



EB-2013-0128

IN THE MATTER OF the *Ontario Energy Board Act, 1998*,
S.O. 1998, c. 15, (Schedule B);

AND IN THE MATTER OF an application by Essex
Powerlines 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

Essex Powerlines Corporation (“Essex”) filed an application with the Ontario Energy Board (the “Board”) on September 27, 2013 under section 78 of the Act, seeking approval for changes to the rates that Essex 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. Essex 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. Essex last appeared before the Board with a full cost of service application for the 2010 rate year in the EB-2009-0143 proceeding. In this proceeding, Essex also seeks approval for 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 the proposed recovery of revenue losses due to conservation programs. One letter of comment was received. The letter of comment requested non-consolidated financial statements from Essex’s holding company and affiliates. The Board provided a response to the letter, indicating that the Board’s Yearbook of Electricity Distributors contains financial information on Essex, but that it does not have regulatory jurisdiction over Essex’s holding company and affiliates and therefore does not have the information requested.

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;
- Shared Tax Savings Adjustments;
- Retail Transmission Service Rates;
- Review and Disposition of Group 1 Deferral and Variance Account Balances; and
- Review and Disposition of LRAMVA 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 Essex a stretch factor of 0.15%.

As a result, the net price cap index adjustment for Essex is 1.55% (i.e. 1.7% - (0% + 0.15 %)). 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.

Shared Tax Savings Adjustments

In its *Supplemental Report of the Board on 3rd 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 \$157,696 resulting in a shared amount of \$78,848 to be refunded to rate payers.

The Board approves the disposition of the shared tax savings of \$78,848 based on a volumetric rate rider using annualized consumption for all customer classes over a one-year period from 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 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, such as Essex, must adjust their RTSRs to reflect any changes to the applicable Sub-Transmission RTSRs of their host distributor(s), which in this case is Hydro One Networks Inc.

The Board 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 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 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.

Essex's 2012 actual year-end total balance for Group 1 accounts including interest projected to April 30, 2014 is a credit of \$4,592,942. This amount results in a total credit claim of \$0.0080 per kWh, which exceeds the preset disposition threshold. Essex proposed to dispose of this credit amount over a one-year period.

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 the amounts should be disposed on a final basis.

The Board approves the disposition of a credit balance of \$4,592,942 as of December 31, 2012, including interest as of April 30, 2014 for Group 1 accounts. These balances are to be refunded to customers over a one-year period from May 1, 2014 to April 30, 2015.

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	\$708,191	\$19,695	\$727,886
RSVA - Wholesale Market Service Charge	1580	-\$3,573,954	-\$147,000	-\$3,720,954
RSVA - Retail Transmission Network Charge	1584	\$347,134	\$31,682	\$378,816
RSVA - Retail Transmission Connection Charge	1586	-\$1,267,076	-\$45,501	-\$1,312,577
RSVA - Power	1588	\$9,554,493	\$49,174	\$9,603,667
RSVA - Global Adjustment	1589	-\$8,731,842	-\$54,573	-\$8,786,415
Recovery of Regulatory Asset Balances	1590	-\$1,684,689	\$201,324	-\$1,483,365
Total Group 1 Excluding Global Adjustment – Account 1589				\$4,193,473
Total Group 1				-\$4,592,942

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

Review and Disposition of LRAMVA Balance

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.

Essex requested the recovery of an LRAMVA claim of \$109,212, consisting of lost revenues in 2011 from CDM programs delivered in 2011 and persistence of 2011 programs in 2012 and lost revenues in 2012 from 2012 CDM programs.

Board staff noted that Essex had an updated load forecast approved as part of its 2010 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.

VECC noted that for Essex's GS>50 kW rate class, the net demand (kW) reported for the Demand Response 3 ("DR3") program on a monthly basis is 1,749 kW, which accounts for approximately 94% of the class total of 1,852 kW. VECC submitted that the lost revenues from the GS>50 kW customers' participation in DR3 programs should not be included for recovery. VECC submitted that there was no evidence to indicate the program was activated, or if the program had been activated, there was no evidence to indicate the program had any significant effect on Essex's load, billing demand or distribution revenues.

In its reply submission, Essex stated that it has relied upon the final program results provided by the Ontario Power Authority ("OPA"), which is the best information available to calculate its lost revenues in the absence of access to DR3 activation data. Essex noted that any information related to the actual activations of DR3 programs is not provided by the OPA, nor is Essex provided with information about which customers are under contract. Essex 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. Essex 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. Essex availed itself of OPA programs, and the results have been verified by the OPA. These claims shall be recovered over a one-year period from May 1, 2014 to April 30, 2015.

Rate Model

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

COST AWARDS

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

1. VECC shall submit their cost claims no later than **7 days** from the date of issuance of the final Rate Order.

2. Essex shall file with the Board and forward to (intervenor) 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 Essex any responses to any objections for cost claims within **28 days** from the date of issuance of the final Rate Order.
4. Essex 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-2013-0128**, 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, 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-2013-0128

DATED: March 13, 2014

Essex Powerlines 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-2013-0128

RESIDENTIAL SERVICE CLASSIFICATION

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

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration 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	\$	12.94
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Distribution Volumetric Rate	\$/kWh	0.0152
Low Voltage Service Rate	\$/kWh	0.0010
Rate Rider for Disposition of Deferral/Variance Accounts (2014) - effective until April 30, 2015	\$/kWh	0.0099
Rate Rider for Disposition of Global Adjustment Account (2014) - effective until April 30, 2015		
Applicable only for Non-RPP Customers	\$/kWh	(0.0351)
Rate Rider for Application of Tax Change - effective until April 30, 2015	\$/kWh	(0.0002)
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2014)		
- effective until April 30, 2015	\$/kWh	0.0001
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0078
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0037

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

Essex Powerlines 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-2013-0128

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

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

APPLICATION

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

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

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	33.87
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Distribution Volumetric Rate	\$/kWh	0.0116
Low Voltage Service Rate	\$/kWh	0.0010
Rate Rider for Disposition of Deferral/Variance Accounts (2014) - effective until April 30, 2015	\$/kWh	0.0099
Rate Rider for Disposition of Global Adjustment Account (2014) - effective until April 30, 2015		
Applicable only for Non-RPP Customers	\$/kWh	(0.0351)
Rate Rider for Application of Tax Change - effective until April 30, 2015	\$/kWh	(0.0001)
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2014)		
- effective until April 30, 2015	\$/kWh	0.0004
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0068
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0035

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

Essex Powerlines 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-2013-0128

GENERAL SERVICE 50 TO 2,999 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 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 Components 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	\$	224.32
Distribution Volumetric Rate	\$/kW	2.1306
Low Voltage Service Rate	\$/kW	0.3506
Rate Rider for Disposition of Deferral/Variance Accounts (2014) - effective until April 30, 2015	\$/kW	4.1666
Rate Rider for Disposition of Global Adjustment Account (2014) - effective until April 30, 2015		
Applicable only for Non-RPP Customers	\$/kW	(14.7463)
Rate Rider for Application of Tax Change - effective until April 30, 2015	\$/kW	(0.0229)
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2014)		
(2011 & 2012 CDM Activities) - effective until April 30, 2015	\$/kW	0.1012
Retail Transmission Rate - Network Service Rate	\$/kW	2.7774
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.3887
Retail Transmission Rate - Network Service Rate - Interval Metered	\$/kW	3.4214
Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered	\$/kW	1.5398

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

Essex Powerlines 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-2013-0128

GENERAL SERVICE 3,000 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, 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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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	1,473.70
Distribution Volumetric Rate	\$/kW	1.3666
Low Voltage Service Rate	\$/kW	0.4094
Rate Rider for Disposition of Deferral/Variance Accounts (2014) - effective until April 30, 2015	\$/kW	13.3248
Rate Rider for Disposition of Global Adjustment Account (2014) - effective until April 30, 2015		
Applicable only for Non-RPP Customers	\$/kW	(47.1592)
Rate Rider for Application of Tax Change - effective until April 30, 2015	\$/kW	(0.0219)
Retail Transmission Rate - Network Service Rate	\$/kW	3.4214
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.5398

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

Essex Powerlines 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-2013-0128

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification refers to an account whose monthly average peak demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. Such connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The customer will provide detailed manufacturer information/documentation with regard to electrical 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 (per connection)	\$	9.19
Distribution Volumetric Rate	\$/kWh	0.0286
Low Voltage Service Rate	\$/kWh	0.0010
Rate Rider for Disposition of Deferral/Variance Accounts (2014) - effective until April 30, 2015	\$/kWh	0.0099
Rate Rider for Disposition of Global Adjustment Account (2014) - effective until April 30, 2015		
Applicable only for Non-RPP Customers	\$/kWh	(0.0351)
Rate Rider for Application of Tax Change - effective until April 30, 2015	\$/kWh	(0.0003)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0068
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0035

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

Essex Powerlines 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-2013-0128

SENTINEL LIGHTING SERVICE CLASSIFICATION

This classification refers to accounts that are an unmetered lighting load supplied to a sentinel light. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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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)	\$	3.29
Distribution Volumetric Rate	\$/kW	9.4397
Low Voltage Service Rate	\$/kW	0.2816
Rate Rider for Disposition of Deferral/Variance Accounts (2014) - effective until April 30, 2015	\$/kW	3.6005
Rate Rider for Disposition of Global Adjustment Account (2014) - effective until April 30, 2015		
Applicable only for Non-RPP Customers	\$/kW	(12.7430)
Rate Rider for Application of Tax Change - effective until April 30, 2015	\$/kW	(0.1049)
Retail Transmission Rate - Network Service Rate	\$/kW	2.1383
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.0586

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

Essex Powerlines 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-2013-0128

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. 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.

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 Components 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)	\$	3.18
Distribution Volumetric Rate	\$/kW	8.6188
Low Voltage Service Rate	\$/kW	0.2798
Rate Rider for Disposition of Deferral/Variance Accounts (2014) - effective until April 30, 2015	\$/kW	3.2604
Rate Rider for Disposition of Global Adjustment Account (2014) - effective until April 30, 2015 Applicable only for Non-RPP Customers	\$/kW	(11.5390)
Rate Rider for Application of Tax Change - effective until April 30, 2015	\$/kW	(0.0955)
Retail Transmission Rate - Network Service Rate	\$/kW	2.1084
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.0518

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

Essex Powerlines Corporation

TARIFF OF RATES AND CHARGES

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EB-2013-0128

microFIT SERVICE CLASSIFICATION

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

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	5.40
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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)

Essex Powerlines Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2014

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EB-2013-0128

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

Arrears certificate	\$	15.00
Statement of Account	\$	15.00
Duplicate Invoices for previous billing	\$	15.00
Request for other billing information	\$	15.00
Easement Letter	\$	15.00
Income Tax Letter	\$	15.00
Account History	\$	15.00
Returned cheque (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
Collection of account charge – no disconnection – after regular hours	\$	165.00
Disconnect/Reconnect Charge – At Meter – During Regular Hours	\$	65.00
Disconnect/Reconnect Charge – At Meter – After 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

Essex Powerlines Corporation

TARIFF OF RATES AND CHARGES

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EB-2013-0128

RETAIL SERVICE CHARGES (if applicable)

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

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

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

It should be noted that this schedule does not list any charges, assessments, or credits that are required by law to be invoiced by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, 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	1.0602
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0496