



**EB-2013-0154**

**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 Niagara  
Peninsula Energy Inc. for an order approving just and  
reasonable rates and other charges for electricity distribution  
to be effective May 1, 2014.

**By Delegation, Before:** Lynne Anderson

## **DECISION and RATE ORDER**

**February 20, 2014**

Niagara Peninsula Energy Inc. (“NPEI”) filed an application with the Ontario Energy Board (the “Board”) on August 29, 2013 under section 78 of the Act, seeking approval for changes to the rates that NPEI charges for electricity distribution, effective May 1, 2014 (the “Application”).

The Application met the Board’s requirements as detailed in the *Report of the Board: Renewed Regulatory Framework for Electricity Distributors: A Performance-Based Approach* (the “RRFE Report”) dated October 18, 2012 and the *Filing Requirements for Electricity Distribution Rate Applications* (the “Filing Requirements”) dated July 17, 2013. NPEI selected the Price Cap Incentive Rate-Setting (“Price Cap IR”) option to adjust its 2014 rates. The Price Cap IR methodology provides for a mechanistic and formulaic adjustment to distribution rates and charges in the period between cost of service applications. NPEI last appeared before the Board with a full cost of service application for the 2011 rate year in the EB-2010-0138 proceeding.

The Board conducted a written hearing and Board staff participated in the proceeding. No letters of comment were received.

While I have considered the entire record in this proceeding, I have made reference only to such evidence as is necessary to provide context to my findings. The following issues are addressed in this Decision and Rate Order:

- Price Cap Index Adjustment;
- Rural or Remote Electricity Rate Protection 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**

The Board issued the *Report on Rate Setting Parameters and Benchmarking under the Renewed Regulatory Framework for Ontario's Electricity Distributors* (the "Price Cap IR Report") which provides the 2014 rate adjustment parameters for distribution companies selecting either the Price Cap IR or Annual IR Index option.

Distribution rates under the Price Cap IR option are adjusted by an inflation factor, less a productivity factor and a stretch factor. The inflation factor for 2014 rates is 1.7%. Based on the total cost benchmarking model developed by Pacific Economics Group Research, LLC, the Board determined that the appropriate value for the productivity factor is zero percent. The Board also determined that the stretch factor can range from 0.0% to 0.6% for distributors selecting the Price Cap IR option, assigned based on a distributor's cost evaluation ranking. In the Price Cap IR Report, the Board assigned NPEI a stretch factor of 0.3%.

As a result, the net price cap index adjustment for NPEI is 1.40% (i.e.  $1.7\% - (0\% + 0.3\%)$ ). The price cap index adjustment applies to distribution rates (fixed and variable charges) uniformly across all customer classes. The price cap index adjustment does not apply to the components of delivery rates set out in the list below.

- 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 Charge; and,
- Retail Service Charges.

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

The Board issued a Decision and Rate Order (EB-2013-0396) establishing the Rural or Remote Electricity Rate Protection (“RRRP”) benefit and charge for 2014. The Board determined that the RRRP charge to be paid by all rate regulated distributors and collected by the Independent Electricity System Operator (“IESO”) shall be increased to \$0.0013 per kWh effective May 1, 2014 from the current \$0.0012 per kWh. The draft Tariff of Rates and Charges flowing from this Decision and Rate Order reflects the new RRRP charge.

### **Shared Tax Savings Adjustments**

In its *Supplemental Report of the Board on 3<sup>rd</sup> Generation Incentive Regulation for Ontario’s Electricity Distributors*, the Board determined that a 50/50 sharing of the impact of legislated tax changes between shareholders and ratepayers is appropriate.

The tax reduction will be allocated to customer rate classes on the basis of the last Board approved cost of service distribution revenue.

The Application identified a total tax savings of \$204,767 resulting in a shared amount of \$102,382 to be refunded to rate payers.

I approve the disposition of the shared tax savings of \$102,382 based on a volumetric rate rider using annualized consumption for all customer classes over a one-year period (i.e. May 1, 2014 to April 30, 2015).

## Retail Transmission Service Rates

Electricity distributors are charged for transmission costs at the wholesale level and then pass these charges on to their distribution customers through the Retail Transmission Service Rates (“RTSRs”). Variance accounts are used to capture 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).

The Board issued revision 3.0 of the *Guideline G-2008-0001 - Electricity Distribution Retail Transmission Service Rates* (the “RTSR Guideline”) which outlines the information that the Board requires electricity distributors to file to adjust their RTSRs for 2014. The RTSR Guideline requires electricity distributors to adjust their RTSRs based on a comparison of historical transmission costs adjusted for the new Uniform Transmission Rates (“UTR”) levels and the revenues generated under existing RTSRs. Similarly, embedded distributors must adjust their RTSRs to reflect any changes to the applicable Sub-Transmission RTSRs of their host distributor(s), e.g. Hydro One Networks Inc.

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

The Board issued its Rate Order for Hydro One Transmission (EB-2012-0031) which adjusted the UTRs effective January 1, 2014, as shown in the following table:

### 2014 Uniform Transmission Rates

Network Service Rate	\$3.82 per kW
<u>Connection Service Rates</u>	
Line Connection Service Rate	\$0.82 per kW
Transformation Connection Service Rate	\$1.98 per kW

The Board also approved new rates for Hydro One Sub-Transmission class RTSRs effective January 1, 2014 (EB-2013-0141), as shown in the following table.

**2014 Sub-Transmission RTSRs**

Network Service Rate	\$3.23 per kW
<u>Connection Service Rates</u>	
Line Connection Service Rate	\$0.65 per kW
Transformation Connection Service Rate	\$1.62 per kW

I find that these 2014 UTRs and Sub-Transmission class RTSRs are to be incorporated into the calculation of NPEI's RTSRs. Accordingly, the rate models that accompany this Decision and Rate Order have been updated to include these rates.

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

The *Report of the Board on Electricity Distributors' Deferral and Variance Account Review Initiative* 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.

NPEI's 2012 actual year-end total balance for Group 1 Accounts including interest projected to April 30, 2014 is a credit of \$3,146,581. This amount results in a total credit claim of \$0.0026 per kWh, which exceeds the preset disposition threshold.

The credit amount attributable to Residential and General Service < 50kW rate classes in the current Application, excluding Account 1589 – Global Adjustment (applicable only to Non-RPP customers), is a credit of \$3,334,806. In its Application, NPEI proposed to dispose of this credit amount over a two-year period in order to minimize rate volatility and to reduce potential strains on NPEI's cash flows. However, as part of its reply submission, NPEI submitted that its 2014 IRM Application was filed before NPEI's Smart Meter Application (EB-2013-0359) which is currently before the Board. NPEI's Smart Meter Application, if approved as filed, will result in rate riders that will increase a typical Residential customer's monthly bill by \$0.69. Given this, NPEI submitted that the default disposition period of one year is more appropriate, given that the larger amount of credit Deferral and Variance rate riders in this 2014 IRM Application will serve to offset the potential bill increases due to the SMDR and SMIRR rate riders, if they are approved by the Board.

In its submission, Board staff noted that the principal amounts as of December 31, 2012 reconcile with the amounts reported as part of the *Reporting and Record-keeping Requirements*. Board staff submitted that it takes no issue with NPEI's request to dispose of its Group 1 account balances.

I approve the disposition of a credit balance of \$3,146,581 as of December 31, 2012, including interest as of April 30, 2014 for Group 1 accounts. These balances are to be disposed over a one period from May 1, 2014 to April 30, 2015, as a one year disposition period is consistent with Board policy.

The table below identifies the principal and interest amounts approved for disposition for Group 1 Accounts.

Account Name	Account Number	Principal Balance A	Interest Balance B	Total Claim C = A + B
LV Variance Account	1550	-\$123,432	-\$775	-\$124,188
RSVA - Wholesale Market Service Charge	1580	-\$3,164,722	-\$91,992	-\$3,256,713
RSVA - Retail Transmission Network Charge	1584	\$876,443	\$27,655	\$904,098
RSVA - Retail Transmission Connection Charge	1586	\$650,143	\$11,893	\$662,036
RSVA - Power	1588	-\$4,719,278	-\$197,022	-\$4,916,299
RSVA - Global Adjustment	1589	\$3,681,340	\$114,939	\$3,796,279
Disposition and Recovery of Regulatory Balances (2010)	1595	-\$1,776,570	\$1,673,488	-\$103,082
Disposition and Recovery of Regulatory Balances (2011)	1595	-\$43,770	-\$64,941	-\$108,712
<b>Total Group 1 Excluding Global Adjustment – Account 1589</b>		<b>-\$8,301,187</b>	<b>\$1,358,306</b>	<b>-\$6,942,860</b>
<b>Total Group 1</b>		<b>-\$4,619,846</b>	<b>\$1,473,245</b>	<b>-\$3,146,581</b>

The balance of each Group 1 account approved for disposition shall be transferred to the applicable principal and interest carrying charge sub-accounts of Account 1595 pursuant to the requirements specified in Article 220, Account Descriptions, of the *Accounting Procedures Handbook for Electricity Distributors*. The date of the transfer must be the same as the effective date for the associated rates, generally, the start of the rate year. NPEI should ensure these adjustments are included in the reporting period ending June 30, 2014 (Quarter 2).

## Rate Model

With this Decision and Rate Order, the Board is providing NPEI with a rate model, applicable supporting models and a draft Tariff of Rates and Charges (Appendix A). The Board also reviewed the entries in the rate model to ensure that they were in accordance with the 2013 Board approved Tariff of Rates and Charges and the rate model was adjusted, where applicable, to correct any discrepancies.

### THE BOARD ORDERS THAT:

1. NPEI's new distribution rates shall be effective May 1, 2014.
2. NPEI shall review the draft Tariff of Rates and Charges set out in Appendix A and shall file with the Board, as applicable, a written confirmation of its completeness and accuracy, or provide a detailed explanation of any inaccuracies or missing information, within **7 days** of the date of issuance of this Decision and Rate Order.
3. If the Board does not receive a submission from NPEI to the effect that inaccuracies were found or information was missing pursuant to item 2 of this Decision and Rate Order, the draft Tariff of Rates and Charges set out in Appendix A of this Decision and Rate Order will become final. NPEI shall notify its customers of the rate changes no later than the delivery of the first bill reflecting the new rates.
4. If the Board receives a submission from NPEI to the effect that inaccuracies were found or information was missing pursuant to item 2 of this Decision and Rate Order, the Board will consider the submission of NPEI prior to issuing a final Tariff of Rates and Charges.
5. NPEI 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-2013-0154**, 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 [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, February 20, 2014

**ONTARIO ENERGY BOARD**

*Original signed by*

Kirsten Walli  
Board Secretary

**Appendix A**

**To Decision and Rate Order**

**Draft Tariff of Rates and Charges**

**Board File No: EB-2013-0154**

**DATED: February 20, 2014**

# Niagara Peninsula Energy Inc.

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date May 1, 2014

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

EB-2013-0154

## RESIDENTIAL SERVICE CLASSIFICATION

This class pertains to customers residing in detached, semi-detached or duplex dwelling units, where energy is supplied single-phase, 3 wire, 60 hertz, having a nominal voltage of 120/240 volts. Large residential services will include all services from 201 amp. up to and including 400 amp., 120/240 volt, single phase, three wire. 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	\$	16.06
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Distribution Volumetric Rate	\$/kWh	0.0161
Low Voltage Service Rate	\$/kWh	0.0005
Rate Rider for Disposition of Deferral/Variance Accounts (2014) - effective until April 30, 2015	\$/kWh	(0.0057)
Rate Rider for Disposition of Global Adjustment Account (2014) - effective until April 30, 2015		
Applicable only for Non-RPP Customers	\$/kWh	0.0060
Rate Rider for Application of Tax Change - effective until April 30, 2015	\$/kWh	(0.0001)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0073
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0050

### MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

# Niagara Peninsula Energy Inc.

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date May 1, 2014

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

EB-2013-0154

## GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This class pertains to non-residential customers taking electricity at 750 volts or less whose 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	\$	37.79
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Distribution Volumetric Rate	\$/kWh	0.0138
Low Voltage Service Rate	\$/kWh	0.0004
Rate Rider for Disposition of Deferral/Variance Accounts (2014) - effective until April 30, 2015	\$/kWh	(0.0057)
Rate Rider for Disposition of Global Adjustment Account (2014) - effective until April 30, 2015		
Applicable only for Non-RPP Customers	\$/kWh	0.0060
Rate Rider for Application of Tax Change - effective until April 30, 2015	\$/kWh	(0.0001)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0066
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0044

### MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

# Niagara Peninsula Energy Inc.

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date May 1, 2014

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

EB-2013-0154

## GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION

This classification refers to a non residential account whose 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 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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### MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	179.58
Distribution Volumetric Rate	\$/kW	4.2400
Low Voltage Service Rate	\$/kW	0.1592
Rate Rider for Disposition of Deferral/Variance Accounts (2014) - effective until April 30, 2015	\$/kW	(1.9526)
Rate Rider for Disposition of Global Adjustment Account (2014) - effective until April 30, 2015		
Applicable only for Non-RPP Customers	\$/kW	2.0727
Rate Rider for Application of Tax Change - effective until April 30, 2015	\$/kW	(0.0178)
Retail Transmission Rate - Network Service Rate	\$/kW	2.7218
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.7467

### MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

# Niagara Peninsula Energy Inc.

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date May 1, 2014

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

EB-2013-0154

## UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification refers to an account taking electricity at 750 volts or less whose monthly average peak demand is less than, or forecast to be less than, 50 kW and the consumption is unmetered. Such connections include cable TV power pack, bus shelters, telephone booths, traffic lights, railway crossings etc. The customer will provide detailed manufacturer information/documentation with regard to electricity demand/consumption of the proposed unmetered 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.

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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	\$	19.53
Distribution Volumetric Rate	\$/kWh	0.0137
Low Voltage Service Rate	\$/kWh	0.0004
Rate Rider for Disposition of Deferral/Variance Accounts (2014) - effective until April 30, 2015	\$/kWh	(0.0057)
Rate Rider for Disposition of Global Adjustment Account (2014) - effective until April 30, 2015		
Applicable only for Non-RPP Customers	\$/kWh	0.0060
Rate Rider for Application of Tax Change - effective until April 30, 2015	\$/kWh	(0.0002)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0066
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0044

### MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

# Niagara Peninsula Energy Inc.

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date May 1, 2014

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EB-2013-0154

## 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.

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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	\$	12.87
Distribution Volumetric Rate	\$/kW	16.0553
Low Voltage Service Rate	\$/kW	0.1330
Rate Rider for Disposition of Deferral/Variance Accounts (2014) - effective until April 30, 2015	\$/kW	(2.0980)
Rate Rider for Disposition of Global Adjustment Account (2014) - effective until April 30, 2015		
Applicable only for Non-RPP Customers	\$/kW	2.1720
Rate Rider for Application of Tax Change - effective until April 30, 2015	\$/kW	(0.4168)
Retail Transmission Rate - Network Service Rate	\$/kW	2.0152
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.4595

### MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

# Niagara Peninsula Energy Inc.

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date May 1, 2014

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

EB-2013-0154

## STREET LIGHTING SERVICE CLASSIFICATION

This classification refers to an account for roadway lighting with a Municipality, Regional Municipality, Ministry of Transportation and private roadway lighting operation, controlled by photo cells. Street lighting profile is derived through the use of a "virtual streetlight meter" that uses a street light control eye, consistent with the model type and product manufacturer of devices currently in service in the Applicant's distribution area, to simulate the exact daily conditions that the typical street light is exposed to. This simulated street light load is captured using an interval metering device, and is processed as part of the distributor's daily interval meter interrogation, validation and processing procedures. 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	\$	1.15
Distribution Volumetric Rate	\$/kW	4.4657
Low Voltage Service Rate	\$/kW	0.1223
Rate Rider for Disposition of Deferral/Variance Accounts (2014) - effective until April 30, 2015	\$/kW	(2.1152)
Rate Rider for Disposition of Global Adjustment Account (2014) - effective until April 30, 2015		
Applicable only for Non-RPP Customers	\$/kW	2.2286
Rate Rider for Application of Tax Change - effective until April 30, 2015	\$/kW	(0.0439)
Retail Transmission Rate - Network Service Rate	\$/kW	2.0576
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.3420

### MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

**Niagara Peninsula Energy Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2014**

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

EB-2013-0154

## 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
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### ALLOWANCES

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

# Niagara Peninsula Energy Inc.

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date May 1, 2014

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

EB-2013-0154

## 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, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

#### Customer Administration

Returned cheque (plus bank charges)	\$	20.00
Legal letter charge	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	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
Collection of account charge – no disconnection – after regular hours	\$	165.00
Disconnect/Reconnect at meter – during regular hours	\$	65.00
Disconnect/Reconnect at meter – after regular hours	\$	185.00
Disconnect/Reconnect at pole – during regular hours	\$	185.00
Disconnect/Reconnect at pole – after regular hours	\$	415.00
Install/Remove load control device – during regular hours	\$	65.00
Install/Remove load control device – after regular hours	\$	185.00
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 - \$/pole/year	\$	22.35

# Niagara Peninsula Energy Inc.

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date May 1, 2014

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

EB-2013-0154

## 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, 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	1.0560
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0454