



EB-2011-0147

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 Brantford Power 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

Brantford Power Inc. (“Brantford”), a licensed distributor of electricity, filed an application with the Ontario Energy Board (the “Board”) on November 10, 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 Brantford charges for electricity distribution, to be effective May 1, 2012.

Brantford is one of 77 electricity distributors in Ontario regulated by the Board. The *Report of the Board on 3rd Generation Incentive Regulation for Ontario’s Electricity Distributors* (the “IR Report”), issued on July 14, 2008, establishes a three year plan term for 3rd 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 3rd generation IRM plan until such time as the RRFE policy initiatives

have been substantially completed. As part of the plan, Brantford 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 3rd 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 3rd 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 Filing Requirements for IRM applications based on the policies in the Reports.

Notice of Brantford's rate application was given through newspaper publication in Brantford'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. No letters of comment were received. The Notice of Application indicated that intervenors would be eligible for cost awards with respect to Brantford's request for lost revenue adjustment mechanism ("LRAM") recoveries. The Vulnerable Energy Consumers Coalition ("VECC") applied for and was granted intervenor status in this proceeding. The Board granted VECC eligibility for cost awards in regards to Brantford's request for LRAM recoveries. Board staff also participated in the proceeding. The Board proceeded by way of a written hearing.

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;
- Shared Tax Savings Adjustments;
- Retail Transmission Service Rates;
- Review and Disposition of Group 1 Deferral and Variance Account Balances;

- Review and Disposition of Account 1521: Special Purpose Charge;
- Review and Disposition of Account 1562: Deferred Payments in Lieu of Taxes; and
- Review and Disposition of Lost Revenue Adjustment Mechanism.

Price Cap Index Adjustment

As outlined in the Reports, distribution rates under the 3rd 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 to Brantford 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 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

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.

Brantford’s application identified a total tax savings of \$546,860 resulting in a shared amount of \$273,430 to be refunded to rate payers.

In the interrogatory phase of this proceeding, Board staff noted that it was unable to verify the data entered on tab 5 of the Tax-Savings Workform with Brantford’s previous cost of service draft rate order or decision for 2008 rates (EB-2007-0698). In response to interrogatories, Brantford confirmed that “Taxable Capital” and “Regulatory Taxable Income” needed adjustment in order for the workform to reflect Brantford’s previous cost of service decision. Brantford requested for Board staff to make the necessary corrections to the workform.

Board staff submitted that in all other respects, Brantford completed the Tax-Savings Workform with the correct rates and that it reflected the Board’s decision in Brantford’s 2008 cost of service application.

The Board notes that the changes made to the workform, as mentioned above, do not alter the shared amount of \$273,430 to be refunded to customers. The Board approves shared tax savings of \$273,430 to be disposed over a one year period, May 1, 2012 to April 30, 2013.

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

Board staff noted that it had no concerns with the RTSR Workform as filed.

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

Review and Disposition of Group 1 Deferral and Variance Account Balances

The *Report of the Board on Electricity Distributors' Deferral and Variance Account Review 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.

Brantford requested disposition of its 2010 actual year-end balance for Group 1 Accounts including interest projected to April 30, 2012 of a credit of \$3,766,758.

Board staff submitted that it had reviewed Brantford's Group 1 Deferral and Variance Account balances and noted that the principal balances as of December 31, 2010 reconcile with the balances reported as part of the *Reporting and Record-keeping Requirements*. Also, the preset disposition threshold has been exceeded. Subject to the clarification sought below, Board staff had no issue with Brantford's request to dispose of its 2010 Deferral and Variance Account balances at this time over the requested one year period.

In its submission, Board staff also noted that Brantford did not enter projected interest amounts from January 1, 2012 to April 30, 2012. Board staff submitted that, in its reply submission, Brantford should confirm interest amounts from January 1, 2012 to April 30, 2012 for each Group 1 account in order for Board staff to make the necessary corrections to Brantford's Rate Generator model at the time of the Board's Decision on the current Application.

In its reply submission, Brantford confirmed the interest amounts from January 1, 2012 to April 30, 2012 and also noted that the column labelled "projected interest from January 1, 2011 to December 31, 2011 on the December 31, 2010 balance adjusted for disposition during 2011", from tab 9 of the Rate Generator model, was also not populated. Brantford provided that information as well.

The Board notes that as a result of the additions of interest amounts provided, the revised amount for disposition is a higher credit back to customers of \$3,839,876, which results in a revised disposition threshold of \$0.00417/kWh. The Board notes that the EDDVAR disposition threshold of \$0.001/kWh has been exceeded. The Board approves

the disposition of the Group 1 Deferral and Variance accounts on a final basis, a credit balance of \$3,839,876, representing the balance at December 31, 2010 and interest to April 30, 2012, over a one year period, 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	Interest Balance	Total Claim
LV Variance Account	1550	-	-	-
RSVA - Wholesale Market Service Charge	1580	-\$1,063,709	-\$24,751	-\$1,088,460
RSVA - Retail Transmission Network Charge	1584	-\$1,089,431	-\$24,222	-\$1,113,653
RSVA - Retail Transmission Connection Charge	1586	-\$1,121,985	-\$24,485	-\$1,146,470
RSVA - Power (excluding Global Adjustment)	1588	\$337,568	-\$11,932	\$325,636
RSVA - Power - Sub-Account - Global Adjustment	1588	-\$792,903	-\$24,026	-\$816,929
Disposition and Recovery of Regulatory Balances (2008)	1595	-	-	-
Disposition and Recovery of Regulatory Balances (2009)	1595	-	-	-
Group 1 Total				-\$3,839,876

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 (3rd 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 state 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.

Brantford provided a reconciliation of Account 1521 as requested by Board staff during the interrogatory phase of this proceeding. Based on Brantford’s reconciliation, Board staff supported Brantford’s request to dispose of the updated balance in this account of a debit of \$19,565.

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 \$19,565 debit balance in Account 1521 should be approved for disposition over a one year period, as requested by Brantford.

The Board approves the disposition of the debit balance of \$19,565, representing principal and interest to April 30, 2012, in Account 1521 on a final basis over a one year period, May 1, 2012 to April 30, 2013. The Board directs Brantford 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 (3rd Quarter) RRR data reported.

Review and Disposition of Account 1562: Deferred Payments in Lieu of Taxes

In 2001, the Board approved a regulatory payments in lieu of taxes proxy approach for rate applications coupled with a true-up mechanism filed under the RRR to account for changes in tax legislation and rules and to true-up between certain proxy amounts used to set rates and the actual amount of taxes paid. The variances resulting from the true-up were tracked in Account 1562 for the period 2001 through April 30, 2006.

On November 28, 2008, pursuant to sections 78, 19 (4) and 21 (5) of the *Ontario Energy Board Act, 1998*, the Board commenced a Combined Proceeding (EB-2008-0381) on its own motion to determine the accuracy of the final account balances with respect to Account 1562 Deferred Payments in Lieu of Taxes (“Deferred PILs”) (for the period October 1, 2001 to April 30, 2006) for certain electricity distributors that filed 2008 and 2009 distribution rate applications.

The Notice in the Combined Proceeding included a statement of the Board’s expectation that the decision resulting from the Combined Proceeding would be used to determine the final account balances with respect to Account 1562 Deferred PILs for the remaining distributors. In its decision and order, the Board stated that: “Each remaining distributor will be expected to apply for final disposition of account 1562 with its next general rates application (either IRM or cost of service).”¹

In response to interrogatories, Brantford amended its evidence to support a refund of \$1,629,029 consisting of a principal credit amount of \$1,368,521 plus related carrying charges of \$260,508.² On February 21, 2012 Brantford filed a revised continuity schedule that shows a corrected balance of \$1,910,902 after changes in the tax rates in the 2002 SIMPIL model.³

Income Tax Rates Used in SIMPIL Models Sheet TAXCALC

The SIMPIL models require income tax rates to be input in order to calculate the variances that support some of the entries in Account 1562 Deferred PILs. In its

¹ EB-2008-0381 Account 1562 Deferred PILs Combined Proceeding, Decision and Order, p. 28

² Brantford’s PILs 1562 continuity schedule - 2001-2012 Deferred PILs 1562 Account - Revised_012312.

³ BRANTFORD_SUB_2001-2012 Deferred PILs 1562 Account_Continuity Schedule Revised_20120221.xls

application, Brantford entered tax rates in the 2002 SIMPIL which were not in accordance with the decision in the Combined Proceeding.⁴

In response to Board staff's interrogatory #2 which requested Brantford to insert the income tax rates consistent with its tax evidence in the 2002 SIMPIL model, Brantford responded "Updated - resulted in a change in true up from \$208,038 to \$410,091."⁵

Brantford provided the amended 2002 active Excel SIMPIL model and a revised continuity schedule. By inserting this revised true-up credit amount of \$410,091 into the continuity schedule, Brantford estimated that the total refund to customers is \$1,910,902 made up of a principal credit of \$1,575,584 and credit carrying charges of \$335,318.

Board staff submitted that the revised income tax rates entered into the 2002 SIMPIL model are the correct tax rates for Brantford based on its specific tax evidence.

Interest Expense

In interrogatories, Board staff asked Brantford to provide a table of its interest expense for the period 2001-2005. The information provided by Brantford is shown in the table below.

Table 1

Interest Expense Components	2001	2002	2003	2004	2005
Promissory note	2,177,025	2,177,025	2,177,025	2,177,025	2,177,025
IESO prudentials					68,813
Retailer prudential		275	11,979	2,675	3,378
Customer security deposits	60,244	17,850	16,795	26,810	36,740
Non-capitalized advances					3,592
Bank charges & GST return	169	2,680		3,962	
Total	2,237,438	2,197,830	2,205,799	2,210,472	2,289,548

Board staff prepared the following table of interest expense from Brantford's audited financial statements. The interest expense provided in the table above for 2004 did not appear to agree with the financial statements.

⁴ EB-2008-0381, Decision and Order, June 24, 2011, page 17.

⁵ Reply to Board staff interrogatories, February 10, 2012, page 4, #2.

Table 2

Financial Statements	4th Qtr. 2001	2002	2003	Restated 2004	2005
Interest on long term debt	537,438	2,197,830		2,177,025	2,177,025
Interest on long term liabilities			2,205,799		
Other financing expenses				102,260	112,523
Total	537,438	2,197,830	2,205,799	2,279,285	2,289,548

Board staff submitted that Brantford should reconcile the 2004 interest expense in Table 1 with its interest expense in the financial statements shown in Table 2.

Board staff provided a revised chart, as seen below, of Brantford's interest expense that Board staff believed reflected the Board's decision in Hydro One Brampton's 2011 IRM application (EB-2011-0174).⁶ The interest shown for 2004 is not complete because Brantford did not file details that could be reconciled to the financial statements in response to Board staff's interrogatories.

Table 3

Interest Expense Components	4th Qtr. 2001	2002	2003	2004	2005
Promissory note	537,438	2,177,025	2,177,025	2,177,025	2,177,025
IESO prudentials					68,813
Retailer prudential		275	11,979	2,675	3,378
Non-capitalized advances					3,592
Bank charges & GST return		2,680		3,962	
Total	537,438	2,179,980	2,189,004	2,183,662	2,252,808

Board staff submitted that the total interest expense shown in each year in the table above, after completing the analysis for 2004, should be used by Brantford to calculate the interest true-up amounts for the claw-back penalty.

Board staff also submitted that Brantford should make the changes in the 2002-2005 SIMPIL models and in the PILs 1562 continuity schedule to update the variances related to the tax rate error in the 2002 SIMPIL model, and the interest expense true-up calculations for 2002 through 2005.

⁶ EB-2011-0174, Board Decision and Order, December 22, 2011, pages 9-10.

Board staff estimated that after correcting for the tax rate error in the 2002 SIMPIL model, and using the interest expense from the table above, the balance to refund to ratepayers will be approximately \$1,975,018 including interest carrying charges.

In its reply submission, Brantford made the changes identified in Board staff's submission with one exception. Brantford noted that the 2004 interest expense component on Table 1 is different from the 2004 financial statement total on Table 2 by \$68,813. This amount relates to the IESO prudential payment which had been classified as a component of general administration in 2004. Therefore the 2004 Interest Expense Component from Table 3 was updated from \$2,183,662 to \$2,252,475 and was entered in the 2004 SIMPIL model.

Brantford updated the SIMPIL models to reflect the totals from the updated Table 3 resulting in a revised credit amount of \$2,021,450 including interest to be refunded to ratepayers.

The Board approves the disposition of a revised credit balance of \$2,021,450, representing principal and interest to April 30, 2012, in Account 1562 on a final basis, over a one year period, May 1, 2012 to April 30, 2013. The Board finds that the approved amount to be repaid to customers is consistent with previous regulatory guidance and past decisions of the Board.

For accounting and reporting purposes, the balance of Account 1562 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 (3rd Quarter) RRR data reported.

Review and Disposition of Lost Revenue Adjustment Mechanism

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.

In response to Board staff interrogatories, Brantford updated its LRAM claim using final 2010 program results from the OPA. Brantford requested approval of an updated LRAM claim of \$643,351.43, to be recovered over a one year period. The lost revenues include the effect of CDM programs implemented from 2005-2010. Brantford requested approval of these savings persisting for the period from 2006-2011.

Persisting impacts of 2005-2008 programs and 2008 lost revenues

Board staff noted that Brantford's rates were last rebased in 2008. Board staff also noted that the CDM Guidelines state the following with respect to LRAM claims:

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 time⁷.

In cases in which it was clear in the application or settlement agreement that an adjustment for CDM was not being incorporated into the load forecast specifically because of an expectation that an LRAM application would address the issue, and if this approach was accepted by the Board, then Board staff would agree that an LRAM application is appropriate. Board staff submitted that Brantford may want to highlight in its reply whether the issue of an LRAM application was addressed in its cost of service application.

In the absence of the above information, Board staff did not support the recovery of the requested persisting lost revenues from 2005-2007 CDM programs in 2008 or the persisting lost revenues from 2005, 2006, 2007, and 2008 CDM programs in 2009, 2010, and 2011 as these amounts should have been built into Brantford's last approved load forecast.

VECC submitted that energy savings from the OPA's CDM programs deployed between 2005 and 2008 are not accruable in 2008, 2009, 2010 & 2011 as these savings should have been incorporated into the 2008 load forecast at the time of rebasing.

⁷ Section 5.2: Calculation of LRAM, Guidelines for Electricity Distributor Conservation and Demand Management (EB-2008-0037)

2005, 2006, 2007, 2009 and 2010 programs

Board staff noted that Brantford has not collected the lost revenues associated with CDM programs delivered from 2005, 2006, 2007, 2009, and 2010. Board staff supported the approval of the 2005, 2006, 2007, 2009, and 2010 lost revenues, including the persisting lost revenues from 2005 programs in 2006, the persisting lost revenues from 2005 and 2006 programs in 2007, and the persisting lost revenues from 2009 programs in 2010, as Brantford did not have an opportunity to recover these amounts.

Board staff submitted that it is premature to consider any lost revenues persisting in 2011.

Board staff requested that Brantford provide an updated LRAM amount that only includes lost revenues from 2005, 2006, 2007, 2009, and 2010 CDM programs, including the persisting lost revenues noted above, in the years 2005, 2006, 2007, 2009, and 2010 and the subsequent rate riders.

In its submission, VECC supported the approval of the lost revenues requested by Brantford in 2006 and 2007 from the impact of CDM programs implemented in 2005, 2006 and 2007, as these savings occurred prior to rebasing and have not been claimed. Similarly, VECC supported the approval of the lost revenues in 2009 and 2010 requested by Brantford related to the effects of CDM programs implemented in 2009 and 2010, as these savings occurred post rebasing and have also not been claimed.

VECC did not support the approval of 2009 and 2010 program results persisting into 2011 noting that in the absence of OPA input assumptions and verified final results for 2011, an LRAM claim in 2011 is premature and inappropriate and not in accordance with the Guidelines.

In its reply submission, Brantford provided an updated LRAM amount of \$254,689.39 that only includes lost revenues from 2005, 2006, 2007, 2009, and 2010 CDM programs, including the persisting lost revenues noted above, in the years 2005, 2006, 2007, 2009, and 2010 and the subsequent rate riders as requested by Board staff.

Brantford noted that while it has provided the recalculated LRAM claim and LRAM rate riders as requested in the Board staff submission to expedite the processing of the 2012

IRM Application, Brantford submitted the following comments with respect to the Staff and VECC submissions.

LRAM Claim for 2005 and 2006 Third Tranche Programs – Recovery of Lost Revenue in 2008-2011

Brantford noted that its 2008 cost of service application was filed on December 20th, 2007, before the issuance of the CDM Guidelines. As such, Brantford could not take this clause into consideration during the preparation of its rebasing application. Brantford noted that the load forecast used in its 2008 rebasing application did not account for any CDM savings. Brantford referenced the following excerpt from the Board's decision in that proceeding⁸:

Load Forecast

The Company's load forecast was developed using a normalized average consumption ("NAC") estimate for a given rate class multiplied by a customer count forecast for that rate class. The NAC value is based on 2004 consumption data that was generated by Hydro One using Hydro One's weather normalization model for the cost allocation initiative previously undertaken by the Board. The Company's 2008 load forecast is based on a forecast of customer growth using historical data from 2002 to 2006 and projected data for 2007 and 2008. Board staff observed that the Company's methodology utilized only a single year of weather-normalized historical load to determine the future load. Board staff noted that this assumed that no CDM improvements had occurred over the past few years and that none were expected in the immediate future, and might therefore result in an overestimation of load. SEC shared Board staff's concerns. In its reply submission, the Company stated that it is premature to comment on a multiyear normalization approach at this time pending the completion of its review of alternative methods to the single-year normalization used in the application.

Board Findings

The Board accepts the Company's customer forecast. The Board also accepts the Company's use of 2004 weather normalized data. The Board has noted Board staff's concerns, but the process to obtain this data was an intensive effort

⁸ EB-2007-0698, Decision, July 18, 2008, Page 13

for all parties involved and the proposal is leveraging the value of this work. The Company has not expressed concern that its load may be overestimated.

LRAM Claim for 2008 Programs - Recovery of Lost Revenue in 2008-2011

In its reply submission, Brantford noted that lost revenues for CDM programs in 2008, and persisting into 2009-2011 should be recovered in this LRAM claim. Brantford noted that the OPA's *Amended and Restated Master CDM Program Agreement*, which defined the 2008-2010 OPA CDM programs, was issued on December 17, 2007; only three days prior to the filing of its 2008 Cost of Service application. Accordingly, Brantford was unable to predict any savings from these programs to be included in the load forecast portion of its rebasing application.

LRAM Claim for 2009 and 2010 CDM Programs - Recovery of Lost Revenue in 2011

Brantford also submitted that since the only results included for consideration for 2011 are persistent results from prior years, sufficient time has passed to enable an accurate LRAM calculation, consistent with CDM Guidelines. Brantford requested for the original LRAM amount of \$643,351.43 and its corresponding rate riders to be approved.

The Board will approve an LRAM claim of \$515,439.19, comprised of the effect of programs launched in 2005 to 2010 and persistence thereof in 2006 to 2010. Although the CDM Guideline states 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, the Board has acknowledged (PowerStream decision EB-2011-0005 and PUC decision EB-2011-0101) that the 2004 NAC based load forecast underpinning Brantford's cost of service rates does not include the impact of Brantford's CDM programs. The Board also notes that with the exception of 2008, Brantford was under IRM during the subject time period and did not otherwise receive compensation for lost revenues from these programs. The Board will not approve lost revenues arising from these programs in 2011, as it is premature to do so and inconsistent with the CDM Guidelines.

Rate Model

With this Decision, the Board is providing Brantford 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. Brantford's new distribution rates shall be effective May 1, 2012.
2. Brantford shall review the draft Tariff of Rates and Charges set out in Appendix A. Brantford 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 Brantford 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 order will become final, except for the stand by rates which remain interim, effective May 1, 2012, and will apply to electricity consumed or estimated to have been consumed on and after May 1, 2012. Brantford 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 Brantford 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 Brantford 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 its cost claims no later than **7 days** from the date of issuance of the final Rate Order.
2. Brantford 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 Brantford any responses to any objections for cost claims within **28 days** from the date of issuance of the final Rate Order.
4. Brantford 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-2011-0147**, be made through the Board's web portal at, 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. 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 19, 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-2011-0147
DATED: April 19, 2012

Brantford Power 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-2011-0147

RESIDENTIAL SERVICE CLASSIFICATION

This classification refers to an account taking electricity at 750 volts or less where the electricity is used exclusively in a separately metered living accommodation. Customers shall be residing in single-dwelling units that consist of a detached house or one unit of a semi-detached, duplex, triplex or quadruplex house, with a residential zoning. Separately metered dwellings within a town house complex or apartment building also qualify as residential customers. 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	\$	11.46
Distribution Volumetric Rate	\$/kWh	0.0138
Rate Rider for Tax Change – effective until April 30, 2013	\$/kWh	(0.0005)
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism (SSM) Recovery (2012) – effective until April 30, 2013	\$/kWh	0.0013
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until April 30, 2013	\$/kWh	(0.0070)
Rate Rider for Global Adjustment Sub-Account Disposition (2012) – effective until April 30, 2013 Applicable only for Non RPP Customers	\$/kWh	(0.0015)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0080
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0055

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

Brantford Power 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-2011-0147

GENERAL SERVICE LESS THAN 50 kW SERVICE CLASSIFICATION

This classification refers to a non residential account taking electricity at 750 volts or less whose monthly average peak 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	\$	24.81
Distribution Volumetric Rate	\$/kWh	0.0065
Rate Rider for Tax Change – effective until April 30, 2013	\$/kWh	(0.0002)
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism (SSM) Recovery (2012) – effective until April 30, 2013	\$/kWh	0.0004
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until April 30, 2013	\$/kWh	(0.0052)
Rate Rider for Global Adjustment Sub-Account Disposition (2012) – effective until April 30, 2013 Applicable only for Non RPP Customers	\$/kWh	(0.0015)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0072
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

Brantford Power 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-2011-0147

GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION

This classification applies to a non residential account whose average monthly maximum demand used for billing purposes is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 5,000 kW. Further servicing details are available in the distributor's Conditions of Service.

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	\$	293.71
Distribution Volumetric Rate	\$/kW	2.6043
Rate Rider for Tax Change – effective until April 30, 2013	\$/kW	(0.0609)
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism (SSM) Recovery (2012) – effective until April 30, 2013	\$/kW	0.0633
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until April 30, 2013	\$/kW	(1.8203)
Rate Rider for Global Adjustment Sub-Account Disposition (2012) – effective until April 30, 2013 Applicable only for Non RPP Customers	\$/kW	(0.5790)
Retail Transmission Rate – Network Service Rate	\$/kW	2.4601
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.6398

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

Brantford Power 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-2011-0147

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification refers to an account taking electricity at 750 volts or less whose monthly average peak 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 boots, traffic lights, railway crossings, etc. The customer will provide detailed manufacturer information/ documentation with regard to electrical demand/consumption of the proposed unmetered load. 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)	\$	12.06
Distribution Volumetric Rate	\$/kWh	0.0072
Rate Rider for Tax Change – effective until April 30, 2013	\$/kWh	(0.0006)
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism (SSM) Recovery (2012) – effective until April 30, 2013	\$/kWh	0.0093
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until April 30, 2013	\$/kWh	(0.0096)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0072
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

Brantford Power 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-2011-0147

STANDBY POWER SERVICE CLASSIFICATION

This classification refers to an account that has Load Displacement Generation and requires the distributor 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 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 – 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).
Rate Rider for Tax Change – effective until April 30, 2013

\$/kW	1.6729
\$/kW	(0.0284)

Brantford Power 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-2011-0147

SENTINEL LIGHTING SERVICE CLASSIFICATION

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

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the 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)	\$	2.32
Distribution Volumetric Rate	\$/kW	11.1228
Rate Rider for Tax Change – effective until April 30, 2013	\$/kW	(0.3971)
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until April 30, 2013	\$/kW	(4.1579)
Rate Rider for Global Adjustment Sub-Account Disposition (2012) – effective until April 30, 2013		
Applicable only for Non RPP Customers	\$/kW	(0.4410)
Retail Transmission Rate – Network Service Rate	\$/kW	2.2973
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.5315

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

Brantford Power Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2012

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EB-2011-0147

STREET LIGHTING SERVICE CLASSIFICATION

This classification refers to an account for roadway lighting with a Municipality, Regional Municipality, Ministry of Transportation and private roadway lighting operation, controlled by photocells. The consumption for these customers will be based on the calculated 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)	\$	0.65
Distribution Volumetric Rate	\$/kW	2.7127
Rate Rider for Tax Change – effective until April 30, 2013	\$/kW	(0.0984)
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until April 30, 2013	\$/kW	(1.8739)
Rate Rider for Global Adjustment Sub-Account Disposition (2012) – effective until April 30, 2013		
Applicable only for Non RPP Customers	\$/kW	(0.4810)
Retail Transmission Rate – Network Service Rate	\$/kW	2.2708
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.5138

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

Brantford Power Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date May 1, 2012

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EB-2011-0147

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
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Brantford Power 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-2011-0147

EMBEDDED DISTRIBUTOR SERVICE CLASSIFICATION

This classification applies to an electricity distributor licensed by the Board that is provided electricity by means of this distributor's facilities. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES

Service Charge	\$	293.71
Distribution Volumetric Rate	\$/kW	1.7488
Rate Rider for Tax Change – effective until April 30, 2013	\$/kW	(0.0307)
Retail Transmission Rate – Network Service Rate	\$/kW	2.4601
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.6398

Brantford Power Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2012

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EB-2011-0147

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.

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Customer Administration		
Arrears certificate	\$	15.00
Easement letter	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Returned cheque charge (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 charge - At Pole - during regular hours	\$	185.00
Disconnect/Reconnect charge - At Pole - after regular hours	\$	415.00
Install/Remove load control device - during regular hours	\$	65.00
Temporary Service – Install & remove – overhead – no transformer	\$	500.00
Temporary Service – Install & remove – underground – no transformer	\$	300.00
Temporary Service – Install & remove – overhead – with transformer	\$	1000.00
Specific Charge for Access to the Power Poles – per pole/year	\$	22.35

Brantford Power 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-2011-0147

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.

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

One-time charge, per retailer, to establish the service agreement between the distributor and the retailer	\$	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	1.0420
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0316