



EB-2013-0119

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 Chapleau
Public Utilities 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

Chapleau Public Utilities Corporation (“Chapleau PUC”) filed an application with the Ontario Energy Board (the “Board”) on September 10, 2013 under section 78 of the Act, seeking approval for changes to the rates that Chapleau PUC 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* dated July 17, 2013. Chapleau PUC 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. Chapleau PUC last appeared before the Board with a full cost of service application for the 2012 rate year in the EB-2011-0322 proceeding. In this proceeding, Chapleau PUC

also seeks approval for its request to recover amounts related to a billing error from Hydro One Networks Inc. (“Hydro One”) for Low Voltage Service and adjustments to its Low Voltage Service rates.

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 proposals regarding Low Voltage Service. No letters of comment were received.

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;
- Revenue-to-Cost Ratio Adjustments;
- Retail Transmission Service Rates;
- Review and Disposition of Group 1 Deferral and Variance Account Balances;
- Hydro One Billing Error for Low Voltage Service; and
- Proposed Adjustments to Low Voltage Service Rates.

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 Chapleau PUC a stretch factor of 0.45%.

As a result, the net price cap index adjustment for Chapleau PUC is 1.25% (i.e. 1.7% - (0% + 0.45%)). 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 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.

Revenue-to-Cost Ratio Adjustments

Revenue-to-cost ratios measure the relationship between the revenues expected from a class of customers and the level of costs allocated to that class. The Board has established target ratio ranges for electricity distributors in its report *Application of Cost Allocation for Electricity Distributors*, dated November 28, 2007 and in its updated report *Review of Electricity Distribution Cost Allocation Policy*, dated March 31, 2011. Pursuant to the Board’s Decision in its 2012 cost of service application EB-2011-0322,

Chapleau PUC proposed to increase the revenue-to-cost ratio for its Sentinel Lighting and Street Lighting classes, offset by a reduction in that of the GS >50 kW class.

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

Current and Proposed Revenue-to-Cost Ratios

Rate Class	Current 2013 Ratio	Proposed 2014 Ratio
Residential	0.97	0.97
General Service Less Than 50 kW	1.04	1.04
General Service 50 to 4,999 kW	1.23	1.22
Street Lighting	0.78	0.80
Sentinel Lighting	0.61	0.68
Unmetered Scattered Load	1.19	1.19

Board staff submitted that the proposed revenue-to-cost ratio adjustments were in accordance with the Board's decision in Chapleau PUC's 2012 cost of service proceeding.

The Board agrees that the proposed revenue-to-cost ratios are consistent with the decision arising from the 2012 cost of service proceeding and therefore approves the revenue-to-cost ratios as filed.

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.

Chapleau PUC is a partially embedded distributor whose host is Hydro One Networks Inc.

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 Networks’ 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 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.

Chapleau PUC's 2012 actual year-end total balance for Group 1 accounts including interest projected to April 30, 2014 is a credit of \$108,948. This amount results in a total credit claim of \$0.0041 per kWh, which exceeds the preset disposition threshold.

Low Voltage Billing Error

Chapleau PUC recorded a principal debit balance of \$93,387 and interest of \$1,831 in Account 1550 and proposed recovery within its 2012 Group 1 balances to reflect adjusted low voltage charges resulting from a billing error by Hydro One. Chapleau PUC received an invoice for \$93,387 from Hydro One in September 2013, which adjusted the billed demand quantity (kW) from January 28, 2009 to April 3, 2013. Chapleau PUC proposed to recover the debit balance with its 2012 deferral and variance account balances to offset the credit balance of \$108,948, reducing the total credit balance for disposition to \$13,730. This would result in a total credit claim of \$0.0005, which does not meet the preset disposition threshold.

Chapleau PUC confirmed that the \$93,387 consists of two components:

- \$34,296 related to transactions subsequent to December 31, 2011, where the account balance has not yet been disposed on a final basis; and
- \$59,091 related to transactions prior to December 31, 2011, where the account balance was approved by the Board and disposed on a final basis in Chapleau PUC's 2013 IRM rate proceeding EB-2012-0114.

Chapleau indicated that it had an internal process for checking the accuracy of amounts payable and that it had questioned Hydro One's billed amounts on three occasions since 2009. Hydro One assured Chapleau PUC that the invoiced amounts were correct. In early 2013, Chapleau PUC again questioned the invoice received and was informed by Hydro One that there was indeed an error.

Board staff submitted that Chapleau PUC's 2011 deferral and variance account balances had been disposed of on a final basis in Chapleau PUC's 2013 IRM decision, and that the proposal to recover the adjustment of \$59,091 relating to this period from Chapleau PUC's customers would result in retroactive ratemaking¹.

Board staff submitted that both the Retail Settlement Code and Hydro One's Conditions of Service addressed under-billing situations, limiting the amount of time over which a distributor must be repaid. Specifically, Board staff noted that Section 7.7.7 states the following:

Where the distributor has under billed a customer or retailer, the maximum period of under billing for which the distributor is entitled to be paid is 2 years. Where the distributor has over billed a customer or retailer, the maximum period of over billing for which the customer or retailer is entitled to be repaid is 2 years.

Board staff also noted in its submission that Hydro One's Conditions of Service provide for recovery of billing errors, as follows:

Where a billing error, from any cause, has resulted in a Customer or Retailer being under-billed, and where Measurement Canada has not become involved in the dispute, the Customer or Retailer shall pay to Hydro One the amount that was not previously billed. In the case of an individual Customer who is not responsible for the error, the allowable period of time for which the Customer may be charged is two (2) years for residential customers, including seasonal and farm residence, and all other customers².

Board staff submitted that Chapleau PUC may choose to consider the Retail Settlement Code and Hydro One's Conditions of Service as a basis by which to pursue further discussions with Hydro One.

VECC submitted that, based on past Board decisions, it would be inappropriate for Chapleau PUC to include an out-of-period adjustment and that the Board should not approve Chapleau PUC's request.

Chapleau PUC included Hydro One's comments in its reply submission. Therein, Hydro

¹ EB-2013-0022, Decision and Order, Veridian Motion to Review, April 25 2013, p. 10

² Hydro One Networks Inc. Conditions of Service, May 21, 2013, s. G. Billing Errors, p. 71c

One indicated that its settlement practices with its embedded distributors are consistent with the approach used by the Independent Electricity System Operator with market participants, which incorporates the correction of billing errors without regard to any time limitation. Failure to mirror this approach would result in cross-subsidization and improper allocation of costs among the parties involved.

Chapleau PUC submitted that the disputed amount of \$59,091 represents 7.3% of its distribution revenue, and that failure to recover this amount from customers would create a serious cash flow risk. Chapleau PUC submitted that it should not be penalized for Hydro One's error. Chapleau PUC requested that the Board allow it to recover the full amount of \$93,387, or the Board should not allow Hydro One to pass on its billing errors, if a distributor is unable to recover those costs from its customers.

The Board cannot approve the proposal to recover the adjustment of \$59,091 relating to Chapleau PUC's 2011 deferral and variance account balances. The 2011 account balances were disposed on a final basis in Chapleau PUC's 2013 IRM decision. To subsequently adjust the balances would result in retroactive ratemaking. The courts have made it very clear that retroactive rate-making, the adjustment to rates after a final rate order has been issued, is not allowed. Rather, the principles of certainty and finality are a necessary component of effective rate regulation.

The Board approves the disposition of a debit amount of \$34,296 as the account balance has not yet been disposed on a final basis.

Chapleau did not ask for disposition of its Group 1 balances in this proceeding. However, with the exclusion of the \$59,091 the disposition threshold is met. In making this decision, the Board is mindful of the efforts made by Chapleau PUC to rectify the Hydro One billing error beginning in 2009. It is through no fault on the part of Chapleau PUC that it is faced with a significant adjustment to its past low voltage payments that cannot be recovered by way of a rate application to the Board.

The Board notes that both the Retail Settlement Code and Hydro One's Conditions of Service in effect during the period of overbilling, and when the invoice was dated, appear to provide some remedy for this situation; however, the onus is on Chapleau to pursue these options. The Board's opinion is that neither Chapleau PUC nor its current customers should pay for costs that go back as far as 2009, given it was solely the result of Hydro One's billing error.

The Board approves the disposition of a credit balance of \$73,980 as of December 31, 2012, including interest as of April 30, 2014 for Group 1 accounts. This credit balance includes the additional debit amount of \$34,295 in Account 1550 as discussed above. Under normal circumstances, the default period for the disposition of deferral and variance account balances is one year. In this case, in order to mitigate the impact on Chapleau's cash flow, these balances are to be disposed over a two-year period from May 1, 2014 to April 30, 2016.

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	\$19,399	(\$41)	\$19,358
RSVA - Wholesale Market Service Charge	1580	(\$36,071)	(\$1,512)	(\$37,583)
RSVA - Retail Transmission Network Charge	1584	\$7,449	\$507	\$7,956
RSVA - Retail Transmission Connection Charge	1586	\$635	\$413	\$1,048
RSVA - Power	1588	(\$6,511)	(\$2,766)	(\$9,277)
RSVA - Global Adjustment	1589	\$34,451	\$950	\$35,401
Recovery of Regulatory Asset Balances	1590	0	0	0
Disposition and Recovery of Regulatory Balances (2008)	1595	0	\$135	\$135
Disposition and Recovery of Regulatory Balances (2010)	1595	0	(\$3)	(\$3)
Disposition and Recovery of Regulatory Balances (2011)	1595	(\$88,552)	(\$2,462)	(\$91,014)
Total Group 1 Excluding Global Adjustment – Account 1589		(\$103,651)	(\$5,729)	(\$109,381)
Total Group 1		(69,200)	(\$4,779)	(\$73,980)

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

Low Voltage Rates

Chapleau PUC withdrew its request to change its low voltage rates, and stated that it would address these changes in its next cost of service application.

Rate Model

With this Decision and Rate Order, the Board is providing Chapleau PUC 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. Chapleau PUC's new distribution rates shall be effective May 1, 2014.
2. Chapleau PUC 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 Chapleau PUC 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. Chapleau PUC 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 Chapleau PUC 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 Chapleau PUC prior to issuing a final Tariff of Rates and Charges.
5. Chapleau PUC 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 its cost claims no later than **7 days** from the date of issuance of the final Rate Order.
2. Chapleau PUC 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 Chapleau PUC any responses to any objections for cost claims within **28 days** from the date of issuance of the final Rate Order.
4. Chapleau PUC 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-2013-0119**, 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-2013-0119

DATED: March 13, 2014

Chapleau Public Utilities 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-2013-0119

RESIDENTIAL SERVICE CLASSIFICATION

This classification refers to an account taking electricity at 750 volts or less where the electricity is used exclusively by a single family unit, non-commercial. This can be a separately metered living accommodation, town-house, apartment, semi-detached, duplex, triplex or quadruplex with residential zoning. Further servicing details are available in the distributor's Condition of Service.

APPLICATION

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

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

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. 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	\$	23.77
Rate Rider for Disposition of Residual Historical Smart Meter Costs - effective until April 30, 2016	\$	2.26
Rate Rider for Disposition of Stranded Meter Assets - effective until April 30, 2016	\$	0.90
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	0.0006
Rate Rider for Disposition of Deferral/Variance Accounts (2012) - effective until April 30, 2016	\$/kWh	(0.0034)
Rate Rider for Disposition of Deferral/Variance Accounts (2013) - effective until April 30, 2015	\$/kWh	0.0036
Rate Rider for Disposition of Global Adjustment Sub-Account (2013) - effective until April 30, 2015		
Applicable only for Non-RPP Customers	\$/kWh	(0.0021)
Rate Rider for Disposition of Deferral/Variance Accounts (2014) - effective until April 30, 2016	\$/kWh	(0.0021)
Rate Rider for Disposition of Global Adjustment Account (2014) - effective until April 30, 2016		
Applicable only for Non-RPP Customers	\$/kWh	0.0024
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0069
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0016

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

Chapleau Public Utilities 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-2013-0119

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 average peak demand is less than, or is forecast to be less than, 50 kW. Further servicing details are available in the distributor's Condition of Service.

APPLICATION

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

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

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. 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	\$	34.78
Rate Rider for Disposition of Residual Historical Smart Meter Costs - effective until April 30, 2016	\$	3.29
Rate Rider for Disposition of Stranded Meter Assets - effective until April 30, 2016	\$	1.64
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Distribution Volumetric Rate	\$/kWh	0.0177
Low Voltage Service Rate	\$/kWh	0.0006
Rate Rider for Disposition of Deferral/Variance Accounts (2012) - effective until April 30, 2016	\$/kWh	(0.0030)
Rate Rider for Disposition of Deferral/Variance Accounts (2013) - effective until April 30, 2015	\$/kWh	0.0036
Rate Rider for Disposition of Global Adjustment Sub-Account (2013) - effective until April 30, 2015		
Applicable only for Non-RPP Customers	\$/kWh	(0.0021)
Rate Rider for Disposition of Deferral/Variance Accounts (2014) - effective until April 30, 2016	\$/kWh	(0.0021)
Rate Rider for Disposition of Global Adjustment Account (2014) - effective until April 30, 2016		
Applicable only for Non-RPP Customers	\$/kWh	0.0024
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0061
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0016

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

Chapleau Public Utilities 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-2013-0119

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 Condition of Service.

APPLICATION

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

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

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. 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	\$	192.00
Rate Rider for Disposition of Residual Historical Smart Meter Costs - effective until April 30, 2016	\$	6.10
Distribution Volumetric Rate	\$/kW	3.5875
Low Voltage Service Rate	\$/kW	0.2256
Rate Rider for Disposition of Deferral/Variance Accounts (2012) - effective until April 30, 2016	\$/kW	(0.7046)
Rate Rider for Disposition of Deferral/Variance Accounts (2013) - effective until April 30, 2015	\$/kW	1.4064
Rate Rider for Disposition of Global Adjustment Sub-Account (2013) - effective until April 30, 2015		
Applicable only for Non-RPP Customers	\$/kW	(0.8225)
Rate Rider for Disposition of Deferral/Variance Accounts (2014) - effective until April 30, 2016	\$/kW	(0.8028)
Rate Rider for Disposition of Global Adjustment Account (2014) - effective until April 30, 2016		
Applicable only for Non-RPP Customers	\$/kW	0.9020
Retail Transmission Rate - Network Service Rate	\$/kW	2.5339
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	0.5811

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

Chapleau Public Utilities 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-2013-0119

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 is forecast to be less than, 50 kW and the consumption is un-metered. 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 demand/consumption of the proposed unmetered load. Further servicing details are available in the distributor's Condition of Service.

APPLICATION

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

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

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. 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	\$	24.71
Distribution Volumetric Rate	\$/kWh	0.0332
Low Voltage Service Rate	\$/kWh	0.0006
Rate Rider for Disposition of Deferral/Variance Accounts (2012) - effective until April 30, 2016	\$/kWh	(0.0177)
Rate Rider for Disposition of Deferral/Variance Accounts (2013) - effective until April 30, 2015	\$/kWh	0.0036
Rate Rider for Disposition of Deferral/Variance Accounts (2014) - effective until April 30, 2016	\$/kWh	(0.0029)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0061
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0016

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

Chapleau Public Utilities 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-2013-0119

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 Condition of Service.

APPLICATION

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

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

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. 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	\$	7.84
Distribution Volumetric Rate	\$/kWh	13.6395
Low Voltage Volumetric Rate	\$/kW	0.2261
Rate Rider for Disposition of Deferral/Variance Accounts (2012) - effective until April 30, 2016	\$/kW	(2.5846)
Rate Rider for Disposition of Deferral/Variance Accounts (2013) - effective until April 30, 2015	\$/kW	1.4191
Rate Rider for Disposition of Deferral/Variance Accounts (2014) - effective until April 30, 2016	\$/kW	(0.8234)
Retail Transmission Rate - Network Service Rate	\$/kW	1.9208
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	0.4587

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

Chapleau Public Utilities Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2014

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EB-2013-0119

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.

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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	\$	4.38
Distribution Volumetric Rate	\$/kW	20.3873
Low Voltage Service Rate	\$/kW	0.2173
Rate Rider for Disposition of Deferral/Variance Accounts (2012) - effective until April 30, 2016	\$/kW	(1.6069)
Rate Rider for Disposition of Deferral/Variance Accounts (2013) - effective until April 30, 2015	\$/kW	1.3550
Rate Rider for Disposition of Deferral/Variance Accounts (2014) - effective until April 30, 2016	\$/kW	(0.7525)
Retail Transmission Rate - Network Service Rate	\$/kW	1.9111
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	0.4493

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

Chapleau Public Utilities Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2014

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EB-2013-0119

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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Chapleau Public Utilities Corporation

TARIFF OF RATES AND CHARGES

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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)

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

Non-Payment of Account

Late Payment – per month	%	1.50
Late Payment – per annum	%	19.56
Collection of account charge – no disconnection	\$	30.00
Disconnect/Reconnect at meter – during regular hours	\$	65.00
Install/Remove load control device – during regular hours	\$	65.00
Specific Charge for Access to the Power Poles - \$/pole/year	\$	22.35

Chapleau Public Utilities Corporation

TARIFF OF RATES AND CHARGES

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EB-2013-0119

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	1.0654
Distribution Loss Factor - Secondary Metered Customer < 5,000 kW	1.0506