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**Kathleen Burke**  
Director, Applications Delivery  
Regulatory Affairs

BY EMAIL AND RESS

August 26, 2021

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

Dear Ms. Long:

**EB-2021-0188 – Niagara Reinforcement Limited Partnership (NRLP) - Application for 2022  
Transmission Revenue Requirement**

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Hydro One Networks Inc. on behalf of Niagara Reinforcement Limited Partnership (NRLP), is submitting NRLP's annual Transmission Revenue Cap IR Application (the Application) for 2022 and prefiled evidence in support of the Application.

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

Sincerely,

A handwritten signature in cursive script that reads "Kathleen Burke".

Kathleen Burke

## EXHIBIT LIST

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1 **APPLICATION**

2  
3 **IN THE MATTER OF** the *Ontario Energy Board Act, 1998*, S.O.1998, c.15  
4 (Schedule B);

5  
6 **AND IN THE MATTER OF** an application by Niagara Reinforcement  
7 Limited Partnership by its general partner, Hydro One Indigenous  
8 Partnerships Inc. (HOIP), for an Order or Orders made pursuant to  
9 section 78 of the *Ontario Energy Board Act, 1998* approving rates and  
10 other charges for the transmission of electricity to be effective January  
11 1, 2022.

- 12  
13 1. The Applicant, Niagara Reinforcement LP (NRLP), is an Ontario limited partnership  
14 with its head office in Toronto. NRLP carries on the business, among other things, of  
15 owning and operating the transmission facilities related to the Niagara  
16 Reinforcement Project in southwestern Ontario, specifically circuits Q26M and  
17 Q35M connecting Allanburg Transformer Station and Middleport Transformer  
18 Station.  
19  
20 2. In the Ontario Energy Board's (the Board or the OEB) Decision and Order for NRLP's  
21 Revenue Cap Incentive Rate-setting (IR) application (EB-2018-0275), the OEB  
22 approved the proposed Revenue Cap IR methodology and determined that this  
23 framework would be used to determine NRLP's revenue requirement for the years  
24 2021 through to 2024.<sup>1</sup>

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<sup>1</sup> EB-2018-0275 – Decision and Order, Niagara Reinforcement LP, Application for 2020-2024 Transmission Rates, April 9, 2020, p.25-27.

- 1           3. This is an Application for NRLP's 2022 transmission revenue requirement to be  
2           determined formulaically, using the Revenue Cap IR methodology approved in EB-  
3           2018-0275.  
4
- 5           4. NRLP hereby applies to the OEB for an Order approving a total rates revenue  
6           requirement of \$8,260,769 for 2022, to be effective on January 1, 2022, along with  
7           an amendment to the 2022 Uniform Transmission Rates to allow for recovery of this  
8           amount.  
9
- 10          5. NRLP is not requesting approval to disburse any deferral and variance account  
11          balances in this Application.  
12
- 13          6. The total bill impact for a typical Hydro One medium density residential (R1)  
14          customer consuming 750 kWh monthly is a decrease of 0.02% or \$0.02 per month.  
15          A typical Hydro One General Service Energy less than 50 kW (GSe < 50 kW) customer  
16          consuming 2,000 kWh monthly will see a total bill decrease of 0.01% or \$0.05 per  
17          month. More information regarding the monthly bill impacts may be found in  
18          Exhibit A-4-1.  
19
- 20          7. In preparing this Application, NRLP has been guided by the OEB's *Filing*  
21          *Requirements for Electricity Transmission Rate Applications*.  
22
- 23          8. The written evidence filed with the OEB may be amended from time to time prior to  
24          the OEB's final decision on the Application.

1 **NOTICE AND FORM OF HEARING REQUESTED**

2

3 9. The application may be viewed on the Internet at the following address:  
4 [www.nrlp.ca](http://www.nrlp.ca).

5

6 10. The persons affected by this Application are all persons affected by Ontario's  
7 Uniform Transmission Rates. It is impractical to set out their names and addresses  
8 because they are too numerous.

9

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

15

16 **PROPOSED EFFECTIVE DATE**

17

18 12. NRLP requests that the OEB's rate order be effective January 1, 2022. In order to  
19 address the possibility that the requested rate order cannot be made effective by  
20 that time, NRLP requests an interim rate order making its current transmission  
21 revenue requirement and charges effective on an interim basis as of January 1,  
22 2022, and continuing the NRLP Deferral Account to recover any differences between  
23 the interim rates and final rates effective January 1, 2022, based on the OEB's  
24 Decision and Order herein.

1 **CONTACT INFORMATION**

2

3 13. NRLP requests that a copy of all documents filed with the Board by each party to  
4 this application be served on the Applicant and the Applicant's counsel, as follows:

5

6 **The Applicant:**

7 Ms. Eryn Mackinnon  
8 Senior Regulatory Coordinator – Regulatory Affairs  
9 Hydro One Networks Inc.

10

11 Mailing Address: 7<sup>th</sup> Floor, South Tower  
12 483 Bay Street  
13 Toronto, Ontario M5G 2P5

14

15 Telephone: (416) 345-4479

16 Fax: (416) 345-5866

17 Email: [regulatory@HydroOne.com](mailto:regulatory@HydroOne.com)

18

19 **The Applicant's Counsel:**

20 Michael Engelberg  
21 Assistant General Counsel  
22 Hydro One Networks Inc.

23

24 Mailing Address: 8<sup>th</sup> Floor, South Tower  
25 483 Bay Street  
26 Toronto, Ontario M5G 2P5

1 Telephone: (416) 277-4692  
2 Fax: (416) 345-6972  
3 Email: [mengelberg@HydroOne.com](mailto:mengelberg@HydroOne.com)  
4

5 **DATED** at Toronto, Ontario, this 26<sup>th</sup> day of August, 2021.  
6

7 By its counsel,

8  
9   
10 \_\_\_\_\_

11 Michael Engelberg

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**CERTIFICATION OF EVIDENCE**

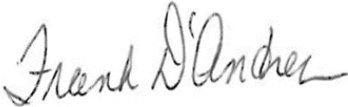
TO: ONTARIO ENERGY BOARD

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The undersigned, being Hydro One Networks Inc.'s (HONI) Vice-President Reliability Standards and Chief Regulatory Officer, Frank D'Andrea, hereby certifies for and on behalf of NRLP that:

1. NRLP has engaged HONI to prepare and submit this Application on its behalf;
2. I am a senior officer of HONI;
3. This certificate is given pursuant to Chapter 1 of the Ontario Energy Board's *Filing Requirements for Electricity Transmission Applications* (last revised on February 11, 2016);
4. The evidence submitted in support of Niagara Reinforcement Limited Partnership's 2022 transmission revenue requirement application (EB-2021-0188) is accurate, consistent and complete to the best of my knowledge; and
5. The evidence submitted does not contain any personal information filed herein (as that phrase is defined in the Freedom of Information and Protection of Privacy Act), that is not otherwise redacted in accordance with rule 9A of the OEB's *Rules of Practice and Procedure*.

**DATED** this 26<sup>th</sup> day of August, 2021.



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FRANK D'ANDREA



1 **SUMMARY OF OEB DIRECTIVES AND COMPLIANCE WITH PRIOR OEB**  
2 **DECISIONS**  
3

4 This exhibit provides a summary of directives and undertakings from the prior OEB proceedings  
5 and provides a status update or explains the steps that NRLP has taken to address the OEB’s  
6 direction as part of this Application.  
7

8 **1. EB-2020-0225 – NIAGARA REINFORCEMENT LIMITED PARTNERSHIP, APPLICATION FOR**  
9 **ELECTRICITY TRANSMISSION REVENUE REQUIREMENT BEGINNING JANUARY 1, 2021**  
10

11 NRLP filed an application to the OEB for approval of its base transmission revenue requirement in  
12 2021. The proposal was based on the OEB-approved revenue cap index mechanism, established  
13 in NRLP’s 2020 transmission revenue application (EB-2018-0275).<sup>1</sup>  
14

15 As directed by the OEB in the 2020 transmission revenue application, NRLP incorporated changes  
16 resulting from its 2020 long-term debt refinancing activities into its revenue requirement for  
17 2021. As described in the Settlement Proposal, the OEB directed NRLP to incorporate any changes  
18 resulting from the 2020 refinancing of the long-term debt into its revenue requirement update  
19 for 2021.<sup>2</sup> Table 1 illustrates the updated long-term debt rate calculation  
20

21 **Table 1 – Adjusted Weighted Average of Long Term Debt Rate**

<b>Long Term Debt Rate</b>	<b>Period of Use</b>	<b>Total Months Elapsed</b>
<b>3.05%</b>	January 1 to April 30, 2020	4 months
<b>2.34%</b>	May 1, 2020 to December 31, 2020	8 months
<b>2.58%</b>	Updated Weighted Average LTD Rate for 2020	

<sup>1</sup> EB-2018-0275 – Decision and Order, Niagara Reinforcement Limited Partnership, Application for 2020-2024 Transmission Rates, April 9, 2020, p.25.  
<sup>2</sup> EB-2018-0275, Decision and Order, Page 4 – April 9, 2020

1 This update reduced the cost of long-term debt to 2.58% rather than continuing to utilize the  
2 deemed long-term debt rate of 3.05% approved in EB-2018-0275. This adjustment was necessary  
3 to establish an adjusted 2020 base revenue requirement for determining the 2021 base revenue  
4 requirement as contemplated by the decision in EB-2018-0275. The breakdown of the debt  
5 instruments supporting the long-term debt rate beginning May 1, 2020, were provided as Exhibit  
6 A-3-1, Attachment 1 of EB-2018-0275.

7

8 The OEB denied NRLP's request for a long-term debt rate of 2.58%, approving a rate of 2.34%.<sup>3</sup>

9

10 The OEB approved long-term debt rate of 2.34% for the years 2021 to 2024, and this rate is used  
11 in this Application (Exhibit A-3-1, Attachment 1).

12

## 13 **2. EB-2020-0251 – 2021 UNIFORM TRANSMISSION RATES & UPDATE**

14

15 In EB-2020-0251, the OEB approved the 2021 UTR rate schedules along with NRLP's 2021 revenue  
16 requirement of \$8,227,858, foregone revenue of \$4,148,691, and interest of \$79,218, for a total  
17 2021 UTR revenue requirement of \$12,455,767.

18

19 The OEB denied NRLP's request to track any difference between the most recently posted OEB  
20 prescribed quarterly interest rate and the actual quarterly interest rate in 2021, finding it unlikely  
21 that differences between the current and future period interest rates will meet the materiality  
22 threshold for NRLP.

23

24 The 2021 revenue requirement forms the basis for the calculation of the 2022 revenue  
25 requirement in this Application.

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<sup>3</sup> In EB-2018-0275, NRLP forecasted a weighted average long-term debt rate of 3.05% for 2020. In EB-2020-0275, the proposed 2021 revenue requirement was calculated based on a revised average long-term debt rate of 2.58% which was denied by the OEB and reset to 2.34%.

1 **3. EB-2018-0275 – NIAGARA REINFORCEMENT LIMITED PARTNERSHIP APPLICATION FOR 2020-**  
2 **2024 TRANSMISSION RATES**

3  
4 NRLP filed its initial application to the OEB for approval of its base transmission revenue  
5 requirement in 2020. The proposal was to establish a 2020 base transmission revenue  
6 requirement through an incentive rate-setting framework, which takes the form of a revenue cap  
7 index mechanism.

8  
9 In its Decision and Order, the OEB approved the incentive rate-setting framework, including a  
10 Settlement Capital Adjustment Factor (SCAF) of 0.6%, and an inflation factor multiplier of 50%<sup>4</sup>  
11 for determining NRLP's rates in 2020 and indicated that it expects NRLP to continue to use this  
12 Board-approved framework throughout the OEB-approved rebasing period (i.e. from 2021  
13 through 2024) by filing annual revenue cap applications.<sup>5</sup>

14  
15 The OEB-approved incentive rate-setting framework, SCAF, and inflation factor multiplier used in  
16 this Application for calculating the 2022 revenue requirement.

17  
18 **3.1 LONG-TERM COST OF DEBT UPDATE & SETTING THE ADJUSTED 2020 BASE REVENUE**  
19 **REQUIREMENT**

20  
21 The OEB directed NRLP to update the long-term debt rate to reflect the actual cost of long-term  
22 debt that will apply in 2021 and as part of the first annual update for rates in 2021 (EB-2020-  
23 0225). As directed by the OEB in the EB-2018-0275 decision, NRLP updated the long-term debt  
24 rate to reflect the actual cost of long-term debt as part of the application.

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<sup>4</sup> Specific to the inflation factor, a reduction of half of the Inflation Factor was approved by the OEB in order to reflect the specific circumstances of NRLP. Namely, there are no capital investments forecast over the period of the Application (2020-2024); and OM&A expenses, which make up a small portion of NRLP's annual revenue requirement, are managed primarily through a Service Level Agreement (SLA).

<sup>5</sup> EB-2018-0275 – Decision and Order, Niagara Reinforcement Limited Partnership, Application for 2020-2024 Transmission Rates, April 9, 2020, p.25-27.

1 At the time of filing EB-2018-0275, NRLP did not have any actual existing debt at third-party  
2 market rates. Instead, NRLP used the OEB's deemed long-term debt rate for debt up to April 29,  
3 2020, and a forecast of the debt refinancing scheduled for April 30, 2020. NRLP had forecast a  
4 weighted average cost of long-term debt of 3.05% for 2020.

5

6 This Application, and as noted above in section 1, Exhibit A-3-1, Attachment 1, provides the  
7 breakdown of the long-term debt rate used to calculate the 2022 revenue requirement

## APPLICATION SUMMARY

### 1.0 INTRODUCTION

This Schedule describes NRLP's 2022 transmission revenue requirement application (the "Application").

The 2022 transmission base revenue requirement of \$8,260,769 has been determined formulaically, using the revenue cap IR methodology approved in EB-2018-0275.

NRLP is requesting that the Ontario Energy Board (OEB) approve the total rates revenue requirement to be effective on January 1, 2022.

Approval of the 2022 rates revenue requirement results in a total bill decrease for a typical Hydro One medium density residential (R1) customer consuming 750 kWh monthly of 0.02% or \$0.02 per month. A typical Hydro One General Service Energy less than 50 kW (GSe < 50 kW) customer consuming 2,000 kWh monthly will see a total bill decrease of 0.01% or \$0.05 per month. More information regarding the monthly bill impacts may be found below in Section 3.3.

### 2.0 CUSTOM REVENUE CAP INDEX ADJUSTMENT

In the Decision for NRLP's Revenue Cap IR Application, the OEB accepted the Revenue Cap IR methodology approach for adjusting NRLP's transmission revenue requirement for the rate periods 2021 to 2024.<sup>1</sup>

---

<sup>1</sup> Decision and Order, EB-2018-0275, Niagara Reinforcement Limited Partnership, Application for 2020-2024 Transmission Rates, April 9, 2020, p.6.

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

3

4

$$RCI = (0.5 \times I) - SCAF$$

5

Where:

6

“I” is the Inflation Factor, based on Hydro One Networks Inc.’s custom weighted two-factor  
7 input price index;

7

8

“SCAF” is the Settlement Capital Adjustment Factor, which was approved by the OEB to be  
9 equal to 0.6%.

9

10

11

In its Decision and Order for NRLP’s 2020 revenue requirement, the OEB approved the use of an  
12 industry-specific inflation factor. At the time of filing of this Application, the OEB has not yet  
13 released the inflation factor applicable for revenue requirement applications beginning January  
14 1, 2022. NRLP will be providing an update to the revenue requirement calculation for 2022 rates  
15 once it is released. Currently, the inflation rate used is 2.0%, which was the OEB-approved  
16 industry-specific inflation rate for 2021 applications effective January 1, 2021.

17

18

Specific to the inflation factor, a reduction of half of the Inflation Factor was approved by the  
19 OEB in order to reflect the specific circumstances of NRLP. Namely, there are no capital  
20 investments forecast over the period of the Application (2020-2024); and OM&A expenses,  
21 which make up a small portion of NRLP’s annual revenue requirement, are managed primarily  
22 through a Service Level Agreement (SLA).

23

24

In NRLP’s 2020 revenue cap IR application proceeding EB-2018-0275, the OEB approved a  
25 settlement productivity factor (“Settlement Capital Adjustment Factor”, or SCAF) of 0.6%, which  
26 the Settlement Agreement explained is established to, “account for NRLP’s circumstances  
27 wherein the rate base of the company, and the resulting capital costs, generally decline over

1 time".<sup>2</sup> The OEB approved this Settlement Factor for the duration of NRLP's OEB-approved  
2 revenue cap framework, i.e. until 2024.

3

4 Table 1 summarizes the approved components of the RCI for 2022. The Inflation Factor in Table  
5 1 will be updated annually. NRLP's RCI adjustment and components, apart from the annual  
6 update for inflation, will remain unchanged throughout the 2021-2024 term.

7

8

**Table 1 – 2022 Custom Revenue Cap Index (RCI) by Component (%)**

<b>Custom Revenue Cap Index by Component (%)</b>	<b>2022</b>
Inflation Factor (I)	2.00
50% of inflation factor	(1.00)
Settlement Capital Adjustment Factor (SCAF)	(0.60)
<b>Total Revenue Cap Index (RCI)</b>	<b>0.40</b>

9

10 In the OEB's Decision and Order for NRLP's 2021 revenue requirement, and discussed in Exhibit  
11 A-3-1, the OEB denied NRLP's proposed long-term debt rate of 2.58%, setting the rate at 2.34%.  
12 This update reduced NRLP's 2021 revenue requirement to \$8,227,858. The updated cost of  
13 NRLP's long-term debt was approved by the OEB for the years 2021 to 2024. Since the OEB  
14 approved the long-term debt rate for the years 2021 to 2024, there is no long-term debt  
15 adjustment to the 2021 base revenue requirement calculation shown in Table 2. For  
16 completeness, Exhibit A-3-1, Attachment 1 is included in this Application to show the derivation  
17 of the 2.34% long-term debt rate.

---

<sup>2</sup> Decision and Order, EB-2018-0275, Niagara Reinforcement Limited Partnership, Application for 2020-2024 Transmission Rates, April 9, 2020, p.21.

1

**Table 2 – 2022 Base Revenue Requirement**

Year	Formula	Base Revenue Requirement
2021	OEB-approved revenue requirement	\$8,227,858 <sup>3</sup>
2022	2021 Base Revenue Requirement x RCI* = \$8,227,858 x 1.004	\$8,260,769

2

\* RCI from Table 1.

3

4 **3.0 DEFERRAL AND VARIANCE ACCOUNTS**

5 NRLP is not requesting approval to disburse any deferral and variance account balances in this  
6 Application.

7

8 **4.0 RATES**

9 **4.1 RATES REVENUE REQUIREMENT AND CHARGE DETERMINANTS BY RATE POOL**

10 The proposed 2022 rates revenue requirement for NRLP is \$8,260,769 as shown in Table 3  
11 below. NRLP does not have charge determinants for setting UTRs as it does not have any  
12 customer delivery points supplied directly from its assets. As previously approved by the OEB,  
13 the NRLP revenue requirement is allocated to the provincial Network rate pool only, as all its  
14 assets serve the Transmission Network, with no Transformation or individual customer  
15 services.<sup>4</sup>

---

<sup>3</sup>Decision and Order, Niagara Reinforcement Limited Partnership, Application for electricity transmission revenue requirement beginning January 1, 2021, EB-2020-0225, December 17, 2020. OEB-Approved 2021 Base Revenue Requirement utilizing deemed LTD rate of 2.34%.

<sup>4</sup> Most recently approved the OEB Decision and Order in EB-2021-0176.



1

**Table 3 – 2021 Rates Revenue Requirement by Rate Pool**

	Network	Line Connection	Transformation Connection	UTR Revenue Requirement
<b>2022 Base Revenue Requirement<sup>1</sup></b>	\$8,260,769	-	-	\$8,260,769
<b>2022 Deferral &amp; Variance Accounts Disposition<sup>2</sup></b>	-	-	-	-
<b>2022 Rates Revenue Requirement</b>	\$8,260,769	-	-	\$8,260,769

<sup>1</sup> As per Table 2

<sup>2</sup> As per Section 3.0

2

3 **4.2 BILL IMPACTS**

4 An update to the estimated average transmission cost as a percentage of the total bill for a  
 5 transmission and a distribution-connected customer is presented in Table 4.

6

7 **Table 4 – Estimated Transmission Cost as a Percentage of Total Electricity Market Costs**

	Cost Component	¢/kWh	Source*
A	Commodity	12.58	IESO Monthly Market Report December 2019 (YTD Weighted Average Rate)
B	Wholesale Market Service Charges	0.39	IESO Monthly Market Report December 2019
C	Wholesale Transmission Charges	1.06	IESO Monthly Market Report December 2019
D	Distribution Service Charges	3.02	2019 Yearbook of Electricity Distributors
E	<b>Total Monthly Cost for Tx-connected customers</b>	<b>14.03</b>	E=A+B+C
F	<b>Total Monthly Cost for Dx-connected customers</b>	<b>17.05</b>	F=A+B+C+D
G	<i>Transmission as % of Total Cost for Tx-connected customers</i>	7.6%	G=C/E
H	<i>Transmission as % of Total Cost for Dx-connected customers</i>	6.2%	H=C/F

\* 2020 Yearbook of Electricity Distributors is not yet available

8 NRLP's proposed 2022 rates revenue requirement represents a 33.7% reduction from the  
 9 approved 2021 rates revenue requirement, which incorporated a one year disposition of

1 forgone revenue and interest rates to the approved 2021 rates revenue requirement.<sup>5</sup> NRLP's  
 2 rates revenue requirement represents 0.7% of the total revenue requirement across all  
 3 transmitters.<sup>6</sup> As such, the proposed 2022 rates revenue requirement results in a net impact of -  
 4 0.22% on average transmission rates. A summary of the average bill impact as a result of the  
 5 2022 rates revenue requirement relative to the approved 2021 rates revenue requirement is  
 6 presented in Table 5.

7

8 **Table 5 – Average Bill Impacts on Transmission and Distribution - Connected Customers**

	<b>2021*</b>	<b>2022**</b>
Rates Revenue Requirement	\$ 12,455,767	\$ 8,260,769
% Change in Rates Revenue Requirement over prior year		-33.7%
% Impact of load forecast change		0.0%
<b>Net Impact on Average Transmission Rates***</b>		<b>-0.22%</b>
Transmission as a % of Tx-connected customer's Total Bill		7.6%
<b>Estimated Average Transmission Customer Bill impact</b>		<b>-0.017%</b>
Transmission as a % of Dx-connected customer's Total Bill		6.2%
<b>Estimated Average Distribution Customer Bill impact</b>		<b>-0.014%</b>

\* 2021 Rates Revenue Requirement per Decision EB-2021-0176 dated June 24, 2021

\*\* 2022 Rates Revenue Requirement per Table 3

\*\*\*The calculation of net impact on transmission rates accounts for NRLP's 2021 rates revenue requirement as 0.7% of the total rates revenue requirement across all transmitters (0.7% x -33.7% = -0.22%) based on EB-2021-0176 2021 UTR Order, Schedule A dated on June 24, 2021

<sup>5</sup> EB-2020-0251 - Decision and Rate Order for 2021 Uniform Transmission Rates issued on December 17, 2020

<sup>6</sup> NRLP's UTR revenue requirement divided by all transmitters' rates revenue requirement (\$12,455,767/ \$ 1,879,548,293=0.7%), per EB-2021-0176 - Decision and Rate Order Schedule A for 2021 Uniform Transmission Rates and Revenue Disbursement Allocators issued on June 24, 2021

1 As discussed in Section 4.1, NRLP’s rates revenue requirement is wholly allocated to the  
 2 Network rate pool. Subsequently, the total bill impact for a typical Hydro One medium density  
 3 residential (R1) customer consuming 750 kWh monthly and a typical Hydro One General Service  
 4 Energy less than 50 kW (GSe < 50 kW) customer consuming 2,000 kWh monthly is determined  
 5 based on the forecast increase in the customer’s Network Retail Transmission Service Rates  
 6 (RTSR-N), which reflects the changes in UTRs since the current RTSRs were determined<sup>7</sup>, as  
 7 detailed in Table 6 below.

8  
 9

**Table 6 - 2022 Total Bill Impacts for Distribution-Connected Customers**

	<b>Typical Medium Density (HONI R1) Residential Customer Consuming 750 kWh per Month</b>	<b>Typical General Service Energy less than 50 kW (HONI GSe &lt; 50kW) Customer Consuming 2,000 kWh per Month</b>
Total Bill as of Jul 1, 2021 <sup>1</sup>	\$127.23	\$400.10
RTSR included in 2021 Bill <sup>2</sup>	\$12.51	\$26.52
<i>Estimated 2021 Monthly RTSR<sup>3</sup></i>	\$12.53	\$26.57
<i>Estimated 2022 Monthly RTSR<sup>3</sup></i>	\$12.51	\$26.52
<b>2022 Change in Monthly Bill</b>	(\$0.02)	(\$0.05)
<i>2022 change as a % of total bill</i>	-0.019%	-0.013%

<sup>1</sup>Total bill including HST, based on time-of-use commodity prices effective May 1, 2021 and distribution rates effective July 1, 2021 approved per Distribution Rate Order EB-2020-0194, dated May 27, 2021

<sup>2</sup>The approved 2021 RTSR is based on the 2020 Ontario Interim Uniform Transmission Rate Schedules EB-2019-0296, issued on December 19, 2019

<sup>3</sup>The impact on RTSR-N is assumed to be the net impact on average transmission rates, adjusted for NRLP's 2021 Network rate pool revenue disbursement allocator (1.064%) per 2021 Uniform Transmission Rates (UTRs) Schedule A EB-2021-0176, effective July 1, 2021

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<sup>7</sup> Hydro One’s current 2021 RTSRs are based on the 2020 Interim UTRs per EB-2019-0296, Decision and Rate Order dated December 19, 2019