



EB-2013-0112

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 Bluewater
Power Distribution Corporation for an order approving just
and reasonable rates and other charges for electricity
distribution to be effective May 1, 2014.

BEFORE: Marika Hare
Presiding Member

Allison Duff
Member

DECISION and RATE ORDER

March 13, 2014

Bluewater Power Distribution Corporation (“Bluewater Power”) filed an application with the Ontario Energy Board (the “Board”) on September 13, 2014 under section 78 of the Act, seeking approval for changes to the rates that Bluewater Power 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. Bluewater Power 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. Bluewater Power last appeared before the Board with a full cost of service application for the 2013 rate year in the EB-2012-0107 proceeding. In this proceeding, Bluewater Power also seeks approval for disposition of the Lost Revenue Adjustment Mechanism Variance Account (“LRAMVA”) balances.

The Board conducted a written hearing and Board staff participated in the proceeding. The Vulnerable Energy Consumers Coalition (“VECC”) applied for and was granted intervenor status and cost eligibility with respect to Bluewater Power’s request for the proposed disposition of the LRAMVA balances. One letter of comment was received. The letter of comment raised questions about the language in the notice, and suggested that the notice was not understandable by the public. There was also a question about the actual bill impact. The Board provided a response to the letter.

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 Rate Order:

- Price Cap Index Adjustment;
- Rural or Remote Electricity Rate Protection Charge;
- Retail Transmission Service Rates;
- Review and Disposition of Group 1 Deferral and Variance Account Balances; and
- Review and Disposition of Lost Revenue Adjustment Mechanism Variance Account Balance.

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 Bluewater Power a stretch factor of 0.3%.

As a result, the net price cap index adjustment for Bluewater Power is 1.4% (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 Electricity 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.

Retail Transmission Service Rates

Electricity distributors are charged for transmission costs at the wholesale level and then pass on these charges 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.

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

The Board issued a Rate Order (EB-2012-0031) which adjusted Uniform Transmission Rates (UTR) 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’s Sub-Transmission class, including the applicable 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

The Board finds that these 2014 UTRs and Sub-Transmission class RTSRs are to be incorporated into the filing module.

Review and Disposition of Group 1 Deferral and Variance Account Balance

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.

Bluewater Power's 2012 actual year-end total balance for Group 1 accounts including interest projected to April 30, 2014 is a credit of \$2,362,316. This amount results in a total credit claim of \$0.0024 per kWh, which exceeds the preset disposition threshold. Bluewater Power proposed to dispose of this credit amount over a two-year period rather than one in order to smooth rates and be consistent with the disposition period of past rate riders.

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*.

With respect to the disposition period, Board staff noted that the Application is not consistent with the guidelines outlined in the *Report of the Board on Electricity Distributors' Deferral and Variance Account Review Initiative* with respect to the default disposition period for Group 1 accounts (i.e. one year).

Board staff further noted that while recognizing the value of the Board's report in guiding decisions with respect to the disposition of deferral and variance account balances, Board staff notes that in the past, the Board has made decisions which deviate from that report when it deemed it in the public interest to do so. For example, the Board in several occasions approved a two-year disposition on the basis of striking a balance between reducing intergenerational inequity and mitigating rate volatility.

Board staff also noted that in the settlement agreement related to Bluewater Power's 2013 cost-of-service application (EB-2012-0107), all parties agreed to a disposition period of 24 months for the recovery of deferral and variance account balances.

The Board approves the disposition of a credit balance of \$2,362,316 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 year period from May 1, 2014 to April 30, 2015. As this is a credit to customers, the Board sees no reason for the amounts owing to customers not to be returned in a timely manner, and in accordance with its policy.

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

Group 1 Deferral and Variance Account Balances

Account Name	Account Number	Principal Balance A	Interest Balance B	Total Claim C = A + B
LV Variance Account	1550	-\$5,171	-\$487	-\$5,658
RSVA - Wholesale Market Service Charge	1580	-\$1,747,348	-\$46,830	-\$1,794,178
RSVA - Retail Transmission Network Charge	1584	-\$339,266	-\$5,903	-\$345,169
RSVA - Retail Transmission Connection Charge	1586	-\$198,979	-\$4,861	-\$203,840
RSVA - Power	1588	\$184,809	\$4,058	\$188,867
RSVA - Global Adjustment	1589	-\$202,982	\$644	-\$202,338
Total Group 1 Excluding Global Adjustment – Account 1589		-\$2,105,955	-\$54,023	-\$2,159,978
Total Group 1		-\$2,308,937	-\$53,379	-\$2,362,316

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. Bluewater Power should ensure these adjustments are included in the reporting period ending June 30, 2014 (Quarter 2).

Review and Disposition of the Lost Revenue Adjustment Mechanism Variance Account Balances

The 2012 CDM Guidelines established the Lost Revenue Adjustment Mechanism Variance Account to capture, at the customer rate-class level, the difference between

actual results from authorized CDM activities and the reduction for forecasted CDM activities included in the distributor's last Board-approved load forecast.

Distributors must apply for the disposition of the balance in the LRAMVA as part of their cost of service applications. Distributors may apply for the disposition of the balance in the LRAMVA on an annual basis, as part of their IRM rate applications, if the balance is deemed significant by the distributor.

Bluewater Power requested the recovery of an LRAMVA claim of \$150,464. In response to a Board staff interrogatory, Bluewater Power updated its LRAMVA claim and requested to dispose of its LRAMVA balance of \$150,456 (debit to customers), consisting of lost revenues in 2012 from CDM programs delivered in both 2011 and 2012 which contribute towards Bluewater Power's 2011-2014 CDM Targets.

Board staff noted that Bluewater had an updated load forecast approved as part of its 2013 cost-of-service application and that none of the lost revenues included in this request were subject to any previous approvals. Board staff submitted that the applied-for lost revenues are eligible for recovery. Further, Board staff submitted that it has no concerns with Bluewater Power's updated LRAMVA amount and recovery period.

VECC submitted that lost revenues (\$32,020) from Bluewater's GS>50 kW customers' participation in the Demand Response 3 ("DR3") programs should not be included in the LRAMVA amount. VECC submitted that there is no evidence that the program was actually activated or that if it was, that the program had any effect on Bluewater's actual 2012 load or occurred at the same time as the customer's billing demand (kW). VECC submitted that even if a demand response event was activated and it occurred at the same time as the customers' billing demand for the month, it is likely that the impact on distribution revenues is likely to be minimal with virtually zero impact on billing demand.

In its reply submission, Bluewater Power stated that it has relied upon the best information available, i.e. the final program results provided by the OPA. Bluewater noted that any information related to the actual activations of DR3 programs is not provided by the OPA, nor is Bluewater provided with information about which customers are under contract. Bluewater submitted that its entire LRAMVA claim is related to OPA-Contracted Province-Wide CDM Programs and that all of the programs included in its LRAMVA claim have been reviewed and verified by the OPA. Bluewater submitted that the LRAMVA claim applied for, including the amounts for its DR3 program, is

appropriate and ought to be approved by the Board as the best means to balance regulatory efficiency and the pursuit of perfection.

The Board approves the LRAMVA claim as submitted. Bluewater availed itself of OPA programs, and the results have been verified by the OPA. The recovery of these claims shall be over a one year period.

Rate Model

With this Decision and Rate Order, the Board is providing Bluewater Power 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. Bluewater Power's new distribution rates shall be effective May 1, 2014.
2. Bluewater Power 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 Bluewater Power 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. Bluewater Power 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 Bluewater Power 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 Bluewater Power prior to issuing a final Tariff of Rates and Charges.

5. Bluewater Power shall pay the Board's costs incidental to this proceeding upon receipt of the Board's invoice.

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. Bluewater Power 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 Bluewater Power any responses to any objections for cost claims within **28 days** from the date of issuance of the final Rate Order.
4. Bluewater Power 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-2013-0112, 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](mailto:documenttoBoardSec@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, March 13, 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-2013-0112

DATED: April 3, 2014

Bluewater Power Distribution Corporation

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-2013-0112

RESIDENTIAL SERVICE CLASSIFICATION

All service supplied to single-family dwelling units for domestic or household purposes shall be classed as residential service. Where electricity service is provided for combined residential and business purposes (including agricultural usage) and the wiring does not provide for separate metering, the classification shall be in the discretion of Bluewater Power Distribution Corporation ("Bluewater Power") and shall be based on such considerations as the estimated predominant consumption or the municipal tax roll classification. A residential customer may be found in a detached, semi-detached, linear row housing, apartment building or mixed-use building. Where more than one dwelling is served by a single meter, that service shall be considered a General Service Customer. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	15.70
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Rate Rider for Recovery of Stranded Meter Assets - effective until April 30, 2015	\$	1.47
Distribution Volumetric Rate	\$/kWh	0.0214
Low Voltage Service Rate	\$/kWh	0.0002
Rate Rider for Disposition of Global Adjustment Sub-Account (2013) - effective until April 30, 2015		
Applicable only for Non-RPP Customers	\$/kWh	0.0004
Rate Rider for Disposition of Deferral/Variance Accounts (2013) - effective until April 30, 2015	\$/kWh	(0.0013)
Rate Rider for Disposition of Deferral/Variance Accounts (2014) - effective until April 30, 2015	\$/kWh	(0.0024)
Rate Rider for Disposition of Global Adjustment Account (2014) - effective until April 30, 2015		
Applicable only for Non-RPP Customers	\$/kWh	(0.0004)
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism (LRAM) - effective until April 30, 2015	\$/kWh	0.0004
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2014)	\$/kWh	0.0002
- effective until April 30, 2015		
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0067
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0057

Bluewater Power Distribution Corporation
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-2013-0112

RESIDENTIAL SERVICE CLASSIFICATION (Continued)

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

Bluewater Power Distribution Corporation

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-2013-0112

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification applies to a customer not designated as Residential, and that over a twelve month period has, or a new customer forecast to have, an average monthly peak demand less than 50 kW, and has a monthly peak demand that never exceeds 100 kW. Bluewater Power shall review this rate class designation on an annual basis and the customer's designated rate class may change as a result. 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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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	\$	26.97
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Rate Rider for Disposition of Residual Historical Smart Meter Costs - effective until October 31, 2014	\$	5.94
Rate Rider for Recovery of Stranded Meter Assets - effective until April 30, 2017	\$	4.66
Distribution Volumetric Rate	\$/kWh	0.0189
Low Voltage Service Rate	\$/kWh	0.0002
Rate Rider for Disposition of Global Adjustment Sub-Account (2013) - effective until April 30, 2015		
Applicable only for Non-RPP Customers	\$/kWh	0.0004
Rate Rider for Disposition of Deferral/Variance Accounts (2013) - effective until April 30, 2015	\$/kWh	(0.0012)
Rate Rider for Disposition of Deferral/Variance Accounts (2014) - effective until April 30, 2015	\$/kWh	(0.0024)
Rate Rider for Disposition of Global Adjustment Account (2014) - effective until April 30, 2015		
Applicable only for Non-RPP Customers	\$/kWh	(0.0004)
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism (LRAM) - effective until April 30, 2015	\$/kWh	0.0004
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2014)	\$/kWh	0.0005
- effective until April 30, 2015		
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0063
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0050

Bluewater Power Distribution Corporation
TARIFF OF RATES AND CHARGES
Effective and Implementation Date May 1, 2014

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EB-2013-0112

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION
(Continued)

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

Bluewater Power Distribution Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2014

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EB-2013-0112

GENERAL SERVICE 50 TO 999 KW SERVICE CLASSIFICATION

This classification applies to a customer not designated as Residential, and that over a twelve month period has, or a new customer forecast to have, an average monthly peak demand equal to or greater than 50 kW and less than 1,000 kW. This rate class designation is reviewed on an annual basis and the customer's designated rate class may change as a result. 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	\$	143.99
Distribution Volumetric Rate	\$/kW	4.1847
Low Voltage Service Rate	\$/kW	0.0748
Rate Rider for Disposition of Global Adjustment Sub-Account (2013) - effective until April 30, 2015 Applicable only for Non-RPP Customers and excluding Wholesale Market Participants	\$/kWh	0.0004
Rate Rider for Disposition of Deferral/Variance Accounts (2013) - effective until April 30, 2015 Not applicable to Wholesale Market Participants	\$/kW	(0.4518)
Rate Rider for Disposition of Deferral/Variance Accounts (2013) - Applicable only to Wholesale Market Participants - effective until April 30, 2015	\$/kW	(0.2431)
Rate Rider for Disposition of Deferral/Variance Accounts (2014) - effective until April 30, 2015 Not applicable to Wholesale Market Participants	\$/kW	(0.8484)
Rate Rider for Disposition of Global Adjustment Account (2014) - effective until April 30, 2015 Applicable only for Non-RPP Customers	\$/kWh	(0.0004)
Rate Rider for Disposition of Deferral/Variance Accounts (2014) - Applicable only to Wholesale Market Participants - effective until April 30, 2015	\$/kW	(0.3071)
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism (LRAM) - effective until April 30, 2015	\$/kW	0.0076
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2014) - effective until April 30, 2015	\$/kW	0.0965
Retail Transmission Rate - Network Service Rate	\$/kW	2.5411
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.0066

Bluewater Power Distribution Corporation
TARIFF OF RATES AND CHARGES
Effective and Implementation Date May 1, 2014

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EB-2013-0112

GENERAL SERVICE 50 TO 999 KW SERVICE CLASSIFICATION
(Continued)

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

Bluewater Power Distribution Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2014

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EB-2013-0112

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

This classification applies to a customer not designated Residential, and that: over a twelve month period has, or a new customer forecast to have, an average monthly peak demand equal to or greater than 1,000 kW and less than 5,000 kW. This rate class designation is reviewed on an annual basis and the customer's designated rate class may change as a result. 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	\$	3,165.33
Distribution Volumetric Rate	\$/kW	1.7071
Low Voltage Service Rate	\$/kW	0.0820
Rate Rider for Disposition of Global Adjustment Sub-Account (2013) - effective until April 30, 2015		
Applicable only for Non-RPP Customers	\$/kWh	0.0004
Rate Rider for Disposition of Deferral/Variance Accounts (2013) - effective until April 30, 2015	\$/kW	(0.5699)
Rate Rider for Disposition of Deferral/Variance Accounts (2014) - effective until April 30, 2015	\$/kW	(1.1224)
Rate Rider for Disposition of Global Adjustment Account (2014) - effective until April 30, 2015		
Applicable only for Non-RPP Customers	\$/kWh	(0.0004)
Retail Transmission Rate - Network Service Rate	\$/kW	2.6989
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.1997

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

Bluewater Power Distribution Corporation

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-2013-0112

LARGE USE SERVICE CLASSIFICATION

This classification applies to a customer not designated as Residential, and that over 12 consecutive billing periods has, or a new customer forecast to have, an average monthly peak demand equal to or greater than 5,000 kW. This rate class designation is reviewed on an annual basis and the customer's designated rate class may change as a result. 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	\$	24,769.59
Distribution Volumetric Rate	\$/kW	1.8602
Low Voltage Service Rate	\$/kW	0.0938
Rate Rider for Disposition of Deferral/Variance Accounts (2013) - effective until April 30, 2015 Not applicable to Wholesale Market Participants	\$/kW	(0.8433)
Rate Rider for Disposition of Deferral/Variance Accounts (2013) - Applicable only to Wholesale Market Participants - effective until April 30, 2015	\$/kW	(0.3269)
Rate Rider for Disposition of Global Adjustment Sub-Account (2013) - effective until April 30, 2015 Applicable only for Non-RPP Customers and excluding Wholesale Market Participants	\$/kWh	0.0004
Rate Rider for Disposition of Deferral/Variance Accounts (2014) - effective until April 30, 2015 Not applicable to Wholesale Market Participants	\$/kW	(1.5522)
Rate Rider for Disposition of Global Adjustment Account (2014) - effective until April 30, 2015 Applicable only for Non-RPP Customers	\$/kWh	(0.0004)
Rate Rider for Disposition of Deferral/Variance Accounts (2014) - effective until April 30, 2015 Applicable only to Wholesale Market Participants	\$/kW	(0.3324)
Retail Transmission Rate - Network Service Rate - Interval Metered	\$/kW	2.9884
Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered	\$/kW	2.5155

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

Bluewater Power Distribution Corporation

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-2013-0112

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification applies to an account whose average monthly maximum demand is less than, or a new customer forecast to be less than, 50 kW and the consumption is unmetered. Such connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The level of the consumption will be agreed to by Bluewater Power 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.

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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)	\$	12.12
Distribution Volumetric Rate	\$/kWh	0.0330
Low Voltage Service Rate	\$/kWh	0.0002
Rate Rider for Disposition of Global Adjustment Sub-Account (2013) - effective until April 30, 2015		
Applicable only for Non-RPP Customers	\$/kWh	0.0004
Rate Rider for Disposition of Deferral/Variance Accounts (2013) - effective until April 30, 2015	\$/kWh	(0.0013)
Rate Rider for Disposition of Deferral/Variance Accounts (2014) - effective until April 30, 2015	\$/kWh	(0.0024)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0063
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

Bluewater Power Distribution Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2014

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EB-2013-0112

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 (per connection)	\$	3.90
Distribution Volumetric Rate	\$/kW	25.7399
Low Voltage Service Rate	\$/kW	0.0590
Rate Rider for Disposition of Global Adjustment Sub-Account (2013) - effective until April 30, 2015 Applicable only for Non-RPP Customers	\$/kWh	0.0004
Rate Rider for Disposition of Deferral/Variance Accounts (2013) - effective until April 30, 2015	\$/kW	(0.6421)
Rate Rider for Disposition of Deferral/Variance Accounts (2014) - effective until April 30, 2015	\$/kW	(1.0225)
Retail Transmission Rate - Network Service Rate	\$/kW	1.9261
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.5837

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.00440
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Bluewater Power Distribution Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2014

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EB-2013-0112

STREET LIGHTING SERVICE CLASSIFICATION

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

APPLICATION

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

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	2.43
Distribution Volumetric Rate	\$/kW	18.8258
Low Voltage Service Rate	\$/kW	0.0578
Rate Rider for Disposition of Global Adjustment Sub-Account (2013) - effective until April 30, 2015		
Applicable only for Non-RPP Customers	\$/kWh	0.0004
Rate Rider for Disposition of Deferral/Variance Accounts (2013) - effective until April 30, 2015	\$/kW	(0.5347)
Rate Rider for Disposition of Deferral/Variance Accounts (2014) - effective until April 30, 2015	\$/kW	(0.8802)
Rate Rider for Disposition of Global Adjustment Account (2014) - effective until April 30, 2015		
Applicable only for Non-RPP Customers	\$/kWh	(0.0004)
Retail Transmission Rate - Network Service Rate	\$/kW	1.9164
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.5513

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.00440
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Bluewater Power Distribution Corporation

TARIFF OF RATES AND CHARGES

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EB-2013-0112

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

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	5.40
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Bluewater Power Distribution Corporation

TARIFF OF RATES AND CHARGES

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EB-2013-0112

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

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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

Duplicate Invoices for previous billing	\$	15.00
Income Tax Letter	\$	15.00
Legal letter charge	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	10.00
Returned cheque (plus bank charges)	\$	15.00
Special meter reads	\$	30.00
Account History	\$	15.00
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	\$	185.00

Specific Charge for Access to the Power Poles - \$/pole/year	\$	22.35
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Bluewater Power Distribution Corporation

TARIFF OF RATES AND CHARGES

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RETAIL SERVICE CHARGES (if applicable)

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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	1.0421
Total Loss Factor – Secondary Metered Customer > 5,000 kW	1.0170
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0316
Total Loss Factor – Primary Metered Customer > 5,000 kW	1.0069