



**EB-2011-0170**

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

**AND IN THE MATTER OF** an application by Haldimand County Hydro Inc. for an order or orders approving or fixing just and reasonable distribution rates and other charges, to be effective May 1, 2012.

**BEFORE:** Karen Taylor  
Presiding Member

Paula Conboy  
Member

## **DECISION AND ORDER**

### **Introduction**

Haldimand County Hydro Inc. (“Haldimand”), a licensed distributor of electricity, filed an application with the Ontario Energy Board (the “Board”) on September 30, 2011 under section 78 of the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, (Schedule B), seeking approval for changes to the rates that Haldimand charges for electricity distribution, to be effective May 1, 2012.

Haldimand is one of 77 electricity distributors in Ontario regulated by the Board. The *Report of the Board on 3<sup>rd</sup> Generation Incentive Regulation for Ontario’s Electricity Distributors* (the “IR Report”), issued on July 14, 2008, establishes a three year plan term for 3<sup>rd</sup> generation incentive regulation mechanism (“IRM”) (i.e., rebasing plus three years). In its October 27, 2010 letter regarding the development of a Renewed Regulatory Framework for Electricity (“RRFE”), the Board announced that it was

extending the IRM plan until such time as the RRFE policy initiatives have been substantially completed. As part of the plan, Haldimand is one of the electricity distributors that will have its rates adjusted for 2012 on the basis of the IRM process, which provides for a mechanistic and formulaic adjustment to distribution rates and charges between cost of service applications.

To streamline the process for the approval of distribution rates and charges for distributors, the Board issued its IR Report, its *Supplemental Report of the Board on 3<sup>rd</sup> Generation Incentive Regulation for Ontario's Electricity Distributors* on September 17, 2008 (the "Supplemental Report"), and its *Addendum to the Supplemental Report of the Board on 3<sup>rd</sup> Generation Incentive Regulation for Ontario's Electricity Distributors* on January 28, 2009 (collectively the "Reports"). Among other things, the Reports contain the relevant guidelines for 2012 rate adjustments for distributors applying for distribution rate adjustments pursuant to the IRM process. On June 22, 2011, the Board issued an update to Chapter 3 of the Board's *Filing Requirements for Transmission and Distribution Applications* (the "Filing Requirements"), which outlines the application filing requirements for IRM applications based on the policies in the Reports.

By letter dated November 15, 2011, the Board determined that Haldimand's request for the disposition of Account 1562 - Deferred Payments in Lieu of Taxes ("PILs") is not consistent with the various decisions made in the course of the Combined PILS proceeding<sup>1</sup>. Accordingly, the Board determined that it would not hear the application for the disposition of Account 1562 as part of this proceeding but would consider it on a stand-alone basis in a separate application. The Board noted its expectation that Haldimand would address the disposition of Account 1562 in a stand-alone application to be filed no later than April 1, 2012.

Notice of Haldimand's rate application was given through newspaper publication in Haldimand's service area advising interested parties where the rate application could be viewed and advising how they could intervene in the proceeding or comment on the application. Three letters of comment were received. The Vulnerable Energy Consumers Coalition ("VECC") was granted intervenor status in this proceeding. The Board granted VECC eligibility for cost awards in regards to Haldimand's request for lost revenue adjustment mechanism ("LRAM") recovery. Board staff also participated in the proceeding. The Board proceeded by way of a written hearing.

---

<sup>1</sup> EB-2008-0381 Account 1562 Deferred PILs Combined Proceeding

While the Board has considered the entire record in this proceeding, it has made reference only to such evidence as is necessary to provide context to its findings. The following issues are addressed in this Decision and Order:

- Price Cap Index Adjustment;
- Rural or Remote Electricity Rate Protection Charge;
- Shared Tax Savings Adjustments;
- Retail Transmission Service Rates;
- Fixed/Variable Revenue Split Adjustment – Residential Rate Class;
- Review and Disposition of Group 1 Deferral and Variance Account Balances;
- Review and Disposition of Account 1521: Special Purpose Charge; and
- Review and Disposition of Lost Revenue Adjustment Mechanism.

### **Price Cap Index Adjustment**

As outlined in the Reports, distribution rates under the 3<sup>rd</sup> Generation IRM are to be adjusted by a price escalator, less a productivity factor (X-factor) of 0.72% and a stretch factor.

On March 13, 2012, the Board announced a price escalator of 2.0% for those distributors under IRM that have a rate year commencing May 1, 2012.

The stretch factors are assigned to distributors based on the results of two benchmarking evaluations to divide the Ontario industry into three efficiency cohorts. In its letter to Licensed Electricity Distributors dated December 1, 2011 the Board assigned Haldimand to efficiency cohort 2 and a cohort specific stretch factor of 0.4%.

On that basis, the resulting price cap index adjustment is 0.88%. The price cap index adjustment applies to distribution rates (fixed and variable charges) uniformly across customer classes that are not eligible for Rural or Remote Electricity Rate Protection.

The price cap index adjustment will not apply to the following components of delivery rates:

- Rate Riders;
- Rate Adders;
- Low Voltage Service Charges;

- Retail Transmission Service Rates;
- Wholesale Market Service Rate;
- Rural or Remote Rate Protection Charge;
- Standard Supply Service – Administrative Charge;
- Transformation and Primary Metering Allowances;
- Loss Factors;
- Specific Service Charges;
- MicroFIT Service Charges; and
- Retail Service Charges.

### **Rural or Remote Electricity Rate Protection Charge**

On December 21, 2011, the Board issued a Decision with Reasons and Rate Order (EB-2011-0405) establishing the Rural or Remote Electricity Rate Protection (“RRRP”) benefit and charge for 2012. The Board amended the RRRP charge to be collected by the Independent Electricity System Operator from the current \$0.0013 per kWh to \$0.0011 per kWh effective May 1, 2012. The draft Tariff of Rates and Charges flowing from this Decision and Order will reflect the new RRRP charge.

### **Shared Tax Savings Adjustments**

In its Supplemental Report, the Board determined that a 50/50 sharing of the impact of currently known legislated tax changes, as applied to the tax level reflected in the Board-approved base rates for a distributor, is appropriate.

The calculated annual tax reduction over the IRM plan term will be allocated to customer rate classes on the basis of the Board-approved base-year distribution revenue. These amounts will be refunded to customers each year of the plan term, over a 12-month period, through a volumetric rate rider using annualized consumption by customer class underlying the Board-approved base rates.

Haldimand’s application identified a total tax savings of \$194,660 resulting in a shared amount of \$97,330 to be refunded to ratepayers.

The Board approves the disposition of the shared tax savings of \$97,330 over a one year period (i.e. May 1, 2012 to April 30, 2013) and the associated rate riders for all customer rate classes.

## Retail Transmission Service Rates

Electricity distributors are charged the Ontario Uniform Transmission Rates (“UTRs”) at the wholesale level and subsequently pass these charges on to their distribution customers through the Retail Transmission Service Rates (“RTSRs”). Variance accounts are used to capture timing differences and differences in the rate that a distributor pays for wholesale transmission service compared to the retail rate that the distributor is authorized to charge when billing its customers (i.e. variance Accounts 1584 and 1586).

On June 22, 2011 the Board issued revision 3.0 of the *Guideline G-2008-0001 - Electricity Distribution Retail Transmission Service Rates* (the “RTSR Guideline”). The RTSR Guideline outlines the information that the Board requires electricity distributors to file to adjust their RTSRs for 2012. The RTSR Guideline requires electricity distributors to adjust their RTSRs based on a comparison of historical transmission costs adjusted for the new UTR levels and the revenues generated under existing RTSRs. The objective of resetting the rates is to minimize the prospective balances in Accounts 1584 and 1586. In order to assist electricity distributors in the calculation of the distributors’ specific RTSRs, Board staff provided a filing module.

On December 20, 2011 the Board issued its Rate Order for Hydro One Transmission (EB-2011-0268) which adjusted the UTRs effective January 1, 2012, as shown in the following table:

### 2012 Uniform Transmission Rates

Network Service Rate	\$3.57 per kW
<u>Connection Service Rates</u>	
Line Connection Service Rate	\$0.80 per kW
Transformation Connection Service Rate	\$1.86 per kW

The Board finds that these 2012 UTRs are to be incorporated into the filing module.

## Fixed/Variable Revenue Split Adjustment – Residential Rate Class

In order to implement the fixed/variable revenue split adjustment for the residential rate class proposed in the EB-2009-0265 Settlement Agreement and approved by the

Board, Haldimand proposed to increase the fixed ratio to 42.0% and decrease the variable ratio to 58.0% for the residential rate class.

The Board approves the fixed/variable revenue split adjustments for the residential rate class as filed. The Board notes that the proposed fixed/variable revenue split adjustments are in accordance with the Board's findings in EB-2009-0265.

### **Review and Disposition of Group 1 Deferral and Variance Account Balances**

The *Report of the Board on Electricity Distributors' Deferral and Variance Account Review Report Initiative* (the "EDDVAR Report") provides that, during the IRM plan term, the distributor's Group 1 account balances will be reviewed and disposed if the preset disposition threshold of \$0.001 per kWh (debit or credit) is exceeded. The onus is on the distributor to justify why any account balance in excess of the threshold should not be disposed.

Haldimand's 2010 actual year-end combined total balance for Group 1 Accounts including interest projected to April 30, 2012 is a credit of \$1,356,288. Haldimand proposed to dispose of this credit amount over a one-year period.

In its submission, Board staff noted that the principal amounts to be disposed as of December 31, 2010 reconcile with the amounts reported as part of the *Reporting and Record-keeping Requirements* ("RRR"). Therefore, Board staff submitted that the amounts should be disposed on a final basis. Board staff further submitted that Haldimand's proposal for a one-year disposition period is in accordance with the EDDVAR Report.

The Board approves, on a final basis, the disposition of a credit balance of \$1,356,288 as of December 31, 2010, including interest as of April 30, 2012 for Group 1 accounts. These balances are to be disposed over a one year period from May 1, 2012 to April 30, 2013.

The table below identifies the principal and interest amounts approved for disposition for Group 1 Accounts.

Account Name	Account Number	Principal Balance A	Interest Balance B	Total Claim C = A + B
LV Variance Account	1550	-\$79,821	-\$2,531	-\$82,352
RSVA - Wholesale Market Service Charge	1580	-\$608,186	-\$15,423	-\$623,609
RSVA - Retail Transmission Network Charge	1584	\$54,135	\$2,559	\$56,694
RSVA - Retail Transmission Connection Charge	1586	-\$191,378	-\$2,984	-\$194,362
RSVA - Power (excluding Global Adjustment)	1588	-\$4,531	-\$1,506	-\$6,037
RSVA - Power – Global Adjustment Sub-Account	1588	-\$492,148	-\$14,474	-\$506,622
Recovery of Regulatory Asset Balances	1590	0	0	0
Disposition and Recovery of Regulatory Balances (2008)	1595	0	0	0
Disposition and Recovery of Regulatory Balances (2009)	1595	0	0	0
<b>Group 1 Total</b>		<b>-\$1,321,929</b>	<b>-\$34,359</b>	<b>-\$1,356,288</b>

For accounting and reporting purposes, the respective balance of each Group 1 account approved for disposition shall be transferred to the applicable principal and interest carrying charge sub-accounts of Account 1595 pursuant to the requirements specified in Article 220, Account Descriptions, of the *Accounting Procedures Handbook for Electricity Distributors*. The date of the journal entry to transfer the approved account balances to the sub-accounts of Account 1595 is the date on which disposition of the balances is effective in rates, which generally is the start of the rate year (e.g. May 1). This entry should be completed on a timely basis to ensure that these adjustments are included in the June 30, 2012 (3<sup>rd</sup> Quarter) RRR data reported.

### **Review and Disposition of Account 1521: Special Purpose Charge**

The Board authorized Account 1521, Special Purpose Charge Assessment (“SPC”) Variance Account in accordance with Section 8 of *Ontario Regulation 66/10 (Assessments for Ministry of Energy and Infrastructure Conservation and Renewable*

*Energy Program Costs*) (the “SPC Regulation”). Accordingly, any difference between (a) the amount remitted to the Minister of Finance for the distributor’s SPC assessment and (b) the amounts recovered from customers on account of the assessment were to be recorded in “Sub-account 2010 SPC Assessment Variance” of Account 1521.

In accordance with Section 8 of the SPC Regulation, distributors are required to apply no later than April 15, 2012 for an order authorizing the disposition of any residual balance in sub-account 2010 SPC Assessment Variance. The Filing Requirements sets out the Board’s expectation that requests for disposition of this account balance would be heard as part of the proceedings to set rates for the 2012 year.

Haldimand requested the disposition of a residual debit balance of \$22,573 as at December 31, 2010, plus collections in 2011 and carrying costs until April 30, 2012 over a one year period.

Board staff submitted that despite the usual practice, the Board should authorize the disposition of Account 1521 as of December 31, 2010, plus the amounts recovered from customers in 2011, including interest, because the account balance does not require a prudence review, and electricity distributors are required by regulation to apply for disposition of this account. Board staff submitted that the \$22,573 debit balance in Account 1521 should be approved for disposition on a final basis.

The Board approves, on a final basis, the disposition of a debit balance of \$22,573 representing principal and interest to April 30, 2012 over a one-year period, from May 1, 2012 to April 30, 2013. The Board directs Haldimand to close Account 1521 effective May 1, 2012.

For accounting and reporting purposes, the balance of Account 1521 shall be transferred to the applicable principal and interest carrying charge sub-accounts of Account 1595 pursuant to the requirements specified in Article 220, Account Descriptions, of the *Accounting Procedures Handbook for Electricity Distributors*. The date of the journal entry to transfer the approved account balances to the sub-accounts of Account 1595 is the date on which disposition of the balances is effective in rates, which generally is the start of the rate year (e.g. May 1). This entry should be completed on a timely basis to ensure that these adjustments are included in the June 30, 2012 (3<sup>rd</sup> Quarter) RRR data reported.

## **Review and Disposition of Lost Revenue Adjustment Mechanism (“LRAM”)**

The Board’s *Guidelines for Electricity Distributor Conservation and Demand Management* (the “CDM Guidelines”) issued on March 28, 2008 outline the information that is required when filing an application for LRAM or SSM.

Haldimand originally requested the recovery of an LRAM claim of \$249,145 over a one year period. Haldimand’s LRAM claim includes lost revenue from January 1, 2008 to April 30, 2012 for OPA programs delivered in 2008, 2009, and 2010. The LRAM claim also includes lost revenue from January 1, 2010 to April 30, 2010 for programs delivered in 2005, 2006, and 2007.

In response to Board staff interrogatory #3, Haldimand indicated that the load forecast approved in its 2010 cost of service (“CoS”) application for May 1, 2010 onwards considered the impacts of CDM programs from 2005, 2006, 2007, 2008, 2009, and 2010. Haldimand also mentioned that when its 2010 load forecast was generated, the OPA’s final results for 2008, 2009, and 2010 programs were not available, and therefore the results for these years were estimated. As a result, Haldimand included in its LRAM claim for 2008, 2009, and 2010 programs the difference between the estimated savings included in Haldimand’s 2010 load forecast and the final OPA-verified program savings.

In its submission, Board staff noted that Haldimand’s rates were rebased in 2010. Board staff supported the recovery of lost revenue for programs delivered in 2008 and 2009 since Haldimand was under IRM during that period. However, Board staff did not support the recovery of lost revenue from January 1, 2010 to April 30, 2012 for OPA programs delivered in 2008, 2009, and 2010, and lost revenue from January 1, 2010 to April 30, 2010 for programs delivered in 2005, 2006, and 2007 since the 2010 Board approved load forecast should be considered to be final. Board staff requested that Haldimand provide an updated LRAM amount that includes lost revenue associated with 2008 and 2009 CDM programs in 2008 and 2009.

VECC noted that the load forecast model utilized by Haldimand in its 2010 cost of service application used 8 years of historical data for the period 2001 to 2008. As a result, VECC submitted that the impact of the 2008 programs is already included in the load forecast. VECC noted that Haldimand’s load forecast model specifically included a

trend variable that assumed exponential increases in CDM savings for the years after 2008. VECC submitted that while there might be insufficient evidence to support a specific refund to customers, at a minimum, the LRAM claim regarding the impact of 2008-2010 programs on 2010 and 2011 revenues should be set at zero. In summary, VECC submitted that lost revenue in 2010 and beyond from 2008 to 2010 CDM programs have already been accounted for (and likely overestimated) in the 2010 load forecast. Thus, the LRAM claim should only include lost revenue up to December 31, 2009.

In its reply submission, Haldimand argued that lost revenues associated with historic programs are to be incorporated into the load forecast and not to be claimed again, but Haldimand considers it an inappropriate interpretation to suggest that estimated, forecast program results ought not to be revisited in light of actual final results for the purposes of an LRAM claim. Haldimand noted that disallowing an LRAM claim for CDM would act as a major disincentive to participation in future CDM since revenue neutrality would no longer be guaranteed. Haldimand further noted that it was under IRM for the first four months of 2010. Haldimand requested that the Board approve the applied-for LRM claim of \$249,145 as developed and fully supported in the evidence.

The Board will approve an LRAM claim of \$140,713, representing the effects of 2008 and 2009 CDM programs in those years, as Haldimand was under IRM and has not otherwise received LRAM compensation. The Board approves a one year disposition period, May 1, 2012 to April 30, 2013. The Board will not approve an LRAM claim for the period January 1, 2010 to April 30, 2012 for OPA programs delivered in 2008, 2009, and 2010, and lost revenue from January 1, 2010 to April 30, 2010, for programs delivered in 2005, 2006, and 2007. The Board is of the view that these claims are inconsistent with the 2008 Guidelines, which state that lost revenues are only accruable until new rates (based on a new revenue requirement and load forecast) are set by the Board, as the savings would be assumed to be incorporated in the load forecast at that time. Also, as set out in the Hydro Ottawa decision (EB-2011-0054) the current CDM Guidelines do not consider a true-up of the effects of CDM activities embedded in the rebasing year. Haldimand has provided evidence that CDM effects are reflected in the last, Board-approved load forecast. As such, the Board is of the view that there is no reasonable basis to vary from the existing CDM Guidelines.

## Rate Model

With this Decision, the Board is providing Haldimand with a rate model (spreadsheet) and applicable supporting models and a draft Tariff of Rates and Charges (Appendix A) that reflects the elements of this Decision. The Board also reviewed the entries in the rate model to ensure that they were in accordance with the 2011 Board approved Tariff of Rates and Charges and the rate model was adjusted, where applicable, to correct any discrepancies.

### THE BOARD ORDERS THAT:

1. Haldimand's new distribution rates shall be effective May 1, 2012.
2. Haldimand shall review the draft Tariff of Rates and Charges set out in Appendix A. Haldimand shall file with the Board a written confirmation assessing the completeness and accuracy of the draft Tariff of Rates and Charges, or provide a detailed explanation of any inaccuracies or missing information within **7 days** of the date of issuance of this Decision and Order.
3. If the Board does not receive a submission from Haldimand to the effect that inaccuracies were found or information was missing pursuant to item 2 of this Decision and Order, the draft Tariff of Rates and Charges set out in Appendix A of this Decision and Order will become final effective May 1, 2012, and will apply to electricity consumed or estimated to have been consumed on and after May 1, 2012. Haldimand shall notify its customers of the rate changes no later than with the first bill reflecting the new rates.
4. If the Board receives a submission from Haldimand to the effect that inaccuracies were found or information was missing pursuant to item 2 of this Decision and Order, the Board will consider the submission of Haldimand and will issue a final Tariff of Rates and Charges.

## Cost Awards

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

1. VECC shall submit their cost claims no later than **7 days** from the date of issuance of the final Rate Order.
2. Haldimand shall file with the Board and forward to VECC any objections to the claimed costs within **21 days** from the date of issuance of the final Rate Order.
3. VECC shall file with the Board and forward to Haldimand any responses to any objections for cost claims within **28 days** from the date of issuance of the final Rate Order.
4. Haldimand shall pay the Board's costs incidental to this proceeding upon receipt of the Board's invoice.

All filings to the Board must quote file number **EB-2011-0170**, be made through the Board's web portal at, [www.errr.ontarioenergyboard.ca](http://www.errr.ontarioenergyboard.ca) and consist of two paper copies and one electronic copy in searchable / unrestricted PDF format. Filings must clearly state the sender's name, postal address and telephone number, fax number and e-mail address. Parties must use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at [www.ontarioenergyboard.ca](http://www.ontarioenergyboard.ca). If the web portal is not available parties may email their document to the address below. Those who do not have internet access are required to submit all filings on a CD in PDF format, along with two paper copies. Those who do not have computer access are required to file 2 paper copies.

**DATED** at Toronto, April 4, 2012

**ONTARIO ENERGY BOARD**

*Original signed by*

Kirsten Walli  
Board Secretary

**Appendix A**

**To Decision and Order**

**Draft Tariff of Rates and Charges**

**Board File No: EB-2011-0170**

**DATED: April 4, 2012**

# Haldimand County Hydro Inc.

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date May 1, 2012

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

EB-2011-0170

## RESIDENTIAL SERVICE CLASSIFICATION

This classification applies to a customer's main place of abode and may include additional buildings served through the same meter, provided they are not rental income units. Residential includes Urban, Suburban and Farm customer's premises which can be occupied on a year-round and seasonal basis. Farm applies to properties actively engaged in agricultural production as defined by Statistics Canada. These premises must be supplied from a single phase primary line. The farm definition does not include tree, sod, or pet farms. Services to year-round pumping stations or other ancillary services remote from the main farm shall be classed as farm. Further servicing details are available in the distributor's Conditions of Service.

## APPLICATION

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

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

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

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

## MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	16.16
Distribution Volumetric Rate	\$/kWh	0.0289
Low Voltage Service Rate	\$/kWh	0.0004
Rate Rider for Global Adjustment Sub-Account Disposition (2012) – effective until April 30, 2013 Applicable only for Non-RPP Customers	\$/kWh	(0.0035)
Rate Rider for Deferral/ Variance Account Disposition (2012) – effective until April 30, 2013	\$/kWh	(0.0022)
Rate Rider for Tax Change - effective until April 30, 2013	\$/kWh	(0.0004)
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery – effective until April 30, 2013	\$/kWh	0.0006
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0067
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0052

## MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

# Haldimand County Hydro Inc.

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date May 1, 2012

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

EB-2011-0170

## GENERAL SERVICE LESS THAN 50 kW SERVICE CLASSIFICATION

General Service does include farms supplied from polyphase primary lines. General Service includes commercial, industrial, educational, administrative, auxiliary and government services. It also includes combination services where a variety of uses are made of the service by the owner of one property. This classification applies to a non residential account whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW. Further servicing details are available in the distributor's Conditions of Service.

### APPLICATION

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

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

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

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

### MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	28.90
Distribution Volumetric Rate	\$/kWh	0.0204
Low Voltage Service Rate	\$/kWh	0.0003
Rate Rider for Global Adjustment Sub-Account Disposition (2012) – effective until April 30, 2013 Applicable only for Non-RPP Customers	\$/kWh	(0.0035)
Rate Rider for Deferral/ Variance Account Disposition (2012) – effective until April 30, 2013	\$/kWh	(0.0022)
Rate Rider for Tax Change - effective until April 30, 2013	\$/kWh	(0.0003)
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery – effective until April 30, 2013	\$/kWh	0.0004
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0060
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0048

### MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

# Haldimand County Hydro Inc.

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date May 1, 2012

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

EB-2011-0170

## GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION

General Service does include farms supplied from polyphase primary lines. General Service includes commercial, industrial, educational, administrative, auxiliary and government services. It also includes combination services where a variety of uses are made of the service by the owner of one property. This classification applies to a non residential account whose average monthly maximum demand used for billing purposes is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 5,000 kW. Further servicing details are available in the distributor's Conditions of Service. Note that for the application of the Retail Transmission Rate – Network Service Rate and the Retail Transmission Rate – Line and Transformation Connection Service Rate the following sub-classifications apply:

- General Service 50 to 1,000 kW non-interval metered
- General Service 50 to 1,000 kW interval metered
- General Service greater than 1,000 to 5,000 kW interval metered.

### APPLICATION

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

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

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

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

### MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	103.56
Distribution Volumetric Rate	\$/kW	4.8055
Low Voltage Service Rate	\$/kW	0.1502
Rate Rider for Global Adjustment Sub-Account Disposition (2012) – effective until April 30, 2013		
Applicable only for Non-RPP Customers	\$/kW	(1.2926)
Rate Rider for Deferral/ Variance Account Disposition (2012) – effective until April 30, 2013	\$/kW	(0.7941)
Rate Rider for Tax Change - effective until April 30, 2013	\$/kW	(0.0414)
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery – effective until April 30, 2013	\$/kW	0.0590
Retail Transmission Rate – Network Service Rate	\$/kW	2.4495
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.8820
Retail Transmission Rate – Network Service Rate – Interval Metered	\$/kW	2.5983
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	\$/kW	2.0801

### MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

# Haldimand County Hydro Inc.

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date May 1, 2012

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

EB-2011-0170

## UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. Such connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The level of the consumption will be agreed to by the distributor and the customer, based on detailed manufacturer information / documentation with regard to electrical consumption of the unmetered load or periodic monitoring of actual consumption. Further servicing details are available in the distributor's Conditions of Service.

### APPLICATION

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

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

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

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

### MONTHLY RATES AND CHARGES – Delivery Component

Service Charge (per connection)	\$	20.73
Distribution Volumetric Rate	\$/kWh	0.0027
Low Voltage Service Rate	\$/kWh	0.0003
Rate Rider for Deferral/ Variance Account Disposition (2012) – effective until April 30, 2013	\$/kWh	(0.0022)
Rate Rider for Tax Change - effective until April 30, 2013	\$/kWh	(0.0004)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0060
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0048

### MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

# Haldimand County Hydro Inc.

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date May 1, 2012

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

EB-2011-0170

## SENTINEL LIGHTING SERVICE CLASSIFICATION

This classification refers to an account that is an unmetered lighting load supplied to a sentinel light. (Metered sentinel lighting is captured under the consumption of the principal service.) The consumption for these customers is assumed to have the same hourly consumption load profile as for Street Lighting. Further servicing details are available in the distributor's Conditions of Service.

### APPLICATION

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

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

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

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

### MONTHLY RATES AND CHARGES – Delivery Component

Service Charge (per connection)	\$	12.93
Distribution Volumetric Rate	\$/kW	33.3692
Low Voltage Service Rate	\$/kW	0.1103
Rate Rider for Global Adjustment Sub-Account Disposition (2012) – effective until April 30, 2013 Applicable only for Non-RPP Customers	\$/kW	(1.2573)
Rate Rider for Deferral/ Variance Account Disposition (2012) – effective until April 30, 2013	\$/kW	(0.7724)
Rate Rider for Tax Change - effective until April 30, 2013	\$/kW	(0.8555)
Retail Transmission Rate – Network Service Rate	\$/kW	1.8564
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.4855

### MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

# Haldimand County Hydro Inc.

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date May 1, 2012

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

EB-2011-0170

## STREET LIGHTING SERVICE CLASSIFICATION

This classification applies to an account for roadway lighting with a Municipality, Regional Municipality, Ministry of Transportation and private roadway lighting, controlled by photo cells. The consumption for these customers will be based on the calculated connected load times the required lighting times established in the approved OEB street lighting load shape template. Further servicing details are available in the distributor's Conditions of Service.

### APPLICATION

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

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

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

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

### MONTHLY RATES AND CHARGES – Delivery Component

Service Charge (per connection)	\$	6.06
Distribution Volumetric Rate	\$/kW	15.5108
Low Voltage Service Rate	\$/kW	0.1081
Rate Rider for Global Adjustment Sub-Account Disposition (2012) – effective until April 30, 2013 Applicable only for Non-RPP Customers	\$/kW	(1.2597)
Rate Rider for Deferral/ Variance Account Disposition (2012) – effective until April 30, 2013	\$/kW	(0.7739)
Rate Rider for Tax Change - effective until April 30, 2013	\$/kW	(0.3666)
Retail Transmission Rate – Network Service Rate	\$/kW	1.8471
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.4551

### MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

**Haldimand County Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2012**

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

EB-2011-0170

## **microFIT GENERATOR SERVICE CLASSIFICATION**

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

### **APPLICATION**

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

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

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

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

### **MONTHLY RATES AND CHARGES – Delivery Component**

Service Charge	\$	5.25
----------------	----	------

# Haldimand County Hydro Inc.

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date May 1, 2012

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

EB-2011-0170

## **EMBEDDED DISTRIBUTOR SERVICE CLASSIFICATION FOR HYDRO ONE NETWORKS INC.**

This classification applies to Hydro One Networks Inc., an electricity distributor licensed by the Board, and provided electricity by means of Haldimand County Hydro Inc.'s distribution facilities. Further servicing details are available in the distributor's Conditions of Service.

### **APPLICATION**

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

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

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

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

### **MONTHLY RATES AND CHARGES – Delivery Component**

Service Charge	\$	183.44
Distribution Wheeling Service Rate	\$/kW	0.5653
Rate Rider for Global Adjustment Sub-Account Disposition (2012) – effective until April 30, 2013 Applicable only for Non-RPP Customers	\$/kW	(0.3758)
Rate Rider for Deferral/ Variance Account Disposition (2012) – effective until April 30, 2013	\$/kW	(0.2905)
Retail Transmission Rate – Network Service Rate	\$/kW	2.1063
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.8422

### **MONTHLY RATES AND CHARGES – Regulatory Component**

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

# Haldimand County Hydro Inc.

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date May 1, 2012

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

EB-2011-0170

## ALLOWANCES

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

## SPECIFIC SERVICE CHARGES

### APPLICATION

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

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

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

#### Customer Administration

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

#### Non-Payment of Account

Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Collection of account charge – no disconnection	\$	30.00
Disconnect/Reconnect Charge - At Meter During Regular Hours	\$	65.00
Disconnect/Reconnect Charge - At Meter After Regular Hours	\$	185.00
Disconnect/Reconnect at pole – during regular hours	\$	185.00
Disconnect/Reconnect at pole – after regular hours	\$	415.00

Install/Remove load control device – during regular hours	\$	65.00
Install/Remove load control device – after regular hours	\$	185.00
Temporary service install & remove – overhead – no transformer	\$	500.00
Specific Charge for Access to the Power Poles – per pole/year	\$	22.35
Bell Canada Pole Rentals	\$	18.08
Norfolk Pole Rentals – Billed	\$	28.61

# Haldimand County Hydro Inc.

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date May 1, 2012

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

EB-2011-0170

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

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

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

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

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

One-time charge, per retailer, to establish the service agreement between the distributor and the retailer	\$	100.00
Monthly Fixed Charge, per retailer	\$	20.00
Monthly Variable Charge, per customer, per retailer	\$/cust.	0.50
Distributor-consolidated billing monthly charge, per customer, per retailer	\$/cust.	0.30
Retailer-consolidated billing monthly credit, per customer, per retailer	\$/cust.	(0.30)
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	\$	0.25
Processing fee, per request, applied to the requesting party	\$	0.50
Request for customer information as outlined in Section 10.6.3 and Chapter 11 of the 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)	\$	2.00

### LOSS FACTORS

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

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0680
Total Loss Factor – Secondary Metered Customer > 5,000 kW	N/A
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0573
Total Loss Factor – Primary Metered Customer > 5,000 kW	N/A
Total Loss Factor – Embedded Distributor – Hydro One Networks Inc.	1.0305