



**EB-2012-0177**

**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 Whitby  
Hydro Electric Corporation 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**  
**December 6, 2012**

**Introduction**

Whitby Hydro Electric Corporation (“Whitby Hydro”), a licensed distributor of electricity, filed an application with the Ontario Energy Board (the “Board”) on August 3, 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 Whitby Hydro charges for electricity distribution, to be effective January 1, 2013.

Whitby 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, Whitby 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. Whitby Hydro also sought approval for adjustments to its revenue-to-cost ratios.

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

While the Board has considered the entire record in this proceeding, it has made reference only to such evidence as is necessary to provide context to its findings. The

following issues are addressed in this Decision and Order:

- Price Cap Index Adjustment;
- Rural or Remote Electricity Rate Protection Charge;
- MicroFIT Service Charge;
- Revenue-to-Cost Ratio Adjustments;
- Shared Tax Savings Adjustments;
- Retail Transmission Service Rates;
- Review and Disposition of Group 1 Deferral and Variance Account Balances;
- Conservation and Demand Management; and
- Rates for Embedded Wholesale Market Participants (EWMPs).

### **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 Whitby 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.

### **Revenue-to-Cost Ratio Adjustments**

Revenue-to-cost ratios measure the relationship between the revenues expected from a class of customers and the level of costs allocated to that class. The Board has established target ratio ranges (the “Target Ranges”) for Ontario electricity distributors in its report *Application of Cost Allocation for Electricity Distributors*, dated November 28, 2007 and in its updated report *Review of Electricity Distribution Cost Allocation Policy*, dated March 31, 2011.

The Board’s decision in Whitby Hydro’s last cost of service rate application (EB-2009-0274) prescribed a phase-in period to adjust the revenue-to-cost ratio for the Street

Lighting and Sentinel Lighting rate classes. The Board approved a 50% adjustment towards the lower end of the target range in the test year, while the remaining 50% would be addressed evenly over 2012 and 2013.

The additional revenues from these adjustments would be used to reduce the revenue-to-cost ratio for the Residential rate class.

The table below outlines the proposed revenue-to-cost ratios.

Rate Class	Current 2012 Ratio	Proposed 2013 Ratio
Residential	103.93%	103.65%
General Service Less Than 50 kW	102.10%	102.10%
General Service 50 to 999 kW	93.53%	93.53%
Street Lighting	63.70%	70.00%
Sentinel Lighting	62.10%	70.00%
Unmetered Scattered Load	98.00%	98.00%

Board staff and VECC both submitted that the proposed revenue-to-cost ratio adjustments were in accordance with the Board's findings in its EB-2009-0274 decision.

The Board agrees that the proposed revenue-to-cost ratios are consistent with the decision arising from the EB-2009-0274 proceeding and therefore approves the revenue-to-cost ratios as filed.

### 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.

Whitby Hydro's application identified a total tax savings of \$100,348 resulting in a shared amount of \$50,174 to be refunded to rate payers. Whitby Hydro noted that the calculated volumetric rate riders from the Tax-Savings Workform indicate amounts with low levels of materiality for several of its customer rate classes. Whitby Hydro requested that it be allowed to record the total amount to be refunded in Account 1595 to be disposed in a future rate application, when sufficient balances have accumulated to ensure that the intended disposition results are achieved<sup>1</sup>.

In its submission, Board staff took no issue with Whitby Hydro's proposal to record the Tax-Savings amount of \$50,174 in Account 1595 for future disposition.

The Board agrees with Whitby Hydro's request and directs Whitby Hydro to record the tax sharing refund of \$50,164 in variance Account 1595 by March 31, 2013 for disposition at a future date.

### **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

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<sup>1</sup> EB-2012-0177, Manager's Summary, Page 7

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.

Whitby Hydro's 2011 actual year-end total balance for Group 1 Accounts including interest projected to December 31, 2012 is a debit of \$5,693. This amount results in a total debit claim of \$0.0000 per kWh, which does not exceed the preset disposition threshold.

In its submission, Board staff noted that the principal amounts as of December 31, 2011 reconcile with the amounts reported as part of the *Reporting and Record-keeping Requirements* ("RRR") and that the preset disposition threshold has not been exceeded.

The Board therefore finds that no disposition is required at this time.

### **Conservation and Demand Management**

The recent CDM guidelines (EB-2012-0003) require that a true-up calculation be recorded in the LRAM Variance Account ("LRAMVA") to show the comparison between actual, verified impacts of CDM activities and the level of CDM program activities included in the distributor's load forecast. Whitby Hydro requested that the Board consider providing a decision on the matter of whether its 2010 load forecast included explicit CDM adjustments and if an adjustment exists, the value or process to determine

the value by customer class. Whitby Hydro took the position that its load forecast did not explicitly include CDM adjustments<sup>2</sup>.

Whitby Hydro also noted that the Board did not address the issue of what (if any) CDM amount was or was not included in the load forecast as part of its 2012 IRM Application (EB-2011-0206).

In its submission, Board staff noted that Whitby Hydro's last cost of service application was for 2010 rates. Since an application for disposition of the 2011 LRAMVA balance has not been made at this time, Board staff submitted that it is premature to consider the matter of a CDM adjustment to the 2010 load forecast at this time. Board staff also noted that the Board will have to consider this matter when Whitby Hydro applies to clear its LRAMVA account for 2011 and subsequent years.

In its reply submission, Whitby Hydro noted that continuing the on-going regulatory uncertainty beyond this application could result in potentially significant inaccuracies in financial reporting and further increase the time, effort and ultimately cost to the ratepayers which might otherwise be avoided. Whitby Hydro stated that if the Board defers this issue, it would force Whitby Hydro to use its own speculation to determine the underlying assumptions for 2012 LRAMVA financials and reporting. The assumptions would include baseline CDM adjustments by specific customer classification and the resulting LRAM impacts. This assumption would then be used going forward with the continuing uncertainty of how this would compare to the Board's future view on the matter<sup>3</sup>.

In its reply submission, Whitby Hydro reiterated its request that the Board consider the issue and provide a decision as to whether its load forecast excludes or includes a CDM adjustment and if an adjustment exists, the value or process to determine the value by customer class<sup>4</sup>.

The Board agrees that certainty should be provided to Whitby Hydro as to whether the last load forecast, undertaken for the 2010 cost of service application which resulted in 2011 rates includes a CDM adjustment or not. The Settlement Agreement upon which the 2011 rates were based is not determinative on this point, as the agreement merely stated acceptance of the proposed customer and load forecast.

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<sup>2</sup> EB-2012-0177, Manager's Summary, Page 11

<sup>3</sup> EB-2012-0177, Reply Submission, Page 2

<sup>4</sup> *Ibid*, Page 3

The Board considers it appropriate to rely on the evidence in the 2010 application, and has concluded that the impact of CDM related to Whitby's 2011-2014 CDM programs was not included in the load forecast. This conclusion is based on the response to the following interrogatory from Board staff:

Please provide a further explanation of the sentence "Effects of conservation on customer load have been incorporated into the forecast solely by virtue of the forecasting methodology used".<sup>5</sup>

Whitby Hydro's response indicated that no manual adjustments were made to the load forecast for CDM impacts. To the extent that conservation was taken into consideration, it was through the multiple regression analysis used to determine the load forecast. That analysis was based on data up to and including September 2009. The Board finds that the 2011 forecast did not include CDM impacts related to Whitby's 2011- 2014 CDM programs and therefore, Whitby Hydro is eligible to apply for disposition of a LRAM Variance Account for 2011.

### **Rates for Embedded Wholesale Market Participants (EWMPs)**

In its Manager's Summary, Whitby Hydro advised the Board that one of its General Service 50 – 4,999 kW demand (GS>50 kW) customers has now become a EWMP. Whitby Hydro requested that the Board address two options proposed to help ensure that applicable rates are identified and applied to the EWMP customers(s). Option 1 would be to set up a new customer rate class for the EWMP which will identify only the approved rates applicable for that class. Option 2 would be to continue using the existing GS>50 kW demand customer rate class but identify on the rate order those rates that would not be applicable to the EWMP GS>50 kW customer (or conversely those that would be applicable).

Whitby Hydro included modifications to its proposed 2013 Tariff of Rates and Charges to incorporate option 2. Specifically, Whitby Hydro included a note for the GS >50 kW class that specifies that the wholesale market service charge, and the rural or remote rate protection charge do not apply to EWMPs. Whitby Hydro also indicated that it does not charge the debt retirement charge to EWMPs.

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<sup>5</sup> EB-2009-0274, Exhibit 3, p. 180

In its submission, Board staff noted that a EWMP is invoiced by the distributor for distribution, retail transmission and network connection charges. The EWMP has a contractually negotiated alternate energy arrangement with the IESO, and is billed directly by the IESO for energy consumption, wholesale market service rates and rural rate protection. Board staff also sought confirmation that the IESO would apply the debt retirement charge to an EMWP as opposed to the distributor.

Board staff noted that option 2 is the appropriate methodology to follow in the context of an IRM application since the establishment of a new rate class would ordinarily necessitate the development of a cost allocation study.

Board staff agreed with Whitby Hydro that a distinction needs to be made with respect to the rates that are not applicable to EMWPs, versus those that are.

Whitby Hydro included a footnote to the tariff of rates and charges for the GS>50 KW rate class that identifies the components of the tariff that are not applicable to EMWPs. While Board staff agreed that a distinction needs to be made with respect to the rates that are not applicable to EMWP's as noted above, Board staff submitted that a better approach might be to make that distinction under the "Application" section of Whitby Hydro's GS >50 kW tariff of rates and charges. Board staff also provided suggested wording that could be included in the "Application" section of the tariff or rates and charges.

Whitby Hydro stated that all rate riders that existed at the time that the customer transitioned to become a EWMP would continue to apply until their sunset date. For any new rate riders, these would need to be reviewed as part of the rate application process to determine whether they should apply to EWMPs. Board staff agreed with Whitby Hydro that the current rate riders should continue to apply to the new EWMP since that customer would have contributed to those variances that took place prior to becoming an EWMP.

In its reply submission, Whitby Hydro did not object to the approach suggested by Board Staff (i.e. to identify the components of the tariff that are not applicable to EWMPs under the "Application" section of Whitby Hydro's GS >50 kW tariff of rates and charges). Whitby Hydro however noted that while there will be standard rates that will not apply to all EWMPs, there may also be other rates or rate riders/adders that are unique to a specific distributor that may or may not apply to an EWMP depending on the

individual distributor. In that case, the wording in the “Application” section may need to be altered each rate year for a given distributor and the wording may differ from distributor to distributor. Overall, Whitby Hydro supported the most simplified approach which serves to distinguish the rates applicable (or not applicable) to the EWMP and which lends itself to the greatest consistency amongst all distributors who have an EWMP.

The Board agrees with Board staff that option 2, that is to continue to use the existing GS>50 kW rate class but to identify those rates that are or are not applicable to the EWMPs, is the appropriate methodology to follow in the context of an IRM application since the establishment of a new rate class would generally necessitate the development of a cost allocation study.

With respect to the issue of how best to identify the rates that are not applicable to EMWPs versus those that are, the Board notes that Whitby Hydro did not object to the alternative approach suggested by Board staff. The Board agrees that the Application section of the Tariff of Rates and Charges for the GS > 50kW rate class should specify that the Wholesale Market Service Rate, the Rural Protection Charge and, as clarified by Whitby Hydro in its reply submission, the Debt Retirement Charge do not apply to EMWPs. With respect to rate riders and adders that may or may not apply to EMWPs, the Board is of the view that this distinction should be reflected in the Monthly Rates and Charges – Delivery Component of the Tariff of Rates and Charges for the GS > 50 kW rate class.

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

1. Whitby Hydro’s new distribution rates shall be effective January 1, 2013.
2. Whitby Hydro shall review the draft Tariff of Rates and Charges set out in Appendix A. Whitby 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 Whitby 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, and will apply to electricity consumed or estimated to have been consumed on and after January 1, 2013. Whitby 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 Whitby 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 Whitby Hydro and will issue a final Tariff of Rates and Charges.

### Cost Awards

The Board will issue a separate decision on cost awards once the following steps are completed:

1. VECC shall submit their cost claims no later than **7 days** from the date of issuance of the final Rate Order.
2. Whitby Hydro shall file with the Board and forward to VECC any objections to the claimed costs within **21 days** from the date of issuance of the final Rate Order.
3. VECC shall file with the Board and forward to Whitby Hydro any responses to any objections for cost claims within **28 days** from the date of issuance of the final Rate Order.
4. Whitby 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-2012-0177**, be made through the Board's web portal at, <https://www.pes.ontarioenergyboard.ca/eservice//> and consist of two paper copies and one electronic copy in searchable / unrestricted PDF format. Filings must clearly state the sender's name, postal address and telephone number, fax number and e-mail address. Parties must use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at [www.ontarioenergyboard.ca](http://www.ontarioenergyboard.ca). If the web portal is not available parties may email their document to the address below. Those who do not have internet access are required to submit all filings on a CD in PDF format, along with two paper copies. Those who do

not have computer access are required to file 2 paper copies.

**DATED** at Toronto, 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-2012-0177**

**DATED: December 6, 2012**

# Whitby Hydro Electric Company

## 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-2012-0177

## RESIDENTIAL SERVICE CLASSIFICATION

This classification refers to detached, semi-detached or freehold townhouse dwelling units. Energy is supplied to residential customers as single phase, three wire, 60 Hertz, having a normal voltage of 120/240 Volts up to a maximum of 200 Amps per dwelling unit. 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	\$	17.43
Distribution Volumetric Rate	\$/kWh	0.0144
Rate Rider for Disposition of Global Adjustment Sub-Account (2012) – applicable only for Non-RPP Customers – effective until December 31, 2013	\$/kWh	0.0013
Rate Rider for Disposition of Deferral/Variance Accounts (2010) – effective until December 31, 2014	\$/kWh	(0.0017)
Rate Rider for Disposition of Deferral/Variance Accounts (2012) – effective until December 31, 2013	\$/kWh	(0.0032)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0075
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0059

### 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

# Whitby Hydro Electric Company

## 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-2012-0177

## GENERAL SERVICE LESS THAN 50 kW SERVICE CLASSIFICATION

This classification applies to a non residential account whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW, shall include small apartment buildings and smaller commercial, industrial, and institutional developments. 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	\$	20.13
Distribution Volumetric Rate	\$/kWh	0.0197
Rate Rider for Disposition of Global Adjustment Sub-Account (2012) – applicable only for Non-RPP Customers – effective until December 31, 2013	\$/kWh	0.0013
Rate Rider for Disposition of Deferral/Variance Accounts (2010) – effective until December 31, 2014	\$/kWh	(0.0018)
Rate Rider for Disposition of Deferral/Variance Accounts (2012) – effective until December 31, 2013	\$/kWh	(0.0027)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0068
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

# Whitby Hydro Electric Company

## 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-2012-0177

## 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 and includes apartment buildings, and commercial, industrial, and institutional developments. 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 4,999 kW non-interval metered

General Service 50 to 4,999 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. It should be noted that the Wholesale Market Service Rate, the Rural Rate Protection Charge and the Debt Retirement Charge do not apply to customers who are embedded wholesale market participants.

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	\$	194.53
Distribution Volumetric Rate	\$/kW	3.9831
Rate Rider for Disposition of Global Adjustment Sub-Account (2012) – applicable only for Non-RPP Customers – effective until December 31, 2013	\$/kW	0.5426
Rate Rider for Disposition of Deferral/Variance Accounts (2010) – effective until December 31, 2014	\$/kW	(0.6875)
Rate Rider for Disposition of Deferral/Variance Accounts (2012) – effective until December 31, 2013	\$/kW	(0.8667)
Retail Transmission Rate – Network Service Rate	\$/kW	2.7595
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	2.0707

### 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

# Whitby Hydro Electric Company

## 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-2012-0177

## 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 kW and the consumption is unmetered. Such connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, decorative lighting, billboards, 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 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)	\$	9.43
Distribution Volumetric Rate	\$/kWh	0.0307
Rate Rider for Disposition of Deferral/Variance Accounts (2010) – effective until December 31, 2014	\$/kWh	(0.0018)
Rate Rider for Disposition of Deferral/Variance Accounts (2012) – effective until December 31, 2013	\$/kWh	(0.0037)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0068
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

# Whitby Hydro Electric Company

## 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-2012-0177

## 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.

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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 light)	\$	5.36
Distribution Volumetric Rate	\$/kW	14.5002
Rate Rider for Disposition of Deferral/Variance Accounts (2010) – effective until December 31, 2014	\$/kW	(0.4912)
Rate Rider for Disposition of Deferral/Variance Accounts (2012) – effective until December 31, 2013	\$/kW	(1.7524)
Retail Transmission Rate – Network Service Rate	\$/kW	2.0918
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.6344

### 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

# Whitby Hydro Electric Company

## 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-2012-0177

## STREET LIGHTING SERVICE CLASSIFICATION

This classification relates to the supply of power for street lighting installations. Street lighting design and installations shall be in accordance with the requirements of Whitby Hydro, Town of Whitby specifications and ESA. The Town of Whitby retains ownership of the street lighting system on municipal roadways. Further servicing details are available in the distributor's Conditions of Service.

### APPLICATION

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

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

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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 light)	\$	1.69
Distribution Volumetric Rate	\$/kW	6.7147
Rate Rider for Disposition of Global Adjustment Sub-Account (2012) – applicable only for Non-RPP Customers – effective until December 31, 2013	\$/kW	0.4720
Rate Rider for Disposition of Deferral/Variance Accounts (2010) – effective until December 31, 2014	\$/kW	(0.7408)
Rate Rider for Disposition of Deferral/Variance Accounts (2012) – effective until December 31, 2013	\$/kW	(1.1740)
Retail Transmission Rate – Network Service Rate	\$/kW	2.0812
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.6009

### 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

**Whitby Hydro Electric Company**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2013**

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approved schedules of Rates, Charges and Loss Factors**

EB-2012-0177

## **microFIT GENERATOR SERVICE CLASSIFICATION**

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

### **APPLICATION**

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

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

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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
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# Whitby Hydro Electric Company

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date January 1, 2013

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EB-2012-0177

## ALLOWANCES

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

## SPECIFIC SERVICE CHARGES

### APPLICATION

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

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

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Customer Administration		
Arrears certificate	\$	15.00
Statement of Account	\$	15.00
Pulling post dated cheques	\$	15.00
Easement Letter	\$	15.00
Account history	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Returned cheque charge (plus bank charges)	\$	15.00
Special meter reads	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00
Legal Letter Charge	\$	15.00
Non-Payment of Account		
Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Collection of account charge – no disconnection	\$	30.00
Collection of account charge – no disconnection after regular hours	\$	165.00
Disconnect/Reconnect 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 hours	\$	415.00
Install/Remove load control device – during regular hours	\$	65.00
Install/Remove load control device – after regular hours	\$	185.00
Service call – customer-owned equipment	\$	30.00
Service call – after regular hours	\$	165.00
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 – per pole/year	\$	22.35

# Whitby Hydro Electric Company

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date January 1, 2013

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EB-2012-0177

## RETAIL SERVICE CHARGES (if applicable)

### APPLICATION

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

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.

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	1.0454
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0349