

November 23, 2012

Ms. Kirsten Walli,
Board Secretary
Ontario Energy Board
2300 Yonge Street, 27th Floor
P.O. Box 2319
Toronto, ON
M4P 1E4

Attention: Ms. Kirsten Walli, Board Secretary

Dear Ms. Walli:

**Re: Parry Sound Power Corporation
2013 Distribution Rate Application
Second Reply Submission
Board File No. EB-2012-0159/EB-2012-0344**

In accordance with the Notice of Application and Written Hearing, please find attached Parry Sound Power Corporation's Second Reply Submission.

If you have any questions, please contact the undersigned.

Yours truly,

Miles Thompson
Vice President, General Manager
Parry Sound Power Corporation
125 William Street
Parry Sound ON.
P2A 1V9
705-746-5866 Extension #24

**Parry Sound Power Corporation (“Parry Sound Power”)
 2013 Rates Application
 Reply Submission**

Parry Sound Power Corporation makes reply submissions on the following matters:

- Disposition of Deferral and Variance Accounts as per the *Electricity Distributors’ Deferral and Variance Account Review Report* (the “EDDVAR Report”);
- Removal of Rate Mitigation Rate Rider; and
- Disposition and Recovery of Costs Related to Smart Meter Deployment

DISPOSITION OF DEFERRAL AND VARIANCE ACCOUNTS AS PER THE EDDVAR REPORT

Parry Sound Power’s total Group 1 Deferral and Variance Account balances amount to a credit of \$542,504 and includes interest calculated to December 31, 2012. The Group 1 Deferral and Variance Account balances equate to \$0.0061 per kWh which exceeds the threshold. Board staff submits that the amounts noted above should be disposed of on a final basis and over a one-year disposition period. Parry Sound Power accepts the Boards response and has no further comments.

REMOVAL OF RATE MITIGATION RATE RIDER

Parry Sound Power confirms that the principal balance in Account 1574 as at September 30, 2012 is \$95,799.23 and that the carrying charges of \$801.43 are for the period from September 2011 to September 2012. Board staff submits that the carrying charges on the amount to dispose should be forecasted to December 31, 2012 and as such that value is \$1,045.17. Board staff agrees with Parry Sound Power that the recovery of the deferred revenues over a one year period is appropriate to align with the disposition of Parry Sound Power’s Group 1 Deferral and Variance Accounts and the sunset date of the PILS rate riders. Therefore, the rate riders to recover the deferred revenue over one year are: \$0.0030/kWh for Residential customers and \$0.0005/kWh for General Service Less Than 50 kW customers.

Rate Class	Allocated 1574 Value	2011 Approved Annual Billing Determinant (kWh / kW)	Proposed Rate Rider 1 year
Residential	102,281.98	33,572,049	0.0030
General Service < 50 kW	8,458.59	16,873,256	0.0005
Total	(110,740.57)		

DISPOSITION AND RECOVERY OF COSTS RELATED TO SMART METER DEPLOYMENT

Below is the “Guelph Hydro” methodology spreadsheet that Parry Sound Power was requested to complete in response to Board staff interrogatory #14b. Board staff requested that Parry Sound Power

Prudence of Smart Meter Costs

Board staff submits that Parry Sound Power's temporal allocation of costs is not consistent with standard policy and practice in regards to Board Staff IR #8. Board staff submits that the smart meter procurement and installation capital costs should be allocated in line with when and how many smart meters were installed in each year, with the class-specific SMDRs and SMIRRs recalculated. This treatment would be in line with standard rate-setting treatments for smart meters in other applications and with distribution assets generally in cost of service applications. Parry Sound has removed \$33,538 from sheet 2 of the smart meter model from 2009 1.1.1 Smart Meters to 2010 1.1.1 Smart Meters to be in line with standard rate-setting treatments and with when and how many smart meters were installed in each year. The \$33,538 is based on 31 Residential meters costing \$84.89 (REX 2 2S), 30 GS<50 meters costing \$518.96 (A3 Node: Polyphase; 3EL, 4W, SC, 200A, 345V, 16S), 34 GS<50 meters costing \$451.12 (4 A3 Standalone Collectors and 30 A3TL Node). The updated SMDRs and SMIRRs will be produced at the end of this document in a table and on the Tariff Sheet.

Costs Beyond Minimum Functionality

Board staff submits that Parry Sound Power confirm in its reply submission that the "web presentment module/features discussed above are not "smart grid" functionality and do not rely on smart grid functionality like the Zigbee chip.

The Zigbee radio chip is a chip that is located under the glass on the motherboard of smart meters attached to customers' homes. This zigbee capability allows customer's smart meters to interface with compatible equipment, such as a thermostats inside the customer's home, over a home area network (HAN). The meter participates in the HAN by communicating directly to the equipment or through a device known by several monikers, the home "gateway" or "smart controller". The meter contains load limiting (shutting off during peak demands), programmable disconnect/reconnect switch allowing utilities to meet their case needs with respect to customer turnover (move-ins/move-outs), and revenue protection.

The Zigbee chip has nothing to do with the LDC's software or Customer Information System. I agree that zigbee costs should be "smart grid" related costs and have nothing to do with smart meter deployment costs.

Parry Sound Power Corporation did not purchase smart meters with Zigbee chips. Parry Sound Power confirms that the Customer Connect web presentment modules/features are not "smart grid" because they are part of Parry Sound Power's software and Customer Information System. It is a web portal available for Parry Sound's customers to view their interval consumption data. The customer connect does not connect wirelessly with home appliances to control, monitor, inform, or automate the delivery and use of energy and/or water.

Since these are not “smart grid” costs; they are going to remain in Parry Sound Power’s smart meter prudence review application for recovery in rates.

Other Matters

Parry Sound Power is proposing not to dispose of stranded meters at this time, but to deal with disposition in its next cost of service application. The Net Book Value of stranded meters as of December 31, 2010 is \$137,359.98. Parry Sound Power stated in its application that it no longer amortizes the meters and no longer records carrying charges. Further Parry Sound Power states that it “has not recorded depreciation for 2011 year and will not book any depreciation until the Ontario Energy Board offers direction.” Board staff submits that Parry Sound Power should follow the accounting guidance contained in G-2011-0001, Appendix A-1. As documented in Board staff interrogatory #7, Parry Sound Power’s stranded meter treatment was considered in its 2011 cost of service application EB-2010-0140 but without resolution.

Board staff notes that for rate-setting purposes, the conventional stranded meters are in its 2011 rate base and revenue requirement, and approved distribution rates will recover depreciation expenses, a return on capital and associated taxes/PILs until such time as Parry Sound Power rebases its rates through a cost of service application to remove the stranded meters from rate base. Therefore, Parry Sound Power continues to recover depreciation expense. This should be reflected in the remaining net book value of the stranded meters to be recovered through a Stranded Meter Rate Rider at the time of Parry Sound Power’s next cost of service application, currently scheduled for rates effective January 1, 2015.

Parry Sound Power’s reply to the above is that the Gross capital cost for conventional standard meters are included in rate base for the 2011 test year, however the depreciation expense on those meters for 2011 was not included. If the depreciation expense of \$11,716 for stranded meters had been included in the 2011 test year the revenue requirement would increase by \$11,248 (depreciation expense of \$11,716 less regulated return change of \$468). Therefore, Parry Sound Power is not recovering the revenue requirement related to the Stranded Meter costs.

Final Smart Meter Rate Riders

Rate Class	SMDR	SMIRR
Residential	\$ 3.7007	\$ 4.1115
GS<50	\$ 9.8560	\$ 8.5176

Second Reply Submission
 Parry Sound Power Corporation
 2013 Rates Application
 EB-2012-0159/EB-2012-0344

Residential Bill Impacts

Residential UPDATE

Consumption 800 kWh
 RPP Tier One 600 kWh
 Load Factor
 Loss Factor 1.0809

	CURRENT ESTIMATED BILL			PROPOSED ESTIMATED BILL			Change (\$)	Change (%)	% of Total RPP Bill	% of Total TOU Bill
	Volume	Current Rate (\$)	Current Charge (\$)	Volume	Proposed Rate (\$)	Proposed Charge (\$)				
Energy First Tier (kWh)	600.00	0.0750	45.00	600.00	0.0750	45.00	0.00	0.00%	34.67%	
Energy Second Tier (kWh)	264.72	0.0880	23.30	264.72	0.0880	23.30	0.00	0.00%	17.95%	
TOU - Off Peak	553.42	0.0650	35.97	553.42	0.0650	35.97	0.00	0.00%		27.40%
TOU - Mid Peak	155.65	0.1000	15.56	155.65	0.1000	15.56	0.00	0.00%		11.86%
TOU - On Peak	155.65	0.1170	18.21	155.65	0.1170	18.21	0.00	0.00%		13.87%
Service Charge	1	21.67	21.67	1	21.86	21.86	0.19	0.88%	16.84%	16.65%
Service Charge Rate Rider(s)	1	0.73	0.73	1	7.81	7.81	7.08	970.16%	6.02%	5.95%
Distribution Volumetric Rate	800	0.0173	13.84	800	0.0175	14.00	0.16	1.16%	10.79%	10.66%
Low Voltage Volumetric Rate	800	0.0011	0.88	800	0.0011	0.88	0.00	0.00%	0.68%	0.67%
Distribution Volumetric Rate Rider(s)	800	(0.0047)	(3.76)	800	(0.0056)	(4.48)	(0.72)	19.15%	-3.45%	-3.41%
Total: Distribution			33.36			40.07	6.71	20.11%	30.87%	30.52%
Retail Transmission Rate - Network Service Rate	864.72	0.0051	4.41	864.72	0.0051	4.41	0.00	0.00%	3.40%	3.36%
Retail Transmission Rate - Line and Transformation Connection Service Rate	864.72	0.004	3.46	864.72	0.0041	3.55	0.09	2.60%	2.74%	2.70%
Total: Retail Transmission			7.87			7.96	0.09	1.14%	6.13%	6.06%
Sub-Total: Delivery (Distribution and Retail Transmission)			41.23			48.03	6.80	16.49%	37.01%	36.59%
Wholesale Market Service Rate	864.72	0.0052	4.50	864.72	0.0052	4.50	0.00	0.00%	3.46%	3.43%
Rural Rate Protection Charge	864.72	0.0011	0.95	864.72	0.0011	0.95	0.00	0.00%	0.73%	0.72%
Standard Supply Service - Administration Charge (if applicable)	1	0.25	0.25	1	0.25	0.25	0.00	0.00%	0.19%	0.19%
Sub-Total: Regulatory			5.70			5.70	0.00	0.00%	4.39%	4.34%
Debt Retirement Charge (DRC)	800.00	0.00700	5.60	800.00	0.0070	5.60	0.00	0.00%	4.31%	4.27%
Total Bill on RPP (before taxes)			120.82			127.62	6.80	5.63%	98.33%	
HST		13%	15.71		13%	16.59	0.88	5.63%	12.78%	
Total Bill (including HST)			136.53			144.21	7.68	5.63%	111.11%	
Ontario Clean Energy Benefit (OCEB)		(10%)	(13.65)		(10%)	(14.42)	(0.77)	5.63%	-11.11%	
Total Bill on RPP (including OCEB)			122.87			129.79	6.92	5.63%	100.00%	
Total Bill on TOU (before taxes)			122.28			129.08	6.80	5.56%		98.33%
HST		13%	15.90		13%	16.78	0.88	5.56%		12.78%
Total Bill (including HST)			138.18			145.86	7.68	5.56%		111.11%
Ontario Clean Energy Benefit (OCEB)		(10%)	(13.82)		(10%)	(14.59)	(0.77)	5.56%		-11.11%
Total Bill on TOU (including OCEB)			124.36			131.27	6.92	5.56%		100.00%

Second Reply Submission
 Parry Sound Power Corporation
 2013 Rates Application
 EB-2012-0159/EB-2012-0344

General Service Less Than 50 kW Bill Impacts

General Service Less Than 50 kW UPDATE

Consumption 2,000 kWh
 RPP Tier One 600 kWh
 Load Factor
 Loss Factor 1.0809

	CURRENT ESTIMATED BILL			PROPOSED ESTIMATED BILL			Change (\$)	Change (%)	% of Total RPP Bill	% of Total TOU Bill
	Volume	Current Rate (\$)	Current Charge (\$)	Volume	Proposed Rate (\$)	Proposed Charge (\$)				
Energy First Tier (kWh)	600.00	0.0750	45.00	600.00	0.0750	45.00	0.00	0.00%	15.07%	
Energy Second Tier (kWh)	1,561.80	0.0880	137.44	1,561.80	0.0880	137.44	0.00	0.00%	46.01%	
TOU - Off Peak	1,383.55	0.0650	89.93	1,383.55	0.0650	89.93	0.00	0.00%		30.96%
TOU - Mid Peak	389.12	0.1000	38.91	389.12	0.1000	38.91	0.00	0.00%		13.40%
TOU - On Peak	389.12	0.1170	45.53	389.12	0.1170	45.53	0.00	0.00%		15.67%
Service Charge	1	32.38	32.38	1	32.66	32.66	0.28	0.86%	10.93%	11.24%
Service Charge Rate Rider(s)	1	1.10	1.10	1	18.37	18.37	17.27	1570.33%	6.15%	6.33%
Distribution Volumetric Rate	2000	0.0133	26.60	2,000	0.0134	26.80	0.20	0.75%	8.97%	9.23%
Low Voltage Volumetric Rate	2000	0.0008	1.60	2,000	0.0008	1.60	0.00	0.00%	0.54%	0.55%
Distribution Volumetric Rate Rider(s)	2000	(0.0029)	(5.80)	2,000	(0.0071)	(14.20)	(8.40)	144.83%	-4.75%	-4.89%
Total: Distribution			55.88			65.23	9.35	16.73%	21.84%	22.46%
Retail Transmission Rate - Network Service Rate	2,161.80	0.0046	9.94	2,161.80	0.0046	9.94	0.00	0.00%	3.33%	3.42%
Retail Transmission Rate - Line and Transformation Connection Service Rate	2,161.80	0.0037	8.00	2,161.80	0.0038	8.21	0.21	2.63%	2.75%	2.83%
Total: Retail Transmission			17.94			18.15	0.21	1.17%	6.08%	6.25%
Sub-Total: Delivery (Distribution and Retail Transmission)			73.82			83.38	9.56	12.95%	27.92%	28.70%
Wholesale Market Service Rate	2,161.80	0.0052	11.24	2,161.80	0.0052	11.24	0.00	0.00%	3.76%	3.87%
Rural Rate Protection Charge	2,161.80	0.0011	2.38	2,161.80	0.0011	2.38	0.00	0.00%	0.80%	0.82%
Standard Supply Service - Administration Charge (if applicable)	1	0.25	0.25	1	0.25	0.25	0.00	0.00%	0.08%	0.09%
Sub-Total: Regulatory			13.87			13.87	0.00	0.00%	4.64%	4.77%
Debt Retirement Charge (DRC)	2,000.00	0.00700	14.00	2,000.00	0.0070	14.00	0.00	0.00%	4.69%	4.82%
Total Bill on RPP (before taxes)			284.13			293.69	9.56	3.36%	98.33%	
HST		13%	36.94		13%	38.18	1.24	3.36%	12.78%	
Total Bill (including HST)			321.07			331.87	10.80	3.36%	111.11%	
Ontario Clean Energy Benefit (OCEB)		(10%)	(32.11)		(10%)	(33.19)	(1.08)	3.36%	-11.11%	
Total Bill on RPP (including OCEB)			288.96			298.68	9.72	3.36%	100.00%	
Total Bill on TOU (before taxes)			276.06			285.62	9.56	3.46%		98.33%
HST		13%	35.89		13%	37.13	1.24	3.46%		12.78%
Total Bill (including HST)			311.95			322.75	10.80	3.46%		111.11%
Ontario Clean Energy Benefit (OCEB)		(10%)	(31.19)		(10%)	(32.28)	(1.08)	3.46%	-11.11%	
Total Bill on TOU (including OCEB)			280.75			290.48	9.72	3.46%		100.00%

Parry Sound Power Corporation
TARIFF OF RATES AND CHARGES
 Effective and Implementation Date January 01, 2013

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

EB-2012-0159/EB-2012-0344

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. All customers are single-phase. 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	\$	21.86
Distribution Volumetric Rate	\$/kWh	0.0175
Low Voltage Service Rate	\$/kWh	0.0011
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery (2012) - effective until February 28, 2013	\$/kWh	0.0003
Rate Rider for Deferral/Variance Account Disposition (2012) - effective until February 28, 2013	\$/kWh	(0.0036)
Rate Rider for Deferral/Variance Account Disposition (2013) - effective until December 31, 2013	\$/kWh	(0.0027)
Rate Rider for Global Adjustment Sub-Account Disposition (2013) - effective until December 31, 2013		
Applicable only for Non-RPP Customers	\$/kWh	(0.0066)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0051
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0041
Rate Rider for Global Adjustment Sub-Account (2012) - applicable only to Non-RPP Customers - effective until February 28, 2013	\$/kWh	0.0109
Smart Meter Disposition Rider - effective until December 31, 2014	\$	3.7007
Smart Meter Incremental Rate Rider - effective until December 31, 2014	\$	4.1115
PLs Disposition Rate Rider - effective until December 31, 2013	\$/kWh	(0.0026)
Rate Rider for Recovery of Deferred Revenues	\$/kWh	0.0030

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

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification applies 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	\$	32.66
Distribution Volumetric Rate	\$/kWh	0.0134
Low Voltage Service Rate	\$/kWh	0.0008
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery (2012) - effective until February 28, 2013	\$/kWh	0.0004
Rate Rider for Deferral/Variance Account Disposition (2012) - effective until February 28, 2013	\$/kWh	(0.0036)
Rate Rider for Deferral/Variance Account Disposition (2013) - effective until December 31, 2013	\$/kWh	(0.0027)
Rate Rider for Global Adjustment Sub-Account Disposition (2013) - effective until December 31, 2013		
Applicable only for Non-RPP Customers	\$/kWh	(0.0066)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0046
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0038
Rate Rider for Global Adjustment Sub-Account (2012) - applicable only to Non-RPP Customers - effective until February 28, 2013	\$/kWh	0.0109
Smart Meter Disposition Rider - effective until December 31, 2014	\$	9.8560
Smart Meter Incremental Rate Rider - effective until December 31, 2014	\$	8.5176
PLs Disposition Rate Rider - effective until December 31, 2013	\$/kWh	(0.0017)
Rate Rider for Recovery of Deferred Revenues	\$/kWh	0.0005

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

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	\$	188.29
Distribution Volumetric Rate	\$/kW	3.7810
Low Voltage Service Rate	\$/kW	0.4071
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery (2012) - effective until February 28, 2013	\$/kW	0.0272
Rate Rider for Deferral/Variance Account Disposition (2012) - effective until February 28, 2013	\$/kW	(1.4045)
Rate Rider for Deferral/Variance Account Disposition (2013) - effective until December 31, 2013	\$/kW	(1.0531)
Rate Rider for Global Adjustment Sub-Account Disposition (2013) - effective until December 31, 2013		
Applicable only for Non-RPP Customers	\$/kW	(2.5342)
Retail Transmission Rate - Network Service Rate	\$/kW	1.8694
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.4780
Retail Transmission Rate - Network Service Rate - Interval Metered	\$/kW	2.2245
Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered	\$/kW	1.7927
Rate Rider for Global Adjustment Sub-Account (2012) - applicable only to Non-RPP Customers - effective until February 28, 2013	\$/kW	4.2167
PLs Disposition Rate Rider - effective until December 31, 2013	\$/kW	(0.3786)

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

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

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

APPLICATION

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

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

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the

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 customer)	\$	22.62
Distribution Volumetric Rate	\$/kWh	0.1321
Low Voltage Service Rate	\$/kWh	0.0010
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery (2012) - effective until February 28, 2013	\$/kWh	0.0613
Rate Rider for Deferral/Variance Account Disposition (2012) - effective until February 28, 2013	\$/kWh	(0.0036)
Rate Rider for Deferral/Variance Account Disposition (2013) - effective until December 31, 2013	\$/kWh	(0.0027)
Rate Rider for Global Adjustment Sub-Account Disposition (2013) - effective until December 31, 2013		
Applicable only for Non-RPP Customers	\$/kWh	(0.0066)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0046
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0038
Rate Rider for Global Adjustment Sub-Account (2012) - applicable only to Non-RPP Customers - effective until February 28, 2013	\$/kWh	0.0109
PLs Disposition Rate Rider - effective until December 31, 2013	\$/kWh	(2.2220)

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

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	\$	4.22
Distribution Volumetric Rate	\$/kW	16.3694
Low Voltage Service Rate	\$/kW	0.3916
Rate Rider for Deferral/Variance Account Disposition (2012) - effective until February 28, 2013	\$/kW	(1.2855)
Rate Rider for Deferral/Variance Account Disposition (2013) - effective until December 31, 2013	\$/kW	(0.9638)
Retail Transmission Rate - Network Service Rate	\$/kW	1.4170
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.1664
PLs Disposition Rate Rider - effective until December 31, 2013	\$/kW	(1.3230)

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

STREET LIGHTING SERVICE CLASSIFICATION

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

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	2.68
Distribution Volumetric Rate	\$/kW	26.9484
Low Voltage Service Rate	\$/kW	0.3635
Rate Rider for Deferral/Variance Account Disposition (2012) - effective until February 28, 2013	\$/kW	(1.3015)
Rate Rider for Deferral/Variance Account Disposition (2013) - effective until December 31, 2013	\$/kW	(0.9759)
Rate Rider for Global Adjustment Sub-Account Disposition (2013) - effective until December 31, 2013		
Applicable only for Non-RPP Customers	\$/kW	(2.3485)
Retail Transmission Rate - Network Service Rate	\$/kW	1.4097
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.1425
Rate Rider for Global Adjustment Sub-Account (2012) - applicable only to Non-RPP Customers - effective until February 28, 2013	\$/kW	3.9076
PLs Disposition Rate Rider - effective until December 31, 2013	\$/kW	(0.0143)

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

ALLOWANCES

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

SPECIFIC SERVICE CHARGES

APPLICATION

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

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

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

Customer Administration

Arrears certificate	\$	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
Charge to certify cheque	\$	15.00
Legal letter charge	\$	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
Disconnect/Reconnect Charge – At Meter – During Regular Hours	\$	65.00
Disconnect/Reconnect Charge – At Pole – During Regular Hours	\$	185.00
Install/Remove load control device – during regular hours	\$	65.00
Service call – customer owned equipment	\$	30.00
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	\$	1,000.00
Specific Charge for Access to the Power Poles - \$/pole/year	\$	22.35

RETAIL SERVICE CHARGES (if applicable)

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, charges for the Ministry of Energy Conservation and Renewable Energy Program, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

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

One-time charge, per retailer, to establish the service agreement between the distributor and the retailer	\$	100.00
Monthly Fixed Charge, per retailer	\$	20.00
Monthly Variable Charge, per customer, per retailer	\$/cust.	0.50
Distributor-consolidated billing charge, per customer, per retailer	\$/cust.	0.30
Retailer-consolidated billing 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	1.0809
Total Loss Factor – Secondary Metered Customer > 5,000 kW	0.0000
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0700
Total Loss Factor – Primary Metered Customer > 5,000 kW	0.0000