



EB-2012-0261

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 Orillia Power Distribution Corporation for an order or orders approving or fixing just and reasonable distribution rates related to Smart Meter deployment, to be effective October 1, 2012.

BEFORE: Ken Quesnelle
Presiding Member

Marika Hare
Member

DECISION AND ORDER

(Issued on September 20, 2012 and as corrected on October 1, 2012)

Introduction

Orillia Power Distribution Corporation (“Orillia”) a licensed distributor of electricity, filed an application (the “Application”) with the Ontario Energy Board (the “Board”) on May 23, 2012 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 Orillia charges for electricity distribution, to be effective October 1, 2012.

Orillia sought Board approval for the disposition and recovery of costs related to smart meter deployment, offset by Smart Meter Funding Adder (“SMFA”) revenues collected from May 1, 2006 to April 30, 2012. Orillia requested approval of proposed Smart Meter Disposition Riders (“SMDRs”) and Smart Meter Incremental Revenue Requirement Rate Riders (“SMIRRs”) effective October 1, 2012.

The Application was based on the Board's policy and practice with respect to recovery of smart meter costs.¹

The Board issued its Letter of Direction and Notice of Application and Hearing (the "Notice") on June 5, 2012. The Vulnerable Energy Consumers' Coalition ("VECC") requested intervenor status and cost award eligibility. No letters of comment were received. The Board granted VECC intervenor status and eligibility for cost awards. Board staff also participated in the proceeding. The Notice established that the Board would consider the Application by way of a written hearing and established timelines for discovery and submissions.

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:

- Costs Incurred with Respect to Smart Meter Deployment and Operation;
- Cost Allocation;
- Other Matters; and
- Implementation.

Costs Incurred with Respect to Smart Meter Deployment and Operation

In the Application, Orillia sought the following approvals:

- a. SMDRs – A cost recovery rate rider of \$0.75 per Residential customer per month and \$5.36 per General Service less than 50 kW ("GS < 50 kW") per month for the period October 1, 2012 to September 30, 2014. These rate riders will collect the difference between the May 1, 2006 to December 31, 2011 revenue requirement related to smart meters deployed as of December 31, 2011, plus interest on operations, maintenance and administration and depreciation expenses, and the SMFA revenues collected from May 1, 2006 to April 30, 2012 and corresponding interest on the principal balance of SMFA revenues; and
- b. SMIRRs – A forecasted cost recovery rate rider of \$2.59 per Residential customer per month and \$7.56 per GS < 50 kW customer per month for the

¹ On December 15, 2011, the Board issued *Guideline -2011-0001: Smart Meter Funding and Cost Recovery – Final Disposition* ("Guideline G-2011-0001"). Orillia's Application is filed in accordance with the guideline and utilizes the Smart Meter Model Version 2.17 issued along with Guideline G-2011-0001.

period October 1, 2012 to April 30, 2014. These rate riders will collect the incremental revenue requirement related to smart meter cost from January 1, 2012 to December 31, 2012.

Orillia revised its proposed SMDRs and SMIRRs in responses to interrogatories, with respect to the following:

- Updated the Interest on Deferred OM&A and Amortization, and the resulting Total Revenue Requirement;
- Updated the Smart Meter Funding Adder collected to April 30, 2012;
- Updated the Carrying Cost on Smart Meter Funding Adder;
- Based on the above, updated the Smart Meter True-up Balance for Disposition Rider; and
- Re-calculated the interest on the principal of OM&A and depreciation expense after including depreciation expenses which were missing in the originally filed Smart Meter model.

Level of Audited Costs

Orillia's Application had been prepared on the basis of audited actual costs up to 2011 and forecasted 2012 costs. VECC submitted that the Application conformed to Guideline G-2011-0001 regarding the percentage of costs that are audited.²

Capital and OM&A Costs for Smart Meter Deployment and Operation

Orillia's total costs in aggregate and on a per meter basis are summarized in Table 1 below, which was prepared based on the updated model submitted as part of Orillia's reply submission:

² Guideline G-2011-0001

Table 1 – Capital and OM&A Costs in Aggregate and per Meter

	2007	2008	2009	2010	2011	2012	Total	
Capital	\$16,479	\$16,436	\$1,340,907	\$389,387	\$591,626		\$2,354,835	
OM&A			\$33,566	\$112,344	\$182,049	\$135,318	\$463,276	
Number of Smart Meters			10,393	1,214	1,257		12,864	
							Total	Average per meter
							Total (capex + opex)	
							\$2,818,111	\$219.07
							Capex only	
							\$2,354,835	\$183.06

Both Board staff and VECC noted that Appendix A of the Decision with Reasons of the Combined Smart Meter Proceeding (EB-2007-0063, August 8, 2007) compared data for 9 out of 13 utilities and showed the total cost per meter ranged from \$123.59 to \$189.96, with Hydro One Networks Inc. being the main exception at \$479.47, due in part for the need for more communications infrastructure and increased costs to install smart meters for customers over a larger and less dense service area.

Further, both Board staff and VECC also noted that the Board's report, "Sector Smart Meter Audit Review Report", dated March 31, 2010, indicated a sector average capital cost of \$186.76 per meter and an average total cost per meter (capital and OM&A) of \$207.37. Board staff and VECC further noted that the first distributors' quarterly update representing life-to-date investments in smart meter implementation as of September 30, 2010 showed the average total cost per meter as \$226.92.³

Board staff noted that characteristics such as a non-contiguous service territory, topographical factors and vegetation can result in higher costs.

In its Application, Orillia stated that it participated with the Cornerstone Hydro-Electric Concepts Association ("CHEC") to implement smart meters in a cost effective manner. Orillia further noted that this collaborative initiative assisted distributors in the development of project plans, RFPs and contract evaluations leading to the achievement of economies and successful implementation of the MDM/R project.

Board staff observed that Orillia's costs, while they tend towards the higher end of average cost per meter, it is of the view that Orillia has provided adequate

³ "Monitoring Report Smart Meter Investment – September 2010", March 3, 2011

documentation on prudence of the costs for which Orillia is seeking approval. VECC submitted that it takes no issue with the quantum or nature of Orillia's average smart meter costs.

Tax/PILs Rates

Board staff noted that for the years 2010, 2011 and 2012, Orillia had used maximum tax rates (Aggregate Corporate Income Tax Rate) of 31%, 28.25% and 26.25% respectively. Board staff also noted that the Settlement Proposal accepted by the Board in Orillia's 2010 cost-of-service rate application (EB-2009-0273)⁴ reflected an effective tax rate of 28.8% for 2010. The Decision and Order related to Orillia's 2011 IRM rate application (EB-2010-0106)⁵ and 2012 IRM rate application (EB-2011-0191)⁶ reflect effective tax rates of 24.24% and 22.26% respectively.

Board staff submitted that the maximum tax rates do not apply to Orillia. Board staff further submitted that the tax rates noted above, i.e. 28.8% (2010), 24.24% (2011) and 22.26% (2012) would be more appropriate as the lower rates were previously approved by the Board for the respective years 2010, 2011 and 2012. Board staff also submitted that Orillia should update its smart meter model and re-calculate the class-specific SMDRs and SMIRRs to reflect the Board-approved tax/PILs rates applicable to Orillia in each year.

In its reply submission, Orillia updated its smart meter model and re-calculated the class-specific SMDRs and SMIRRs to reflect the Board-approved tax/PILs rates applicable to Orillia in 2010, 2011 and 2012.

The Board notes that authorization to procure and deploy smart meters has been done in accordance with Government regulations, including successful participation in the CHEC's procurement process.

⁴

http://www.rds.ontarioenergyboard.ca/webdrawer/webdrawer.dll/webdrawer/rec/175062/view/Orillia_Settlement_Proposal_20100208.PDF

Page 25 and Appendix D

⁵ http://www.rds.ontarioenergyboard.ca/webdrawer/webdrawer.dll/webdrawer/search/rec&sm_udf10=EB-2010-0106&sortd1=rs_dateregistered&rows=200

Final Orillia IRM Models_20110407, Final Orillia Tax, Tab F1.1

⁶

http://www.rds.ontarioenergyboard.ca/webdrawer/webdrawer.dll/webdrawer/rec/338775/view/Orillia_Shared%20Tax%20WF_Decision_20120419.XLS

Tab 5

The Board notes that while Orillia's costs are higher than the top of the provincial range (excluding Hydro One), the Board accepts Orillia's argument that their service territory is not contiguous and that would add costs. Further, the Board notes that Orillia's costs are not significantly above the sector average.

Based on the evidence filed in this Application, the Board finds that Orillia's documented costs related to smart meter procurement, installation and operation, are reasonable. The Board approves the disposition for recovery of the costs for smart meter deployment and operation.

Costs Beyond "Minimum Functionality"

Orillia's Application included a request to recover \$19,653 in capital costs and \$104,209 in OM&A costs beyond minimum functionality. These costs include CIS system upgrades, TOU implementation, customer education and web presentment.

Board Staff took no issue with the nature or quanta of Orillia's documented costs above minimum functionality. VECC submitted Orillia has appropriately demonstrated consistency with the Board's Guidelines regarding the nature of these costs.

The Board considers the nature and quantum of the expenses to be reasonable and will therefore allow Orillia's beyond minimum functionality costs to be recovered.

Cost Allocation

Orillia affirmed in its response to Board staff interrogatory #6b that it had calculated class-specific SMDRs and SMIRRs on the basis of the cost allocation approach as set out below:

- OM&A expenses have been allocated on the basis of the number of meters installed for each class;
- The Return and Amortization have been allocated on the basis of the capital costs of the meters installed for each class;
- PILs have been allocated based on the revenue requirement derived for each class before PILs; and
- SMFA revenues and interest on the principal first calculated directly for the Residential and GS < 50 kW classes. The residual SMFA revenues and interest

collected from other metered customer classes (i.e., GS 50-4999 kW and Large Use) are then allocated equally to the Residential and GS < 50 kW classes.

In response to Board staff interrogatory #5 and #6, Orillia updated the proposed class-specific SMDRs and SMIRRs to reflect corrections to the data and model discovered through the interrogatory process. In its submission, Board staff stated that it had no concerns with Orillia's methodology with the allocation of costs.

Through its interrogatories, VECC requested Orillia to complete a separate class-specific smart meter revenue requirement model and re-calculate the SMDR and SMIRR rate riders based on full cost causality by rate class (VECC interrogatory #s 7a and 7b). Orillia stated that it did not track costs on a rate class basis and hence was not in a position to complete a separate smart meter model by rate class or calculate SMDR and SMIRR rate riders on full cost causality by rate class. VECC submitted that it accepted that Orillia does not have the data to complete individual models to determine the revenue requirement for each rate class to calculate class specific rate riders based on full cost causality.

The Board notes that no parties contested the results and approves Orillia's cost allocation methodology.

Foregone Revenue

In its interrogatory #8, Board staff observed that, if the SMDR and SMIRR are both effective October 1, 2012, the SMIRR will only be in effect for 19 months (from October 1, 2012 to April 30, 2014). The SMIRR is a rate adjustment to recover the ongoing (prospective) capital-related and operating expenses for installed smart meters. In effect, Orillia would not be recovering these costs for the period from May 1 to September 30, 2012.

In response to Board staff interrogatory #8, Orillia stated that it believed that it would be appropriate to "bump up" the deferred revenue requirement to be recovered through the SMDR to recover the foregone SMIRR revenues for the period May 1 to September 30, 2012. As part of the interrogatory response, Orillia provided corresponding class-specific SMDRs including foregone SMIRR revenues for the period May 1 to September 30, 2012.

In its submission, Board staff noted that the Board has approved the recovery of foregone SMIRR revenues back to May 1, 2012 in decisions⁷ on other recent applications for smart meter cost recovery, and using the methodology suggested by Orillia. Board staff stated that it took no issue with Orillia's proposal for the recovery of foregone SMIRR revenues from May 1 to September 30, 2012. VECC submitted that it agreed with Board Staff and took no issue with Orillia's proposal for the recovery of foregone SMIRR revenues from May 1 to September 30, 2012.

In its reply submission, Orillia provided re-calculated class specific class-specific SMDRs including foregone SMIRR revenues for the period May 1 to September 30, 2012.

The resulting SMDRs and SMIRRs from the three approaches, and those proposed in the original Application are documented in Table 2 below:

Table 2

	Application (May 23, 2012)	Update Inputs (Board staff IR # 6a and #7)	Revised in Reply Submission Updated Tax/PILs Rates (Board staff IR #2)	Revised in Reply Submission SMDR including foregone SMIRR revenues for May 1 to September 30, 2012
Residential				
SMDR	\$0.75	\$0.76	\$0.74	\$1.28
SMIRR	\$2.59	\$2.59	\$2.56	unchanged
General Service <50kW				
SMDR	\$5.36	\$5.40	\$5.36	\$6.91
SMIRR	\$7.56	\$7.56	\$7.48	unchanged

In finding that Orillia's smart meter costs are prudent, the Board considers that it is appropriate that Orillia receive the commensurate revenues to recover the approved costs. As the SMIRR is intended to reflect the ongoing revenue requirement in advance of a distributor's next cost of service application, the Board is of the view that on a principled basis the full amount should be reflected. The Board has, in recent decisions established mechanisms for distributors to recover the foregone revenues from the SMIRR where the SMDR and SMIRR could not be implemented on the May 1, 2012

⁷ e.g. Decision and Order EB-2012-0039, regarding Orangeville Hydro, issued May 24, 2012, Decision and Order EB-2012-0086, regarding Cambridge and North Dumfries Hydro, issued July 26, 2012, Decision and Order EB-2012-0187, regarding London Hydro, issued July 26, 2012.

date. The Board therefore accepts Orillia's calculation of the foregone SMIRR revenues for the period from May 1 to September 30, 2012 in developing the SMDR, as documented above.

Other Matters

Stranded Meters

In its Application, Orillia proposed not to dispose of stranded meters by way of stranded meter rate riders at this time, but to deal with disposition in its next rebasing application, scheduled for 2014 rates. Orillia's estimate of the net book value of stranded meters is \$342,301 as of December 31, 2013.

Neither VECC nor Board staff took issue with Orillia's proposal. Board staff submitted that Orillia's proposal to defer recovery of stranded meter costs is compliant with Guideline G-2011-0001.

The Board agrees with the proposal put forward by Orillia to defer recovery of stranded meter costs.

Operational Efficiencies

In response to VECC interrogatory # 6, Orillia discussed operational efficiencies and cost savings resulting from smart meter deployment. Orillia stated that manual (walk-up) meter readings for Residential and GS < 50 kW have been eliminated, resulting in annual cost saving of approximately \$100,000 for 2012 and future years. Orillia also stated that, at this stage, no other operational efficiencies or cost savings are anticipated. Further, Orillia stated that it had hired an additional staff member within the billing group in 2012 as a result of increased responsibilities related to smart meters and operating within an AMI environment.

Board staff took no issue with Orillia's explanations, and recognized that it may take time for further savings to be recognized. Board staff further noted that as Orillia, and the utility sector generally, become more accustomed to customer and operational data (i.e. service interruptions, meter tampering) that smart meters and TOU pricing provide, re-engineering of business processes may allow for more efficiencies to be realized over time.

Board staff submitted that Orillia should be prepared to address any operational efficiencies further in its next cost of service rebasing application, to which Orillia concurred in its reply submission.

The Board concurs with both Board staff and Orillia that realized savings should be addressed in Orillia's next cost of service application, when there should be better information on actual costs and savings and these will be factored into rebased rates.

The Board agrees with both Board staff and Orillia that realized savings should be addressed in Orillia's next cost of service application, when there should be better information on actual costs and savings and these will be factored into rebased rates.

Implementation

With this Decision, the Board is providing Orillia with a draft Tariff of Rates and Charges (Appendix A) that reflects the elements of this Decision. The Board also reviewed the entries in the draft Tariff of Rates and Charges to ensure that, other than the rate riders for smart meter cost recovery approved in this Decision, they are in accordance with the 2012 Board-approved Tariff of Rates and Charges as approved in Orillia's Incentive Regulation Mechanism application (EB-2011-0191) issued on May 1, 2012.

Orillia is authorized to continue to use the established sub-account Stranded Meter Costs of Account 1555 to record and track remaining costs of the stranded conventional meters replaced by smart meters. The balance of this sub-account should be brought forward for disposition in Orillia's next cost of service application.

THE BOARD ORDERS THAT:

1. Orillia's new distribution rates shall be effective October 1, 2012.
2. Orillia shall review the draft Tariff of Rates and Charges set out in Appendix A. Orillia 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. VECC may also submit comments on the draft Tariff of Rates and Changes within **7 days** of the date of issuance of this Decision

and Order.

3. If the Board does not receive any submissions from Orillia and VECC pursuant to item 2 of this Decision and Order to the effect that inaccuracies were found or information was missing, the draft Tariff of Rates and Charges set out in Appendix A of this Decision and Order will become final effective October 1, 2012, and will apply to electricity consumed or estimated to have been consumed on and after October 1, 2012. Orillia 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(s) from Orillia or VECC 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(s) and will issue a final Rate Order and 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. Orillia shall file with the Board and forward to VECC any objections to the claimed costs within **14 days** from the date of issuance of the final Rate Order.
3. VECC shall file with the Board and forward to Orillia any responses to any objections for cost claims within **21 days** from the date of issuance of the final Rate Order.
4. Orillia 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-2012-0261**, be made through the Board's web portal at, <https://www.pes.ontarioenergyboard.ca/eservice/> 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 BoardSec@ontarioenergyboard.ca. 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, October 1, 2012

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary

Appendix A

To Decision and Order

Tariff of Rates and Charges

Board File No. EB-2012-0261

Dated: October 1, 2012

Orillia Power Distribution Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date October 1, 2012

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

EB-2011-0191
EB-2012-0261

RESIDENTIAL SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less where the electricity is used exclusively in a separate 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	\$	13.61
Rate Rider for Disposition of Residual Historical Smart Meter Costs – effective until September 30, 2014	\$	1.28
Rate Rider for Smart Meter Incremental Revenue Requirement – in effect until the effective date of the next cost of service-based rate order	\$	2.56
Distribution Volumetric Rate	\$/kWh	0.0163
Low Voltage Service Rate	\$/kWh	0.0006
Rate Rider for Tax Change – Effective Until April 30, 2013	\$/kWh	(0.0002)
Rate Rider for Deferral and Variance Account Disposition (2012) – Effective Until April 30, 2014	\$/kWh	(0.0028)
Rate Rider for Global Adjustment Sub-account (2012) – Effective Until April 30, 2014		
Applicable only for Non-RPP Customers	\$/kWh	0.0018
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0045
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0036

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

Orillia Power Distribution Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date October 1, 2012

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

EB-2011-0191
EB-2012-0261

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification refers to a non residential 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. 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	\$	35.69
Rate Rider for Disposition of Residual Historical Smart Meter Costs – effective until September 30, 2014	\$	6.91
Rate Rider for Smart Meter Incremental Revenue Requirement – in effect until the effective date of the next cost of service-based rate order	\$	7.48
Distribution Volumetric Rate	\$/kWh	0.0158
Low Voltage Service Rate	\$/kWh	0.0006
Rate Rider for Tax Change – Effective Until April 30, 2013	\$/kWh	(0.0002)
Rate Rider for Deferral and Variance Account Disposition (2012) – Effective Until April 30, 2014	\$/kWh	(0.0027)
Rate Rider for Global Adjustment Sub-account (2012) – Effective Until April 30, 2014 Applicable only for Non-RPP Customers	\$/kWh	0.0018
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0038
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0033

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

Orillia Power Distribution Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date October 1, 2012

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

EB-2011-0191
EB-2012-0261

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	\$	324.82
Distribution Volumetric Rate	\$/kW	3.4164
Low Voltage Service Rate	\$/kW	0.2230
Rate Rider for Tax Change – Effective Until April 30, 2013	\$/kW	(0.0359)
Rate Rider for Deferral and Variance Account Disposition (2012) – Effective Until April 30, 2014	\$/kW	(0.8892)
Rate Rider for Global Adjustment Sub-account (2012) – Effective Until April 30, 2014		
Applicable only for Non-RPP Customers	\$/kW	0.6877
Retail Transmission Rate – Network Service Rate	\$/kW	1.6758
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.3363

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

Orillia Power Distribution Corporation
TARIFF OF RATES AND CHARGES
Effective and Implementation Date October 1, 2012

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

EB-2011-0191
EB-2012-0261

STANDBY POWER SERVICE CLASSIFICATION

This classification applies to an account with load displacement facilities that contracts with the distributor to provide emergency standby power when its load displacement facilities are not in operation. The level of billing demand will be agreed to by the distributor and the customer, based on detailed manufacturer information/documentation such as name-plate rating of the load displacement facility. 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

Distribution Volumetric Rate - \$/kW of contracted amount	\$/kW	1.0217
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Orillia Power Distribution Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date October 1, 2012

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

EB-2011-0191
EB-2012-0261

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.

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MONTHLY RATES AND CHARGES – Delivery Component

Service Charge (per connection)	\$	10.10
Distribution Volumetric Rate	\$/kWh	0.0091
Low Voltage Service Rate	\$/kWh	0.0006
Rate Rider for Tax Change – Effective Until April 30, 2013	\$/kWh	(0.0002)
Rate Rider for Deferral and Variance Account Disposition (2012) – Effective Until April 30, 2014	\$/kWh	(0.0028)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0038
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0033

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

Orillia Power Distribution Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date October 1, 2012

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

EB-2011-0191
EB-2012-0261

SENTINEL LIGHTING SERVICE CLASSIFICATION

This classification refers to accounts that are 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.

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MONTHLY RATES AND CHARGES – Delivery Component

Service Charge (per connection)	\$	3.70
Distribution Volumetric Rate	\$/kW	9.6774
Low Voltage Service Rate	\$/kW	0.1698
Rate Rider for Tax Change – Effective Until April 30, 2013	\$/kW	(0.1410)
Rate Rider for Deferral and Variance Account Disposition (2012) – Effective Until April 30, 2014	\$/kW	(1.2112)
Rate Rider for Global Adjustment Sub-account (2012) – Effective Until April 30, 2014 Applicable only for Non-RPP Customers	\$/kW	0.6559
Retail Transmission Rate – Network Service Rate	\$/kW	1.2408
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.0173

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

Orillia Power Distribution Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date October 1, 2012

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EB-2012-0261

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

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MONTHLY RATES AND CHARGES – Delivery Component

Service Charge (per connection)	\$	4.35
Distribution Volumetric Rate	\$/kW	14.4627
Low Voltage Service Rate	\$/kW	0.1663
Rate Rider for Tax Change – Effective Until April 30, 2013	\$/kW	(0.2959)
Rate Rider for Deferral and Variance Account Disposition (2012) – Effective Until April 30, 2014	\$/kW	(1.3772)
Rate Rider for Global Adjustment Sub-account (2012) – Effective Until April 30, 2014		
Applicable only for Non-RPP Customers	\$/kW	0.6528
Retail Transmission Rate – Network Service Rate	\$/kW	1.2345
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.9963

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

Orillia Power Distribution Corporation

TARIFF OF RATES AND CHARGES

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EB-2012-0261

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

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MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	5.25
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Orillia Power Distribution Corporation

TARIFF OF RATES AND CHARGES

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ALLOWANCES

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

SPECIFIC SERVICE CHARGES

APPLICATION

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Customer Administration

Arrears certificate	\$	15.00
Statement of account	\$	15.00
Easement letter	\$	15.00
Income tax letter	\$	15.00
Account history	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Returned cheque (plus bank charges)	\$	15.00
Legal letter	\$	15.00
Special meter reads	\$	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
Collection of account charge – no disconnection – after regular hours	\$	165.00
Disconnect/Reconnect charges for non payment of account – at meter during regular hours	\$	65.00
Disconnect/Reconnect charges for non payment of account – at meter after regular hours	\$	185.00
Disconnect/Reconnect charges for non payment of account – at pole during regular hours	\$	185.00
Disconnect/Reconnect charges for non payment of account – 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
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

Orillia Power Distribution Corporation

TARIFF OF RATES AND CHARGES

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RETAIL SERVICE CHARGES (if applicable)

APPLICATION

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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	1.0561
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0455