



**EB-2012-0128**

**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 Guelph  
Hydro Electric Systems Inc. for an order or orders  
approving or fixing just and reasonable distribution rates  
and other charges, to be effective January 1, 2013.

**BEFORE:** Marika Hare  
Presiding Member

Ken Quesnelle  
Member

## **DECISION AND ORDER**

### **Introduction**

Guelph Hydro Electric Systems Inc. ("Guelph Hydro"), a licensed distributor of electricity, filed an application with the Ontario Energy Board (the "Board") on July 24, 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 Guelph Hydro charges for electricity distribution, to be effective January 1, 2013.

Guelph Hydro is one of 77 electricity distributors in Ontario regulated by the Board. The *Report of the Board on 3<sup>rd</sup> Generation Incentive Regulation for Ontario's Electricity Distributors* (the "IR Report"), issued on July 14, 2008, established a three year plan for 3<sup>rd</sup> generation incentive regulation mechanism ("IRM") (i.e., rebasing plus three years). In its October 27, 2010 letter regarding the development of a Renewed Regulatory Framework for Electricity ("RRFE"), the Board announced that it was extending the IRM plan until such time as the RRFE policy initiatives have been substantially completed.

In a letter dated October 18, 2012, the Board stated its expectation that the three rate setting methods set out in the *Report of the Board – Renewed Regulatory Framework for Electricity Distributors: A Performance-Based Approach* would be available for the 2014 rate year.

As part of the plan, Guelph Hydro is one of the electricity distributors that will have its rates adjusted for 2013 on the basis of the IRM process, which provides for a mechanistic and formulaic adjustment to distribution rates and charges between cost of service applications.

To streamline the process for the approval of distribution rates and charges for distributors, the Board issued its IR Report, *Supplemental Report of the Board on 3<sup>rd</sup> Generation Incentive Regulation for Ontario's Electricity Distributors* on September 17, 2008 (the "Supplemental Report"), and *Addendum to the Supplemental Report of the Board on 3<sup>rd</sup> Generation Incentive Regulation for Ontario's Electricity Distributors* on January 28, 2009 (collectively the "Reports"). Among other things, the Reports provide the relevant guidelines for 2013 rate adjustments for distributors applying for distribution rate adjustments pursuant to the IRM process. On June 28, 2012, the Board issued an update to Chapter 3 of the Board's *Filing Requirements for Transmission and Distribution Applications* (the "Filing Requirements"), which outlines the application filing requirements for IRM applications based on the policies in the Reports.

Notice of Guelph Hydro's rate application was given through newspaper publication in Guelph Hydro's service area advising interested parties where the rate application could be viewed and advising how they could intervene in the proceeding or comment on the application. One letter of comment was received. The Notice of Application indicated that the Board did not intend to award costs in this proceeding as the applicant had only made proposals of a mechanistic nature within the Board's guidelines. Board staff participated in the proceeding. The Board proceeded by way of a written hearing.

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

- Price Cap Index Adjustment;
- Rural or Remote Electricity Rate Protection Charge;
- MicroFIT Service Charge;

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

### **Price Cap Index Adjustment**

As outlined in the Reports, distribution rates under the IRM are to be adjusted by a price escalator, less a productivity factor of 0.72% and a stretch factor.

On October 4, 2012, the Board announced a price escalator of 2.2% for those distributors under IRM that have a rate year commencing January 1, 2013.

The stretch factors are assigned to distributors based on the results of two benchmarking evaluations to divide the Ontario industry into three efficiency cohorts. In its letter to Licensed Electricity Distributors dated November 28, 2012 the Board assigned Guelph Hydro to efficiency cohort 2 and a cohort specific stretch factor of 0.4%.

On that basis, the resulting price cap index adjustment is 1.08% (i.e.  $2.2\% - (0.72\% + 0.4\%)$ ). The price cap index adjustment applies to distribution rates (fixed and variable charges) uniformly across customer classes.

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

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

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

As of the date of this Decision and Order, the Board has not issued its decision on the status of the Rural or Remote Electricity Rate Protection (“RRRP”) benefit and charge for 2013. In the event that the Board’s decision and rate order establishes a new RRRP charge for 2013, the RRRP rate order will supersede the tariff of rates and charges flowing from this IRM Decision and Order with respect to the RRRP charge.

## **MicroFIT Service Charge**

On September 20, 2012, the Board issued a letter advising that the default province-wide fixed monthly charge for all electricity distributors related to the microFIT Generator Service Classification was to be updated to \$5.40 per month effective with the implementation of electricity distributors’ 2013 rates applications. The draft Tariff of Rates and Charges flowing from this Decision and Order reflects the new default microFIT service charge.

## **Shared Tax Savings Adjustments**

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

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

Guelph Hydro’s application identified a total tax savings of \$46,034 resulting in a shared amount of \$23,017 to be refunded to rate payers.

The Board approves the disposition of the shared tax savings of \$23,017 over a one year period (i.e. January 1, 2013 to December 31, 2013) and the associated rate riders for all customer rate classes.

## Retail Transmission Service Rates

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

On June 22, 2012 the Board issued revision 3.0 of the *Guideline G-2008-0001 - Electricity Distribution Retail Transmission Service Rates* (the “RTSR Guideline”). The RTSR Guideline outlines the information that the Board requires electricity distributors to file to adjust their RTSRs for 2013. The RTSR Guideline requires electricity distributors to adjust their RTSRs based on a comparison of historical transmission costs adjusted for the new UTR levels and the revenues generated under existing RTSRs. The objective of resetting the rates is to minimize the prospective balances in Accounts 1584 and 1586. In order to assist electricity distributors in the calculation of the distributors’ specific RTSRs, Board staff provided a filing module.

As of the date of this Decision and Order, the Board has not issued its rate order for Hydro One Transmission (EB-2012-0031) which will adjust the UTRs effective January 1, 2013. The Board will therefore approve the RTSRs as partially adjusted in this application. The differences arising from the new UTRs will be captured in Accounts 1584 and 1586 for future disposition.

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

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

In its original application, Guelph Hydro's 2011 actual year-end total balance for Group 1 Accounts including interest projected to December 31, 2012 is a credit of \$1,339,272. This amount results in a total credit claim of \$0.0008 per kWh, which does not exceed the preset disposition threshold, and as such, Guelph Hydro did not request disposition of these account balances.

In response to Board staff interrogatory #5, Guelph Hydro discovered that the 2.1.7 *Reporting and Record-keeping Requirements* ("RRR") Trial Balance reported as of December 31, 2011 were inaccurate due to the omission of a journal entry recording the carrying charges on Group 1 Accounts. Guelph Hydro noted that it reports its financial statements under International Financial Reporting Standards ("IFRS"). Guelph Hydro noted that under IFRS, regulatory assets and liabilities are not recognized on the balance sheet, which also includes carrying charges on these regulatory accounts. Guelph Hydro also noted that as part of the process of preparing its annual 2.1.7 RRR Trial Balance, Guelph Hydro makes adjustments to convert the reporting basis from IFRS to modified IFRS. Guelph Hydro further noted that in making these adjustments for the 2.1.7. RRR Trial Balance ending December 31, 2011, Guelph Hydro failed to account for all of the carrying charges that needed to be recognized under modified IFRS.

Guelph Hydro also discovered that the Account 1588 balances originally reported were not based on final amounts for 2011. Guelph Hydro amended Sheet 5 "2013 Continuity Schedule" of the IRM model to reflect the correct balances and re-filed a revised model and re-filed its 2011 2.1.7 RRR Trial Balance with the required changes on September 24, 2012. Guelph Hydro's revised 2011 actual year-end total balance for Group 1 Accounts including interest projected to December 31, 2012 is a credit of \$342,423. Guelph Hydro noted that due to the fact that the Group 1 Account balances do not meet the threshold test, the updates in the revised models do not change the proposed Tariff of Rates and Charges and the bill impacts originally submitted on July 24, 2012.

In its submission, Board staff reviewed the revised model and noted that the principal balances as of December 31, 2011 reconcile with the balances reported as part of the revised 2.1.7 RRR Trial Balance filed on September 24, 2012. Board staff also noted that the preset disposition threshold has not been exceeded and that Board staff has no issue with Guelph Hydro's request to not dispose of its 2011 Group 1 Deferral and Variance Account balances at this time.

In its reply submission, Guelph Hydro responded that it has no further comments.

The Board therefore finds that the disposition of the credit balance of \$342,423 is not required at this time.

### **Rate Model**

With this Decision, the Board is providing Guelph Hydro with a rate model (spreadsheet) and applicable supporting models and a draft Tariff of Rates and Charges (Appendix A) that reflects the elements of this Decision. The Board also reviewed the entries in the rate model to ensure that they were in accordance with the 2012 Board approved Tariff of Rates and Charges and the rate model was adjusted, where applicable, to correct any discrepancies

### **THE BOARD ORDERS THAT:**

1. Guelph Hydro's new distribution rates shall be effective January 1, 2013.
2. Guelph Hydro shall review the draft Tariff of Rates and Charges set out in Appendix A. Guelph Hydro shall file with the Board a written confirmation assessing the completeness and accuracy of the draft Tariff of Rates and Charges, or provide a detailed explanation of any inaccuracies or missing information within **7 days** of the date of issuance of this Decision and Order.
3. If the Board does not receive a submission from Guelph Hydro to the effect that inaccuracies were found or information was missing pursuant to item 2 of this Decision and Order, the draft Tariff of Rates and Charges set out in Appendix A of this Decision and Order will become final effective January 1, 2013, and will apply to electricity consumed or estimated to have been consumed on and after January 1, 2013. Guelph Hydro shall notify its customers of the rate changes no later than with the first bill reflecting the new rates.
4. If the Board receives a submission from Guelph Hydro to the effect that inaccuracies were found or information was missing pursuant to item 2 of this Decision and Order, the Board will consider the submission of Guelph Hydro and will issue a final Tariff of Rates and Charges.

5. Guelph Hydro 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-2012-0128**, be made through the Board's web portal at [www.pes.ontarioenergyboard.ca/eservice/](http://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](http://www.ontarioenergyboard.ca). If the web portal is not available parties may email their document to [BoardSec@ontarioenergyboard.ca](mailto: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, December 6, 2012

**ONTARIO ENERGY BOARD**

*Original signed by*

Kirsten Walli  
Board Secretary



**Appendix A**

**To Decision and Order**

**Draft Tariff of Rates and Charges**

**Board File No: EB-2012-0128**

**DATED: December 6, 2012**

# Guelph Hydro Electric Systems Inc.

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date January 1, 2013

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

EB-2012-0128

## RESIDENTIAL SERVICE CLASSIFICATION

This classification includes accounts taking electricity at 750 volts or less where the electricity is used exclusively in a separately metered living accommodation. Customers shall be residing in single-dwelling units that consist of a detached house or one unit of a semi-detached, duplex, triplex or quadraplex 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 or 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 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. In addition, the charges in the MONTHLY RATES AND CHARGES – Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

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	\$	14.10
Green Energy Act Plan Funding Adder – effective until March 31, 2013	\$	0.10
Rate Rider for Disposition of Residual Historical Smart Meter Costs – effective until March 31, 2013	\$	(1.14)
Rate Rider for Recovery of Stranded Meter Assets – effective until March 31, 2016	\$	0.73
Rate Rider for Disposition of Post Retirement Actuarial Gain – effective until March 31, 2025	\$	(0.18)
Distribution Volumetric Rate	\$/kWh	0.0172
Rate Rider for Disposition of Global Adjustment Sub-Account (2012) – effective until March 31, 2013		
Applicable only for Non-RPP Customers	\$/kWh	(0.0001)
Rate Rider for Disposition of Deferral/Variance Account (2012) – effective until March 31, 2013	\$/kWh	(0.0027)
Rate Rider for Disposition of Deferred PILs Variance Account 1562 – effective until March 31, 2016	\$/kWh	0.0007
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism (LRAM)/Shared Savings Mechanism (SSM)		
– effective until March 31, 2016	\$/kWh	0.0003
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0070
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0054

## 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

# Guelph Hydro Electric Systems Inc.

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date January 1, 2013

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

EB-2012-0128

## GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification includes non residential accounts taking electricity at 750 volts or less where monthly average peak demand is less than, or is forecast to be less than, 50 kW. Further servicing details are available in the distributor's Conditions of Service.

### APPLICATION

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

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

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES – Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

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	\$	15.16
Green Energy Act Plan Funding Adder – effective until March 31, 2013	\$	0.10
Rate Rider for Disposition of Residual Historical Smart Meter Costs – effective until March 31, 2013	\$	5.66
Rate Rider for Recovery of Stranded Meter Assets – effective until March 31, 2016	\$	0.73
Rate Rider for Disposition of Post Retirement Actuarial Gain – effective until March 31, 2025	\$	(0.50)
Distribution Volumetric Rate	\$/kWh	0.0127
Rate Rider for Disposition of Global Adjustment Sub-Account (2012) – effective until March 31, 2013		
Applicable only for Non-RPP Customers	\$/kWh	(0.0001)
Rate Rider for Disposition of Deferral/Variance Account (2012) – effective until March 31, 2013	\$/kWh	(0.0018)
Rate Rider for Disposition of Deferred PILs Variance Account 1562 – effective until March 31, 2016	\$/kWh	0.0004
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism (LRAM)/Shared Savings Mechanism (SSM)		
– effective until March 31, 2016	\$/kWh	0.0001
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0064
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0048

### MONTHLY RATES AND CHARGES - Regulatory Component

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

# Guelph Hydro Electric Systems Inc.

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date January 1, 2013

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

EB-2012-0128

## GENERAL SERVICE 50 TO 999 KW SERVICE CLASSIFICATION

This classification includes non residential accounts where monthly average peak demand is equal to or greater than, or is forecast to be equal or greater than, 50 kW but less than 1,000 kW. Note that for the application of the Retail Transmission Rate - Network Service Rate and the Retail Transmission Rate - Line and Transformation Connection Service Rate the following sub-classifications apply: General Service 50 to 999 non-interval metered, General Service 50 to 999 kW interval metered. 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. In addition, the charges in the MONTHLY RATES AND CHARGES – Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

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	\$	164.36
Green Energy Act Plan Funding Adder – effective until March 31, 2013	\$	0.10
Rate Rider for Disposition of Post Retirement Actuarial Gain – effective until March 31, 2025	\$	(3.80)
Distribution Volumetric Rate	\$/kW	2.5069
Low Voltage Service Rate	\$/kW	0.0151
Rate Rider for Disposition of Global Adjustment Sub-Account (2012) – effective until March 31, 2013		
Applicable only for Non-RPP Customers	\$/kW	(0.3681)
Rate Rider for Disposition of Deferral/Variance Account (2012) – effective until March 31, 2013	\$/kW	(0.5768)
Rate Rider for Disposition of Deferred PILs Variance Account 1562 – effective until March 31, 2016	\$/kW	0.0614
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism (LRAM)/Shared Savings Mechanism (SSM)		
– effective until March 31, 2016	\$/kW	0.0065
Rate Rider for Application of Tax Change - effective until December 31, 2013	\$/kW	(0.0031)
Retail Transmission Rate - Network Service Rate	\$/kW	2.6686
Retail Transmission Rate - Network Service Rate - Interval Metered	\$/kW	2.7681
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.0014
Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered	\$/kW	2.0764

### 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

# Guelph Hydro Electric Systems Inc.

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date January 1, 2013

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

EB-2012-0128

## GENERAL SERVICE 1,000 TO 4,999 KW SERVICE CLASSIFICATION

This classification includes non residential accounts where monthly average peak demand is equal to or greater than, or is forecast to be equal or greater than 1,000 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. In addition, the charges in the MONTHLY RATES AND CHARGES – Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

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	\$	626.77
Green Energy Act Plan Funding Adder – effective until March 31, 2013	\$	0.10
Rate Rider for Disposition of Post Retirement Actuarial Gain – effective until March 31, 2025	\$	(46.33)
Distribution Volumetric Rate	\$/kW	3.3511
Rate Rider for Disposition of Global Adjustment Sub-Account (2012) – effective until March 31, 2013		
Applicable only for Non-RPP Customers	\$/kW	(0.4397)
Rate Rider for Disposition of Deferral/Variance Account (2012) – effective until March 31, 2013	\$/kW	(0.6297)
Rate Rider for Disposition of Deferred PILs Variance Account 1562 – effective until March 31, 2016	\$/kW	0.0567
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism (LRAM)/Shared Savings Mechanism (SSM)		
– effective until March 31, 2016	\$/kW	0.0061
Rate Rider for Application of Tax Change - effective until December 31, 2013	\$/kW	(0.0032)
Retail Transmission Rate - Network Service Rate - Interval Metered	\$/kW	2.7681
Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered	\$/kW	2.0764

### 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

# Guelph Hydro Electric Systems Inc.

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date January 1, 2013

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

EB-2012-0128

## LARGE USE SERVICE CLASSIFICATION

This classification refers to an account where monthly average peak demand is equal to or greater than, or is forecast to be equal to or greater 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. In addition, the charges in the MONTHLY RATES AND CHARGES – Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

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	\$	917.42
Green Energy Act Plan Funding Adder – effective until March 31, 2013	\$	0.10
Rate Rider for Disposition of Post Retirement Actuarial Gain – effective until March 31, 2025	\$	(151.18)
Distribution Volumetric Rate	\$/kW	2.2925
Rate Rider for Disposition of Global Adjustment Sub-Account (2012) – effective until March 31, 2013		
Applicable only for Non-RPP Customers	\$/kW	(0.5312)
Rate Rider for Disposition of Deferral/Variance Account (2012) – effective until March 31, 2013	\$/kW	(0.7475)
Rate Rider for Disposition of Deferred PILs Variance Account 1562 – effective until March 31, 2016	\$/kW	0.0373
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism (LRAM)/Shared Savings Mechanism (SSM)		
– effective until March 31, 2016	\$/kW	0.0099
Rate Rider for Application of Tax Change - effective until December 31, 2013	\$/kW	(0.0021)
Retail Transmission Rate - Network Service Rate - Interval Metered	\$/kW	3.3427
Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered	\$/kW	2.5073

### 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

# Guelph Hydro Electric Systems Inc.

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date January 1, 2013

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

EB-2012-0128

## UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification includes accounts taking electricity at 750 volts or less where monthly average peak demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. This connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The customer provides detailed manufacturer information/documentation with regard to electrical demand/consumption of the proposed load. Further servicing details are available in the distributor's Conditions of Service.

### APPLICATION

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

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

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES – Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

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)	\$	5.76
Green Energy Act Plan Funding Adder – effective until March 31, 2013	\$	0.10
Rate Rider for Disposition of Post Retirement Actuarial Gain – effective until March 31, 2025	\$	(0.05)
Distribution Volumetric Rate	\$/kWh	0.0263
Rate Rider for Disposition of Global Adjustment Sub-Account (2012) – effective until March 31, 2013		
Applicable only for Non-RPP Customers	\$/kWh	(0.0010)
Rate Rider for Disposition of Deferral/Variance Account (2012) – effective until March 31, 2013	\$/kWh	(0.0035)
Rate Rider for Disposition of Deferred PILs Variance Account 1562 – effective until March 31, 2016	\$/kWh	0.0004
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism (LRAM)/Shared Savings Mechanism (SSM)		
– effective until March 31, 2016	\$/kWh	0.0048
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0064
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0048

### MONTHLY RATES AND CHARGES - Regulatory Component

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

# Guelph Hydro Electric Systems Inc.

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date January 1, 2013

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

EB-2012-0128

## 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. In addition, the charges in the MONTHLY RATES AND CHARGES – Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

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

### MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	6.86
Green Energy Act Plan Funding Adder – effective until March 31, 2013	\$	0.10
Rate Rider for Disposition of Post Retirement Actuarial Gain – effective until March 31, 2025	\$	(0.11)
Distribution Volumetric Rate	\$/kW	7.5974
Low Voltage Service Rate	\$/kW	0.0112
Rate Rider for Disposition of Global Adjustment Sub-Account (2012) – effective until March 31, 2013		
Applicable only for Non-RPP Customers	\$/kW	(0.0013)
Rate Rider for Disposition of Deferral/Variance Account (2012) – effective until March 31, 2013	\$/kW	(1.2750)
Rate Rider for Disposition of Deferred PILs Variance Account 1562 – effective until March 31, 2016	\$/kW	0.3253
Rate Rider for Application of Tax Change - effective until December 31, 2013	\$/kW	(0.0141)
Retail Transmission Rate - Network Service Rate	\$/kW	2.0432
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.5324

### 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



# Guelph Hydro Electric Systems Inc.

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date January 1, 2013

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

EB-2012-0128

## STREET LIGHTING SERVICE CLASSIFICATION

This classification is for roadway lighting with the Municipality. The consumption for this customer is based on the calculated connection 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. In addition, the charges in the MONTHLY RATES AND CHARGES – Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

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

### MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	0.38
Green Energy Act Plan Funding Adder – effective until March 31, 2013	\$	0.10
Rate Rider for Disposition of Post Retirement Actuarial Gain – effective until March 31, 2025	\$	(0.01)
Distribution Volumetric Rate	\$/kW	9.3146
Low Voltage Service Rate	\$/kW	0.0135
Rate Rider for Disposition of Global Adjustment Sub-Account (2012) – effective until March 31, 2013		
Applicable only for Non-RPP Customers	\$/kW	(0.3323)
Rate Rider for Disposition of Deferral/Variance Account (2012) – effective until March 31, 2013	\$/kW	(2.9382)
Rate Rider for Disposition of Deferred PILs Variance Account 1562 – effective until March 31, 2016	\$/kW	0.0738
Rate Rider for Application of Tax Change - effective until December 31, 2013	\$/kW	(0.0102)
Retail Transmission Rate - Network Service Rate	\$/kW	2.4584
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.8438

### 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

**Guelph Hydro Electric Systems Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2013**

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

EB-2012-0128

### **microFIT SERVICE CLASSIFICATION**

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

### **APPLICATION**

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

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

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

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

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

Service Charge	\$	5.40
----------------	----	------

# Guelph Hydro Electric Systems Inc.

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date January 1, 2013

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

EB-2012-0128

## ALLOWANCES

Transformer Allowance for Ownership - per kW of billing demand/month	\$/kW	(0.72)
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
Returned cheque (plus bank charges)	\$	8.55
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	8.75
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	10.00

### Non-Payment of Account

Late Payment – per month	%	1.50
Late Payment – per annum	%	19.56
Collection of account charge – no disconnection	\$	9.00
Disconnect/Reconnect at meter – during regular hours	\$	20.00
Disconnect/Reconnect at meter – after regular hours	\$	50.00
Disconnect/Reconnect at pole – during regular hours	\$	50.00
Disconnect/Reconnect at pole – after regular hours	\$	95.00
Service call – customer owned equipment	\$	17.50
Service call – after regular hours	\$	95.00
Specific Charge for Access to the Power Poles - \$/pole/year	\$	22.35

# Guelph Hydro Electric Systems Inc.

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date January 1, 2013

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

EB-2012-0128

## 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	1.0209
Total Loss Factor – Secondary Metered Customer > 5,000 kW	1.0160
Distribution Loss Factor - Primary Metered Customer < 5,000 kW	1.0107
Distribution Loss Factor - Primary Metered Customer > 5,000 kW	1.0059