



EB-2011-0177

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 Kenora
Hydro Electric Corporation for an order or orders
approving or fixing just and reasonable distribution rates
and other charges, to be effective May 1, 2012.

BEFORE: Paula Conboy
Presiding Member

**RATE ORDER
November 15, 2012**

Introduction

Kenora Hydro Electric Corporation (“Kenora Hydro”), a licensed distributor of electricity, filed an application with the Ontario Energy Board (the “Board”) on October 14, 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 Kenora Hydro charges for electricity distribution, to be effective May 1, 2012. The Board put the application in abeyance until such time as Kenora Hydro filed evidence in support of the disposition of Account 1562 – Deferred Payments in Lieu of Taxes (“PILs”). Kenora Hydro filed the evidence related to the disposition of Account 1562 on July 18, 2012 and requested an effective date of October 1, 2012 for this element of the application.

In its Decision and Order (the “Decision”) on the Application issued on November 1, 2012, the Board ordered Kenora Hydro to file with the Board a draft Rate Order attaching a proposed Tariff of Rates and Charges reflecting the Board’s findings, within 6 days of the date of the Decision. In preparing its draft Rate Order, Kenora Hydro was directed to calculate rate riders for the disposition of Group 1 Accounts, including Account 1521 and Account 1562 and rate riders for lost revenue adjustment mechanism based on a one year recovery period from November 1, 2012 to October 31, 2013.

On November 5, 2012, Kenora Hydro filed its rate rider calculations, updated models and its proposed Tariff of Rates and Charges. On November 12, 2012, Board staff filed a letter noting that Kenora Hydro appropriately reflected the Board's findings in the Decision. Board staff however noted that when rounded to the fourth decimal place, the rate rider for the lost revenue adjustment mechanism ("LRAM") claim for the General Services Less than 50 kW ("GS<50 kW") rate class is zero. Board staff also noted that the Board typically approves rates to the fourth decimal place, however Board staff suggested that the Board may wish to consider allowing Kenora Hydro to round to the fifth decimal place in order to recover its entire LRAM claim for this particular rate class.

On November 13, 2012, Kenora Hydro responded to Board staff comments on the draft Rate Order and agreed that the rate rider for its LRAM claim for the GS<50 kW rate class should be rounded to the fifth decimal to allow for the complete recovery of the LRAM claim.

The Board has reviewed the information provided by Kenora Hydro and Board staff's comments on the proposed Tariff of Rates and Charges. The Board is satisfied that the attached Tariff of Rates and Charges accurately reflects its Decision and Order on this application. With respect to the LRAM rate rider for the GS<50 kW rate class, the Board will approve a rate rider rounded to the fifth decimal place to allow Kenora Hydro to more accurately recover the claim allocated to that rate class.

THE BOARD ORDERS THAT:

1. The Tariff of Rates and Charges set out in Appendix A of this Order will become final effective November 1, 2012 and will apply to electricity consumed or estimated to have been consumed on and after November 1, 2012. Kenora Hydro shall notify its customers of the rate changes no later than with the first bill reflecting the new rates.

DATED at Toronto, November 15, 2012

ONTARIO ENERGY BOARD

Original Signed By

Kirsten Walli
Board Secretary

Appendix A

To Rate Order

Final Tariff of Rates and Charges

Board File No: EB-2011-0177

DATED: November 15, 2012

Kenora Hydro Electric Corporation Ltd.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date November 1, 2012

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

EB-2011-0177

RESIDENTIAL SERVICE CLASSIFICATION

All services supplied to single-family dwelling units for domestic or household purposes shall be classified as residential service. Subclasses would be:

- Overhead
 - Transformers not on private property
 - Transformers on private property
- Underground
 - Transformers not on private property
 - Transformers on private property

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	\$	18.94
Distribution Volumetric Rate	\$/kWh	0.0138
Rate Rider for Disposition of Global Adjustment Sub-Account (2012) – effective until October 31, 2013		
Applicable only for Non-RPP Customers	\$/kWh	(0.0006)
Rate Rider for Disposition of Deferral/Variance Accounts (2012) – effective until October 31, 2013	\$/kWh	(0.0010)
Rate Rider for Disposition of Deferred PILs Variance Account 1562 – effective until October 31, 2013	\$/kWh	(0.0036)
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism (2012) – effective until October 31, 2013	\$/kWh	0.0020
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0068
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0017

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

Kenora Hydro Electric Corporation Ltd.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date November 1, 2012

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

EB-2011-0177

GENERAL SERVICE LESS THAN 50 kW SERVICE CLASSIFICATION

All services other than those designated as residential service, municipal street lighting service. This includes combination type services where a variety of uses are made of the same service by the Customer (e.g. General Service less than 50 kVA combined with residential service). Subclasses would be:

- Demand less than 50 kVA - (100A @ 120/208V; 100A @ 120/240V, 60A @ 347/600V)
- Demand equal to 50 kVA, up to 500 kVA - (1600A @ 120/208V; 600A @ 347/600V; 600A @ 120/240V)
- Demand equal to 500 kVA, up to 5,000 kVA - (greater than 1600A @ 120/208V OR greater than 600A @ 347/600V and service from the 44 kV distribution system)

For new installations, demand sizing is based on the main switch size in amps converted to kVA. 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	\$	37.18
Distribution Volumetric Rate	\$/kWh	0.0058
Rate Rider for Disposition of Global Adjustment Sub-Account (2012) – effective until October 31, 2013 Applicable only for Non-RPP Customers	\$/kWh	(0.0006)
Rate Rider for Disposition of Deferral/Variance Accounts (2012) – effective until October 31, 2013	\$/kWh	(0.0010)
Rate Rider for Disposition of Deferred PILs Variance Account 1562 – effective until October 31, 2013	\$/kWh	(0.0017)
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism (2012) – effective until October 31, 2013	\$/kWh	0.00002
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0060
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0015

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

Kenora Hydro Electric Corporation Ltd.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date November 1, 2012

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

EB-2011-0177

GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION

All services other than those designated as residential service, municipal street lighting service. This includes combination type services where a variety of uses are made of the same service by the Customer (e.g. General Service less than 50 kVA combined with residential service). Subclasses would be:

Demand less than 50 kVA - (100A @ 120/208V; 100A @ 120/240V, 60A @ 347/600V)

Demand equal to 50 kVA, up to 500 kVA - (1600A @ 120/208V; 600A @ 347/600V; 600A @ 120/240V)

Demand equal to 500 kVA, up to 5,000 kVA - (greater than 1600A @ 120/208V OR greater than 600A @ 347/600V and service from the 44 kV distribution system)

For new installations, demand sizing is based on the main switch size in amps converted to kVA. 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	\$	514.05
Distribution Volumetric Rate	\$/kW	1.6379
Rate Rider for Disposition of Global Adjustment Sub-Account (2012) – effective until October 31, 2013		
Applicable only for Non-RPP Customers	\$/kW	(0.2265)
Rate Rider for Disposition of Deferral/Variance Accounts (2012) – effective until October 31, 2013	\$/kW	(0.4084)
Rate Rider for Disposition of Deferred PILs Variance Account 1562 – effective until October 31, 2013	\$/kW	(0.4585)
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism (2012) – effective until October 31, 2013	\$/kW	0.0230
Retail Transmission Rate – Network Service Rate	\$/kW	2.4878
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.5635

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

Kenora Hydro Electric Corporation Ltd.

TARIFF OF RATES AND CHARGES

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UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification applies to an account whose average monthly maximum demand is less than, or is forecast to be less than, 50 kVA 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

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MONTHLY RATES AND CHARGES – Delivery Component

Service Charge (per connection)	\$	14.60
Distribution Volumetric Rate	\$/kWh	0.0045
Rate Rider for Disposition of Global Adjustment Sub-Account (2012) – effective until October 31, 2013		
Applicable only for Non-RPP Customers	\$/kWh	(0.0006)
Rate Rider for Disposition of Deferral/Variance Accounts (2012) – effective until October 31, 2013	\$/kWh	(0.0010)
Rate Rider for Disposition of Deferred PILs Variance Account 1562 – effective until October 31, 2013	\$/kWh	(0.0037)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0060
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0015

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

Kenora Hydro Electric Corporation Ltd.

TARIFF OF RATES AND CHARGES

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STREET LIGHTING SERVICE CLASSIFICATION

All service supplied to any electrical street lighting equipment owned by, or operated for, the City of Kenora that is used to illuminate roadways and sidewalks, etc. The street light equipment is not metered, and they turn on and off by photoelectric cells. The consumption 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)	\$	4.96
Distribution Volumetric Rate	\$/kW	3.2628
Rate Rider for Disposition of Deferral/Variance Accounts (2012) – effective until October 31, 2013	\$/kW	(0.3307)
Rate Rider for Disposition of Deferred PILs Variance Account 1562 – effective until October 31, 2013	\$/kW	(0.7773)
Retail Transmission Rate – Network Service Rate	\$/kW	1.8759
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.4356

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

Kenora Hydro Electric Corporation Ltd.
TARIFF OF RATES AND CHARGES
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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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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
Duplicate Invoices for Previous Billing	\$	15.00
Request for Other Billing Information	\$	15.00
Easement Letter	\$	15.00
Income Tax Letter	\$	15.00
Account History	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	25.00
Returned Cheque (plus bank charges)	\$	25.00
Legal Letter Charge	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
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
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
Install/Remove load control device - After Regular Hours	\$	185.00
Disconnect/Reconnect Charge at customer's request - At Meter During Regular Hours	\$	65.00
Service call – customer owned equipment	\$	65.00
Service call – customer owned equipment - After Regular Hours	\$	165.00
Specific Charge for Access to the Power Poles – per pole/year	\$	22.35

Kenora Hydro Electric Corporation Ltd.

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	1.0430
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0325