered Customer > 5,000 kW	1.0070

SCHEDULE B
DECISION AND RATE ORDER
TORONTO HYDRO-ELECTRIC SYSTEM LIMITED
ACCOUNTING ORDER
EB-2022-0065
DECEMBER 8, 2022

ACCOUNTING ORDER

NEW VARIANCE ACCOUNTS – USEFUL LIFE CHANGES

In accordance with the OEB's decision on the 2020-2024 Custom IR application (EB-2018-0165), Toronto Hydro intends to complete a comprehensive depreciation study on its assets. Toronto Hydro intends to adopt changes in asset useful lives where material differences might exist between the study's recommendations and current practices. This change in useful lives would impact all components of Toronto Hydro's revenue requirement as they relate to changes in depreciation.

The purpose of the new Useful Life Changes variance accounts is to track the cumulative difference between the utility's net Plant, Property, and Equipment under its former and updated depreciation rates and any associated impacts as appropriate. The account will be effective from January 1, 2023 until the effective date of the next rebasing decision, unless otherwise directed by the OEB. The account will be cumulative and asymmetrical in favour of customers. The calculation of any entries made to the Useful Life Changes accounts and the prudence of any account balances will be subject to review and OEB approval at rebasing.

Carrying charges will apply to the opening revenue requirement balances in the account (exclusive of accumulated interest) at the OEB-approved rate for deferral and variance accounts. The carrying charges sub-account is being established on a provisional basis, to enable the consideration of carrying charges on the variance account, based on the calculation approach approved at rebasing.

Toronto Hydro will use the following sub-accounts to record the amounts:

- Account 1508, Other Regulatory Assets, Sub-account Useful Life Changes
- Account 1508, Other Regulatory Assets, Sub-account Useful Life Changes Carrying Charges

The sample accounting entries for the variance accounts are:

- A. To record entries in the Useful Life Changes variance account:
 - CR 1508 Other Regulatory Assets, Sub-account Useful Life Changes
 - DR 4305 Regulatory Debits
- B. To record the carrying charges on the Useful Life Changes variance account:
 - CR 1508 Other Regulatory Assets, Sub-account Useful Life Changes Carrying Charges
 - DR 6035 Other Interest Expense