



EB-2012-0152

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 North Bay
Hydro Distribution Ltd. for an order or orders approving or
fixing just and reasonable distribution rates and other
charges, to be effective May 1, 2013.

BEFORE: Marika Hare
Presiding Member

DECISION AND ORDER
April 4, 2013

Introduction

North Bay Hydro Distribution Ltd. ("NBHDL"), a licensed distributor of electricity, filed an application with the Ontario Energy Board (the "Board") on August 31, 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 NBHDL charges for electricity distribution, to be effective May 1, 2013.

NBHDL is one of 77 electricity distributors in Ontario regulated by the Board. The *Report of the Board on 3rd Generation Incentive Regulation for Ontario's Electricity Distributors* (the "IR Report"), issued on July 14, 2008, established a three year plan for 3rd 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, NBHDL 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 3rd 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 3rd 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 NBHDL's rate application was given through newspaper publication in NBHDL'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. The Notice of Application indicated that the Board did not intend to award costs in this proceeding as the applicant has only made proposals of a mechanistic nature within the Board's guidelines. One individual, Mr. Rennick applied for and was granted intervenor status in this proceeding however he did not request cost award eligibility. Mr. Rennick filed interrogatories and made a submission to the Board. 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;
- Wholesale Market Service Rate;
- Smart Metering Entity Charge;
- MicroFIT Service Charge;
- Shared Tax Savings Adjustments;
- Retail Transmission Service Rates;
- Review and Disposition of Group 1 Deferral and Variance Account Balances; and
- Smart Meters.

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 March 21, 2013, the Board announced a price escalator of 1.60% for those distributors under IRM that have a rate year commencing May 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 NBHDL to efficiency cohort 1, being the most efficient group, and a resulting cohort specific stretch factor of 0.2%.

The Board therefore has determined, on that basis, that the resulting price cap index adjustment is 0.68% (i.e. $1.60\% - (0.72\% + 0.20\%)$). 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

On March 21, 2013, the Board issued a Decision with Reasons and Rate Order (EB-2013-0067) establishing that the Rural or Remote Electricity Rate Protection (“RRRP”) used by rate regulated distributors to bill their customers shall be \$0.0012 per kilowatt hour effective May 1, 2013. The draft Tariff of Rates and Charges flowing from this Decision and Order reflects this RRRP charge.

Wholesale Market Service Rate

On March 21, 2013, the Board issued a Decision with Reasons and Rate Order (EB-2013-0067) establishing that the Wholesale Market Service rate (“WMS rate”) used by rate regulated distributors to bill their customers shall be \$0.0044 per kilowatt hour effective May 1, 2013. The draft Tariff of Rates and Charges flowing from this Decision and Order reflects this WMS rate.

Smart Metering Entity Charge

On March 28, 2013, the Board issued a Decision and Order (EB-2012-0100/EB-2012-0211) establishing a Smart Metering Entity charge of \$0.79 per month for Residential and General Service < 50kW customers for those distributors identified in the Board’s annual *Yearbook of Electricity Distributors*. This charge will be in effect from May 1, 2013 to October 31, 2018. The draft Tariff of Rates and Charges flowing from this Decision and Order reflects this Smart Metering Entity 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.

NBHDL's application identified a total tax savings of \$73,012 resulting in a shared amount of \$36,506 to be refunded to rate payers.

NBHDL requested that the Board authorize that this amount be recorded in Account 1595 for disposition in a future application given that the associated rate riders are negligible. The Board agrees with NBHDL's request and directs NBHDL to record the tax sharing refund of \$36,506 in variance Account 1595 by June 30, 2013 for disposition at a future date.

Retail Transmission Service Rates ("RTSRs")

Electricity distributors are charged for transmission costs at the wholesale level and subsequently pass these charges on to their distribution customers through the 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 Ontario Uniform Transmission Rates (“UTRs”) levels and the revenues generated under existing RTSRs. Similarly, embedded distributors whose host is Hydro One Networks Inc. (“Hydro One”) should adjust their RTSRs to reflect any changes in Hydro One’s Sub-Transmission class 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.

NBHDL is a partially embedded distributor whose host is Hydro One.

On December 20, 2012 the Board issued its Rate Order for Hydro One Transmission (EB-2012-0031) which adjusted the UTRs effective January 1, 2013, as shown in the following table:

2013 Uniform Transmission Rates

Network Service Rate	\$3.63 per kW
<u>Connection Service Rates</u>	
Line Connection Service Rate	\$0.75 per kW
Transformation Connection Service Rate	\$1.85 per kW

The Board also approved new rates for Hydro One Sub-Transmission class RTSRs effective January 1, 2013 (EB-2012-0136), as shown in the following table.

2013 Sub-Transmission RTSRs

Network Service Rate	\$3.18 per kW
<u>Connection Service Rates</u>	
Line Connection Service Rate	\$0.70 per kW
Transformation Connection Service Rate	\$1.63 per kW

The Board finds that these 2013 UTRs and Sub-Transmission class RTSRs are to be incorporated into the filing module.

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.

NBHDL's 2011 actual year-end total balance for Group 1 Accounts including interest projected to April 30, 2013 is a credit of \$46,232. This amount results in a total credit claim of \$0.0001 per kWh, which does not exceed the preset disposition threshold.

In its submission, Board staff noted that the principal amounts to be disposed as of December 31, 2011 reconcile with the amounts reported as part of the *Reporting and Record-keeping Requirements* ("RRR").

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

Smart Meters

In its Application, NBHDL stated that:

NBHDL's Rate Adder of \$1.47 per meter expired April 30, 2012. Several of NBHDL's current rate riders have a sunset date of April 30th, 2014; deferring the smart meter application and including a request for disposition in its 2014 rate application will assist in smoothing rate impacts for customers as NBHDL anticipates a partial offset for the addition of the SMDR/SMIRR. Rate impacts and mitigation are of significant importance to NBHDL and the company believes that the one year deferral of the smart meter disposition is in the best interest of customers and rates at this time.¹

In response to Mr. Rennick's interrogatory seeking NBHDL's estimate of the "partial offset for the addition of the SMDR/SMIRR" anticipated by the distributor, NBHDL declined to respond, stating that this interrogatory was out of scope as it did not relate directly to the IRM rate adjustment and the associated models.

¹ Application, page 2

In its submission, Board staff expressed some concern with NBHDL's proposal to defer smart meter cost recovery until its 2014 cost of service application, noting that "[i]t is not clear what analysis NBHDL has done or on what evidence it is relying to conclude that the deferral of smart meter cost recovery "is in the best interest of customers and rates at this time".²

Board staff noted that, with the sunset of Smart Meter Funding Adders as of April 30, 2012, NBHDL is receiving no revenues for its investment in and operation of installed smart meters, while the deferred revenue requirement increases with the passage of time.

Board staff submitted that the deferred revenue requirement could be significant if addressed in NBHDL's 2014 cost of service application, and that the Board should consider directing the utility to file a stand-alone smart meter cost recovery application earlier, that is, in 2013.

In its reply submission, NBHDL stated that it was aware that the deferred revenue requirement will increase over time. However, NBHDL stated that there are several other rate riders which will sunset on April 30, 2014 and will offset, to some extent, the impacts of the smart meter rate riders. NBHDL also stated that there are other significant costs related to smart meter deployment and operation that it expected to incur into 2013. NBHDL noted that it was working with its vendor on infrastructure upgrades to ensure reliable remote meter reading in its service territory, a matter which has been complicated by the terrain and forestation of its service territory. NBHDL also stated that it expected to deploy about 1,200 three-phase smart meters in 2013 to complete smart meter deployment.

Board Findings

The Board orders NBHDL to file a stand-alone smart meter cost recovery application as soon as possible in 2013. As argued by NBHDL, it may be to the customers' benefit to delay collection of these costs until 2014, however the costs should be reviewed as soon as possible, with a Board determination as to the appropriateness of cost recovery and the implementation date.

² Board staff submission, EB-2012-0152, November 6, 2012, page 3

Rate Model

With this Decision and Order, the Board is providing NBHDL 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 has reviewed the entries in the rate model to ensure that they are 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. NBHDL's new distribution rates shall be effective May 1, 2013.
2. A stand-alone application dealing with smart meter cost recovery should be filed as soon as possible in 2013.
3. NBHDL shall review the draft Tariff of Rates and Charges set out in Appendix A. NBHDL 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.
4. If the Board does not receive a submission from NBHDL 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 May 1, 2013, and will apply to electricity consumed or estimated to have been consumed on and after May 1, 2013. NBHDL shall notify its customers of the rate changes no later than with the first bill reflecting the new rates.
5. If the Board receives a submission from NBHDL 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 NBHDL and will issue a final Tariff of Rates and Charges.

6. NBHDL 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-2012-0152**, be made through the Board's web portal at, <https://www.pes.ontarioenergyboard.ca/eservice/> and consist of two paper copies and one electronic copy in searchable / unrestricted PDF format. Filings must clearly state the sender's name, postal address and telephone number, fax number and e-mail address. Parties must use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at www.ontarioenergyboard.ca. If the web portal is not available parties may email their document to BoardSec@ontarioenergyboard.ca. Those who do not have internet access are required to submit all filings on a CD in PDF format, along with two paper copies. Those who do not have computer access are required to file 2 paper copies.

DATED at Toronto, April 4, 2013

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-2012-0152

DATED: April 4, 2013

North Bay Hydro Distribution Limited

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2013

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

EB-2012-0152

RESIDENTIAL SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less where the electricity is used exclusively in a separate metered living accommodation. Customers shall be residing in single-dwelling units that consist of a detached house or one unit of a semi-detached, duplex, triplex or quadruplex house, with a residential zoning. Separately metered dwellings within a town house complex or apartment building also qualify as residential customers. All customers are single-phase. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. 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 or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy Conservation and Renewable Energy Program, the Provincial Benefit and any applicable taxes.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	14.44
Rate Rider For Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Distribution Volumetric Rate	\$/kWh	0.0129
Low Voltage Service Rate	\$/kWh	0.00004
Rate Rider for Disposition of Global Adjustment Sub-Account (2012) – effective until April 30, 2014		
Applicable only for Non-RPP Customers	\$/kWh	0.0009
Rate Rider for Disposition of Deferral/Variance Account (2012) – effective until April 30, 2014	\$/kWh	0.0012
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism (LRAM) (2012) - effective until April 30, 2014	\$/kWh	0.0001
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0070
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0053

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044
Rural Rate Protection Charge	\$/kWh	0.0012
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

North Bay Hydro Distribution Limited

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2013

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

EB-2012-0152

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.

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	21.39
Rate Rider For Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Distribution Volumetric Rate	\$/kWh	0.0165
Low Voltage Service Rate	\$/kWh	0.00004
Rate Rider for Disposition of Global Adjustment Sub-Account (2012) – effective until April 30, 2014		
Applicable only for Non-RPP Customers	\$/kWh	0.0009
Rate Rider for Disposition of Deferral/Variance Account (2012) – effective until April 30, 2014	\$/kWh	0.0010
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0066
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0048

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044
Rural Rate Protection Charge	\$/kWh	0.0012
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

North Bay Hydro Distribution Limited

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2013

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

EB-2012-0152

GENERAL SERVICE 50 TO 2,999 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 to or greater than, 50 kW but less than 3,000 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 or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy Conservation and Renewable Energy Program, the Provincial Benefit and any applicable taxes.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	289.91
Distribution Volumetric Rate	\$/kW	2.0677
Low Voltage Service Rate	\$/kW	0.0139
Rate Rider for Disposition of Global Adjustment Sub-Account (2012) – effective until April 30, 2014		
Applicable only for Non-RPP Customers	\$/kW	0.3188
Rate Rider for Disposition of Deferral/Variance Account (2012) – effective until April 30, 2014	\$/kW	0.1899
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism (LRAM) (2012) - effective until April 30, 2014	\$/kW	0.0063
Retail Transmission Rate - Network Service Rate	\$/kW	2.6208
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.8828

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044
Rural Rate Protection Charge	\$/kWh	0.0012
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

North Bay Hydro Distribution Limited

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2013

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

EB-2012-0152

GENERAL SERVICE 3,000 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 to or greater than 3,000 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.

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It should be noted that this schedule does not list any charges or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy Conservation and Renewable Energy Program, the Provincial Benefit and any applicable taxes.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	5,763.41
Distribution Volumetric Rate	\$/kW	1.0996
Low Voltage Service Rate	\$/kW	0.0154
Rate Rider for Disposition of Global Adjustment Sub-Account (2012) – effective until April 30, 2014		
Applicable only for Non-RPP Customers	\$/kW	0.4809
Rate Rider for Disposition of Deferral/Variance Account (2012) – effective until April 30, 2014	\$/kW	0.1388
Retail Transmission Rate - Network Service Rate - Interval Metered	\$/kW	2.7800
Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered	\$/kW	2.0808

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044
Rural Rate Protection Charge	\$/kWh	0.0012
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

North Bay Hydro Distribution Limited

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2013

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EB-2012-0152

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. These connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The customer will provide detailed manufacturer information/documentation with regard to electrical demand/consumption of the proposed unmetered load. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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It should be noted that this schedule does not list any charges or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy Conservation and Renewable Energy Program, the Provincial Benefit and any applicable taxes.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	6.93
Distribution Volumetric Rate	\$/kWh	0.0160
Low Voltage Service Rate	\$/kWh	0.00004
Rate Rider for Disposition of Deferral/Variance Account (2012) – effective until April 30, 2014	\$/kWh	0.0014
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0066
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0048

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044
Rural Rate Protection Charge	\$/kWh	0.0012
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

North Bay Hydro Distribution Limited

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2013

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

EB-2012-0152

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

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It should be noted that this schedule does not list any charges or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy Conservation and Renewable Energy Program, the Provincial Benefit and any applicable taxes.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	4.36
Distribution Volumetric Rate	\$/kW	15.2239
Low Voltage Service Rate	\$/kW	0.0110
Rate Rider for Disposition of Global Adjustment Sub-Account (2012) – effective until April 30, 2014		
Applicable only for Non-RPP Customers	\$/kW	0.3364
Rate Rider for Disposition of Deferral/Variance Account (2012) – effective until April 30, 2014	\$/kW	0.9672
Retail Transmission Rate - Network Service Rate	\$/kW	1.9864
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.4859

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044
Rural Rate Protection Charge	\$/kWh	0.0012
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

North Bay Hydro Distribution Limited

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2013

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

EB-2012-0152

STREET LIGHTING SERVICE CLASSIFICATION

This classification is for roadway lighting with the Municipality. The consumption for this customer is based on the calculated connected load times the required lighting times established in the approved OEB street lighting load shape template. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. 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 or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy Conservation and Renewable Energy Program, the Provincial Benefit and any applicable taxes.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	4.81
Distribution Volumetric Rate	\$/kW	25.7648
Low Voltage Service Rate	\$/kW	0.0108
Rate Rider for Disposition of Global Adjustment Sub-Account (2012) – effective until April 30, 2014		
Applicable only for Non-RPP Customers	\$/kW	0.3265
Rate Rider for Disposition of Deferral/Variance Account (2012) – effective until April 30, 2014	\$/kW	1.3670
Retail Transmission Rate - Network Service Rate	\$/kW	1.9765
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.4554

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044
Rural Rate Protection Charge	\$/kWh	0.0012
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

North Bay Hydro Distribution Limited
TARIFF OF RATES AND CHARGES
Effective and Implementation Date May 1, 2013

**This schedule supersedes and replaces all previously
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EB-2012-0152

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 Condition 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, charges for the Ministry of Energy Conservation and Renewable Energy Programs, 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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North Bay Hydro Distribution Limited

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2013

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EB-2012-0152

ALLOWANCES

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

SPECIFIC SERVICE CHARGES

APPLICATION

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

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

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

Customer Administration

Returned cheque charge (plus bank charges)	\$	15.00
Legal letter charge	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Special meter reads	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00

Non-Payment of Account

Late Payment – per month	%	1.50
Late Payment – per annum	%	19.56
Collection of account charge – no disconnection	\$	30.00
Disconnect/Reconnect at meter – during regular hours	\$	65.00
Disconnect/Reconnect at meter – after regular hours	\$	165.00
Service call – customer owned equipment	\$	30.00
Specific Charge for Access to the Power Poles - \$/pole/year	\$	22.35

North Bay Hydro Distribution Limited

TARIFF OF RATES AND CHARGES

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EB-2012-0152

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 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	1.0480
Total Loss Factor – Secondary Metered Customer > 5,000 kW	N/A
Distribution Loss Factor - Primary Metered Customer < 5,000 kW	1.0375
Distribution Loss Factor - Primary Metered Customer > 5,000 kW	N/A