DECISION AND RATE ORDER

EB-2018-0061

ORILLIA POWER DISTRIBUTION CORPORATION

Application for rates and other charges to be effective May 1, 2019

By Delegation, Before: Jane Scott

March 28, 2019
1 INTRODUCTION AND SUMMARY

Through this Decision and Order, the Ontario Energy Board (OEB) approves the incentive rate-setting mechanism (IRM) application filed by Orillia Power Distribution Corporation (Orillia Power) on November 5, 2018, as amended during the course of the proceeding.

Orillia Power serves about 13,500 mostly residential and commercial electricity customers in the City of Orillia. The company is seeking the OEB’s approval for the rates it charges to distribute electricity to its customers, as is required of licenced and rate-regulated distributors in Ontario.

A distributor may choose one of three rate-setting methodologies approved by the OEB. Each of these is explained in the OEB’s Chapter 3 Filing Requirements for Incentive Rate-Setting Applications (the Filing Requirements).

Orillia Power’s application is based on a Price Cap Incentive Rate-setting option (Price Cap IR) with a five-year term. The Price Cap IR option involves the setting of rates through a cost of service application in the first year. Mechanistic price cap adjustments, based on inflation and the OEB’s assessment of the distributor’s efficiency, are then approved through IRM applications in each of the ensuing four (adjustment) years. As noted by Orillia Power in its application, Hydro One Networks Inc. filed a mergers, acquisitions, amalgamations and divestitures (MAADs) application with the OEB to purchase all the issued and outstanding shares of Orillia Power on September 26, 2018.¹ As a result, Orillia Power did not apply for the price cap (inflation rate less productivity factor) adjustment in the 2019 rate year pending the outcome of the MAADs application.

As a result of the OEB’s findings in this Decision, there will be a monthly total bill decrease before taxes of $1.22 for a residential customer consuming 750 kWh, effective May 1, 2019.

Orillia Power has also applied to change the composition of its distribution service rates. Residential distribution service rates currently include a fixed monthly charge and a variable usage charge. In 2015, the OEB issued a policy to transition these rates to a fully fixed structure over a four-year period beginning in 2016.² Accordingly, in 2019 the final upward adjustment, exceeding the mechanistic adjustment alone, in this decision has been made and now the distribution rates have transitioned to a fully fixed structure.

¹ EB-2018-0270
There is no longer a variable usage rate for this class of customer. This policy change does not affect the total revenue that distributors collect from residential customers.

2 THE PROCESS

This Decision is being issued by delegated authority, without a hearing, under section 6 of the Ontario Energy Board Act, 1998 (the OEB Act).

The OEB follows a standardized and streamlined process for IRM applications filed under Price Cap IR. In each adjustment year of a Price Cap IR term, the OEB prepares a Rate Generator Model that includes information from the distributor’s past proceedings and annual reporting requirements. A distributor will then review and complete the Rate Generator Model and include it with its application.

During the course of the proceeding, the Rate Generator Model will also be updated or corrected, as required. The Rate Generator Model updates base rates, retail transmission service rates and, if applicable, shared tax saving adjustments. It also calculates rate riders for the disposition of deferral and variance account balances.

Orillia Power filed its application on November 5, 2018, under section 78 of the OEB Act and in accordance with the Filing Requirements. Orillia Power supported its application with written evidence and a completed Rate Generator Model. Questions were asked of, and answers were provided by, Orillia Power through emails and phone calls with the OEB. Based on this information, a draft decision was prepared and provided to Orillia Power on February 22, 2019. Orillia Power was given the opportunity to provide its comments on the draft for consideration prior to the OEB issuing this Decision.

3 ORGANIZATION OF THE DECISION

In this Decision, the OEB addresses the following issues, and provides reasons for approving or denying Orillia Power’s proposals relating to each of them:

- Price Cap Adjustment
- Shared Tax Adjustments
- Retail Transmission Service Rates
- Group 1 Deferral and Variance Accounts
- Residential Rate Design

In the final section, the OEB addresses the steps to implement the final rates that flow from this Decision.
This Decision does not address rates and charges approved by the OEB in previous proceedings which are not part of the scope of an IRM proceeding (such as specific service charges\(^3\) and loss factors). No further approvals are required to continue to include these items on a distributor’s Tariff of Rates and Charges.

### 4 PRICE CAP ADJUSTMENT

Under the Price Cap IR option, Orillia Power would be eligible to increase its distribution rates by using the OEB-approved *inflation minus X-factor* formula applicable to Price Cap IR applications. However, Orillia Power did not apply for this adjustment for the 2019 rate year due to the MAADs application before the OEB.

### 5 SHARED TAX ADJUSTMENTS

In any adjustment year of a Price Cap IR term, a change in legislation may result in a change to the amount of taxes payable by a distributor. For IRM applications, the OEB has long held that a 50/50 sharing of the impact of legislated tax changes between shareholders and ratepayers is appropriate in these situations. The shared tax change amount, whether in the form of a credit or a debit, will be assigned to customer rate classes in the same proportions as the OEB-approved distribution revenue by rate class from a distributor’s last cost of service proceeding.

The application identifies a $44,324 reduction in the amount of taxes payable by Orillia Power in the 2019 rate year. Therefore, an amount of $22,162 is to be refunded to ratepayers.

**Findings**

The OEB approves the tax refund of $22,162.

The amount shall be disposed through a fixed monthly rate rider for residential customers, and through riders calculated on a volumetric basis for all other customers over a one-year period from May 1, 2019 to April 30, 2020.

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\(^3\) The most recent proceedings where approval was granted to change specific service charges are Report of the OEB – “Wireline Pole Attachment Charges” EB-2015-0304, Issued March 22, 2018 and the Decision and Order on Energy Retail Service Charges EB-2015-0304, Issued on February 14, 2019.
6 RETAIL TRANSMISSION SERVICE RATES

Distributors charge retail transmission service rates (RTSRs) to their customers to recover the amounts they pay to a transmitter, a host distributor or both for transmission services. All transmitters charge Uniform Transmission Rates (UTRs) approved by the OEB to distributors connected to the transmission system. Host distributors charge host-RTSRs to distributors embedded within the host’s distribution system.

Orillia Power is fully embedded within Hydro One Network Inc.’s distribution system and is requesting approval to adjust the RTSRs that it charges its customers to reflect the rates that it pays for transmission services included in Table 6.1.

Table 6.1: Hydro One Networks Inc. Sub-Transmission Host-RTSRs

<table>
<thead>
<tr>
<th>Current Approved Sub-Transmission Host RTSRs (2017)</th>
<th>per kW</th>
</tr>
</thead>
<tbody>
<tr>
<td>Network Service Rate</td>
<td>$3.19</td>
</tr>
<tr>
<td><strong>Connection Service Rates</strong></td>
<td></td>
</tr>
<tr>
<td>Line Connection Service Rate</td>
<td>$0.77</td>
</tr>
<tr>
<td>Transformation Connection Service Rate</td>
<td>$1.75</td>
</tr>
</tbody>
</table>

Findings

Orillia Power’s proposed adjustment to its RTSRs is approved. The RTSRs were adjusted based on the current host-RTSRs.

The differences resulting from the approval of new 2019 RTSRs will be captured in Accounts 1584 and 1586 for future disposition.

7 GROUP 1 DEFERRAL AND VARIANCE ACCOUNTS

In each year of an IRM term, the OEB will review a distributor’s Group 1 deferral and variance accounts in order to determine whether their total balance should be disposed. OEB policy requires that Group 1 accounts be disposed if they exceed (as a

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4 Decision and Order, EB-2016-0081, December 21, 2016.  
5 Group 1 accounts track the differences between the costs that a distributor is billed for certain IESO and host distributor services (including the cost of power) and the associated revenues that the distributor receives from its customers for these services. The total net difference between these costs and revenues is disposed to customers through a temporary charge or credit known as a rate rider.
debit or credit) a pre-set disposition threshold of $0.001 per kWh, unless a distributor justifies why balances should not be disposed.\textsuperscript{6} If the balance does not exceed the threshold, a distributor may elect to request disposition.

The 2017 actual year-end total balance for Orillia Power’s Group 1 accounts including interest projected to April 30, 2019 is a credit of $104,518. This amount represents a total credit claim of $0.0003 per kWh, which does not exceed the disposition threshold and the utility has not requested disposition.

**Findings**

The OEB finds that the account balances, as amended during the course of this proceeding, are reasonable and confirms that the threshold calculation is correct. No disposition is required at this time as the disposition threshold has not been exceeded and the utility did not request disposition. In Orillia Power’s 2020 IRM application, the OEB will focus its review on the 2018 transactions subject to any further review that may be necessary of the 2017 transactions should the need arise.

### 8 RESIDENTIAL RATE DESIGN

All residential distribution rates currently include a fixed monthly charge and a variable usage charge. The OEB’s residential rate design policy stipulates that distributors will transition residential customers to a fully fixed monthly distribution service charge over a four-year period, beginning in 2016.\textsuperscript{7} This is the last year of Orillia Power’s transition period and, accordingly, 2019 is the final year in which Orillia Power’s rates will be adjusted upwards by more than the mechanistic adjustment alone. Orillia Power has transitioned to a fully fixed structure.

The OEB expects an applicant to apply two tests to evaluate whether mitigation of bill impacts for customers is required during the transition period. Mitigation usually takes the form of a lengthening of the transition period. The first test is to calculate the change in the monthly fixed charge, and to consider mitigation if it exceeds $4. The second is to calculate the total bill impact of the proposals in the application for low volume residential customers (defined as those residential RPP customers whose consumption is at the 10\textsuperscript{th} percentile for the class). Mitigation may be required if the bill impact related to the application exceeds 10% for these customers.


\textsuperscript{7} As outlined in the Policy cited at footnote 1 above.
Orillia Power notes that the implementation of the transition results in an increase to the fixed charge prior to the price cap adjustment of $3.45. The bill impacts arising from the proposals in this application, including the fixed rate change, are below 10% for low volume residential customers.

## Findings

The distributor has now completed its transition to a fully fixed rate structure.

The OEB finds that the proposed 2019 increase to the monthly fixed charge is calculated in accordance with the OEB's residential rate design policy. The results of the monthly fixed charge, and total bill impact for low consumption residential consumers demonstrate that no mitigation is required. The OEB approves the increase as proposed by the applicant and calculated in the final Rate Generator Model.

## 9 IMPLEMENTATION AND ORDER

This Decision is accompanied by a Rate Generator Model, applicable supporting models, and a Tariff of Rates and Charges (Schedule A).

Model entries were reviewed in order to ensure that they are in accordance with Orillia Power’s last cost of service decision, and to ensure that the 2018 OEB-approved Tariff of Rates and Charges, as well as the cost, revenue and consumption results from 2017, are as reported by Orillia Power to the OEB.

The Rate Generator Model was adjusted, where applicable, to correct any discrepancies. The Rate Generator Model incorporates the rates set out in the following table.

### Table 9.1: Regulatory Charges

<table>
<thead>
<tr>
<th>Rate</th>
<th>per kWh</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rural or Remote Electricity Rate Protection (RRRP)</td>
<td>$0.0005</td>
</tr>
<tr>
<td>Wholesale Market Service (WMS) billed to Class A and B Customers</td>
<td>$0.0030</td>
</tr>
<tr>
<td>Capacity Based Recovery (CBR) billed to Class B Customers</td>
<td>$0.0004</td>
</tr>
</tbody>
</table>

Each of these rates is a component of the "Regulatory Charge" on a customer’s bill, established annually by the OEB through a separate, generic order. The RRRP, WMS
and CBR rates were set by the OEB on December 20, 2018.\(^8\)

The Smart Metering Entity Charge is a component of the “Distribution Charge” on a customer’s bill, established by the OEB through a separate order. The Smart Metering Entity Charge was set by the OEB on March 1, 2018.\(^9\)

**THE ONTARIO ENERGY BOARD ORDERS THAT**

1. The Tariff of Rates and Charges set out in Schedule A of this Decision and Rate Order is approved effective May 1, 2019 for electricity consumed or estimated to have been consumed on and after such date. Orillia Power Distribution Corporation shall notify its customers of the rate changes no later than the delivery of the first bill reflecting the new final rates.

**DATED** at Toronto, March 28, 2019

**ONTARIO ENERGY BOARD**

*Original Signed By*

Kirsten Walli
Board Secretary

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\(^8\) Decision and Order, EB-2018-0294, December 20, 2018.

Schedule A

To Decision and Rate Order

Tariff of Rates and Charges

OEB File No: EB-2018-0061

DATED: March 28, 2019
Orillia Power Distribution Corporation
TARIFF OF RATES AND CHARGES
Effective and Implementation Date May 1, 2019
This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

RESIDENTIAL SERVICE CLASSIFICATION
This classification applies to an account taking electricity at 750 volts or less where the electricity is used exclusively in a separate metered living accommodation. Customers shall be residing in single-dwelling units that consist of a detached house or one unit of a semi-detached, duplex, triplex or quadruplex house, with a residential zoning. Separately metered dwellings within a town house complex or apartment building also qualify as residential customers. Class B consumers are defined in accordance with O. Reg. 429/04. 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board approval, such as the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

<table>
<thead>
<tr>
<th>Description</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service Charge</td>
<td>$</td>
</tr>
<tr>
<td>Rate Rider for Smart Meter Incremental Revenue Requirement</td>
<td>$</td>
</tr>
<tr>
<td>cost of service-based rate order</td>
<td>$</td>
</tr>
<tr>
<td>Smart Metering Entity Charge</td>
<td>$</td>
</tr>
<tr>
<td>Rate Rider for Application of Tax Change (2019)</td>
<td>$</td>
</tr>
<tr>
<td>Low Voltage Service Rate</td>
<td>$/kWh</td>
</tr>
<tr>
<td>Retail Transmission Rate - Network Service Rate</td>
<td>$/kWh</td>
</tr>
<tr>
<td>Retail Transmission Rate - Line and Transformation Connection Service Rate</td>
<td>$/kWh</td>
</tr>
</tbody>
</table>

MONTHLY RATES AND CHARGES - Regulatory Component

<table>
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<tr>
<th>Description</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wholesale Market Service Rate (WMS) - not including CBR</td>
<td>$/kWh</td>
</tr>
<tr>
<td>Capacity Based Recovery (CBR) - Applicable for Class B Customers</td>
<td>$/kWh</td>
</tr>
<tr>
<td>Rural or Remote Electricity Rate Protection Charge (RRRP)</td>
<td>$/kWh</td>
</tr>
<tr>
<td>Standard Supply Service - Administrative Charge (if applicable)</td>
<td>$</td>
</tr>
</tbody>
</table>

Issued - March 28, 2019
Orillia Power Distribution Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2019

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

EB-2018-0061

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. Class B consumers are defined in accordance with O. Reg. 429/04. 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

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MONTHLY RATES AND CHARGES - Delivery Component

<table>
<thead>
<tr>
<th>Service Charge</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rate Rider for Smart Meter Incremental Revenue Requirement - in effect until the effective date of the next cost of service-based rate order</td>
<td></td>
</tr>
<tr>
<td>Smart Metering Entity Charge - effective until December 31, 2022</td>
<td>$</td>
</tr>
<tr>
<td>Distribution Volumetric Rate</td>
<td>$/kWh</td>
</tr>
<tr>
<td>Low Voltage Service Rate</td>
<td>$/kWh</td>
</tr>
<tr>
<td>Rate Rider for Application of Tax Change (2019) - effective until April 30, 2020</td>
<td>$/kWh</td>
</tr>
<tr>
<td>Retail Transmission Rate - Network Service Rate</td>
<td>$/kWh</td>
</tr>
<tr>
<td>Retail Transmission Rate - Line and Transformation Connection Service Rate</td>
<td>$/kWh</td>
</tr>
</tbody>
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MONTHLY RATES AND CHARGES - Regulatory Component

<table>
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<tr>
<th>Wholesale Market Service Rate (WMS) - not including CBR</th>
<th>$/kWh</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capacity Based Recovery (CBR) - Applicable for Class B Customers</td>
<td>$/kWh</td>
</tr>
<tr>
<td>Rural or Remote Electricity Rate Protection Charge (RRRP)</td>
<td>$/kWh</td>
</tr>
<tr>
<td>Standard Supply Service - Administrative Charge (if applicable)</td>
<td>$</td>
</tr>
</tbody>
</table>

Issued - March 28, 2019
Orillia Power Distribution Corporation
TARIFF OF RATES AND CHARGES
Effective and Implementation Date May 1, 2019
This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2018-0061

GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION
This classification applies to a non residential account whose average monthly maximum demand used for billing purposes is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 5,000 kW. Class A and Class B consumers are defined in accordance with O.Reg.429/04. 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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.

If included in the following listing of monthly rates and charges, the rate rider for the disposition of WMS - Sub-account CBR Class B is not applicable to wholesale market participants (WMP), customers that transitioned between Class A and Class B during the variance account accumulation period, or to customers that were in Class A for the entire period. Customers who transitioned are to be charged or refunded their share of the variance disposed through customer specific billing adjustments. This rate rider is to be consistently applied for the entire period to the sunset date of the rate rider. In addition, this rate rider is applicable to all new Class B customers.

If included in the following listing of monthly rates and charges, the rate rider for the disposition of Global Adjustment is only applicable to non-RPP Class B customers. It is not applicable to WMP, customers that transitioned between Class A and Class B during the variance account accumulation period, or to customers that were in Class A for the entire period. Customers who transitioned are to be charged or refunded their share of the variance disposed through customer specific billing adjustments. This rate rider is to be consistently applied for the entire period to the sunset date of the rate rider. In addition, this rate rider is applicable to all new non-RPP Class B customers.

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 Ontario Energy Board approval, such as the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

| Service Charge | $            | 340.60 |
| Distribution Volumetric Rate | $/kW | 3.5825 |
| Low Voltage Service Rate | $/kW | 0.2230 |
| Rate Rider for Application of Tax Change (2019) - effective until April 30, 2020 | $/kW | (0.0148) |
| Retail Transmission Rate - Network Service Rate | $/kW | 1.8667 |
| Retail Transmission Rate - Line and Transformation Connection Service Rate | $/kW | 1.4700 |

MONTHLY RATES AND CHARGES - Regulatory Component

| Wholesale Market Service Rate (WMS) - not including CBR | $/kWh | 0.0030 |
| Capacity Based Recovery (CBR) - Applicable for Class B Customers | $/kWh | 0.0004 |
| Rural or Remote Electricity Rate Protection Charge (RRRP) | $/kWh | 0.0005 |
| Standard Supply Service - Administrative Charge (if applicable) | $ | 0.25 |

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UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION
This classification applies to an 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 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 the distributor and the customer, based on detailed manufacturer information/documentation with regard to electrical consumption of the unmetered load or periodic monitoring of actual consumption. Class B consumers are defined in accordance with O. Reg. 429/04. 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board approval, such as the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

| Service Charge (per connection) | $ 10.59 |
| Distribution Volumetric Rate | $/kWh 0.0095 |
| Low Voltage Service Rate | $/kWh 0.0006 |
| Rate Rider for Application of Tax Change (2019) - effective until April 30, 2020 | $/kWh (0.0001) |
| Retail Transmission Rate - Network Service Rate | $/kWh 0.0042 |
| Retail Transmission Rate - Line and Transformation Connection Service Rate | $/kWh 0.0037 |

MONTHLY RATES AND CHARGES - Regulatory Component

| Wholesale Market Service Rate (WMS) - not including CBR | $/kWh 0.0030 |
| Capacity Based Recovery (CBR) - Applicable for Class B Customers | $/kWh 0.0004 |
| Rural or Remote Electricity Rate Protection Charge (RRRP) | $/kWh 0.0005 |
| Standard Supply Service - Administrative Charge (if applicable) | $ 0.25 |

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SENTINEL LIGHTING SERVICE CLASSIFICATION
This classification refers to accounts that are unmetered lighting load supplied to a sentinel light. Class B consumers are defined in accordance with O. Reg. 429/04. 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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) | $ 3.88 |
| Distribution Volumetric Rate  | $/kW 10.1477 |
| Low Voltage Service Rate      | $/kW 0.1698 |
| Rate Rider for Application of Tax Change (2019) - effective until April 30, 2020 | $/kW (0.0795) |
| Retail Transmission Rate - Network Service Rate | $/kW 1.3821 |
| Retail Transmission Rate - Line and Transformation Connection Service Rate | $/kW 1.1191 |

MONTHLY RATES AND CHARGES - Regulatory Component

| Wholesale Market Service Rate (WMS) - not including CBR | $/kWh 0.0030 |
| Capacity Based Recovery (CBR) - Applicable for Class B Customers | $/kWh 0.0004 |
| Rural or Remote Electricity Rate Protection Charge (RRRP) | $/kWh 0.0005 |
| Standard Supply Service - Administrative Charge (if applicable) | $ 0.25 |

Issued - March 28, 2019
Orillia Power Distribution Corporation

TARIFF OF RATES AND CHARGES
Effective and Implementation Date May 1, 2019
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EB-2018-0061

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 Ontario Energy Board street lighting load shape template. Class B consumers are defined in accordance with O. Reg. 429/04. 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board approval, such as the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

| Service Charge (per connection) | $          |
| Distribution Volumetric Rate   | $/kW 15.1656 |
| Low Voltage Service Rate       | $/kW 0.1663 |
| Rate Rider for Application of Tax Change (2019) - effective until April 30, 2020 | $/kW (0.0760) |
| Retail Transmission Rate - Network Service Rate | $/kW 1.3750 |
| Retail Transmission Rate - Line and Transformation Connection Service Rate | $/kW 1.0961 |

MONTHLY RATES AND CHARGES - Regulatory Component

| Wholesale Market Service Rate (WMS) - not including CBR | $/kWh 0.0030 |
| Capacity Based Recovery (CBR) - Applicable for Class B Customers | $/kWh 0.0004 |
| Rural or Remote Electricity Rate Protection Charge (RRRP) | $/kWh 0.0005 |
| Standard Supply Service - Administrative Charge (if applicable) | $ 0.25 |

Issued - March 28, 2019
STANDBY POWER SERVICE CLASSIFICATION
This classification applies to an account with load displacement facilities that contracts with the distributor to provide emergency standby power when its load displacement facilities are not in operation. The level of billing demand will be agreed to by the distributor and the customer, based on detailed manufacturer information/documentation such as nameplate rating of the load displacement facility. 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board approval, such as the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component - APPROVED ON AN INTERIM BASIS
Distribution Volumetric Rate - $/kW of contracted amount

$/kW 1.0713

Issued - March 28, 2019
microFIT SERVICE CLASSIFICATION
This classification applies to an electricity generation facility contracted under the Independent Electricity System Operator’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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board approval, such as the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

<table>
<thead>
<tr>
<th>Service Charge</th>
<th>$ 5.40</th>
</tr>
</thead>
</table>

Issued - March 28, 2019
Orillia Power Distribution Corporation  
TARIFF OF RATES AND CHARGES  
Effective and Implementation Date May 1, 2019  
This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors  

ALLOWSANCES

Transformer Allowance for Ownership - per kW of billing demand/month $/kW (0.60)
Primary Metering Allowance for Transformer Losses - applied to measured demand & energy % (1.00)

SPECIFIC SERVICE CHARGES

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board approval, such as the Global Adjustment and the HST.

Customer Administration

Arrears certificate $ 15.00
Statement of account $ 15.00
Easement letter $ 15.00
Income tax letter $ 15.00
Account history $ 15.00
Credit reference/credit check (plus credit agency costs) $ 15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable) $ 30.00
Returned cheque (plus bank charges) $ 15.00
Legal letter charge $ 15.00
Special meter reads $ 30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct) $ 30.00

Non-Payment of Account (see Note below)

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 for non payment of account - at meter during regular hours $ 65.00
Disconnect/reconnect charges for non payment of account - at meter after regular hours $ 185.00
Disconnect/reconnect charges for non payment of account - at pole during regular hours $ 185.00
Disconnect/reconnect charges for non payment of account - 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

Other

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 (with the exception of wireless attachments) $ 43.83

NOTE: Ontario Energy Board Rate Order EB-2017-0183, issued on March 14, 2019, identifies changes to the Non-Payment of Account Service Charges effective July 1, 2019

Issued - March 28, 2019
Orillia Power Distribution Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2019

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

EB-2018-0061

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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board approval, such as the Global Adjustment and the HST.

Retail Service Charges refer to services provided by a distributor to retailers or customers related to the supply of competitive electricity.

<table>
<thead>
<tr>
<th>Service Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>One-time charge, per retailer, to establish the service agreement between the distributor and the retailer</td>
<td>$100.00</td>
</tr>
<tr>
<td>Monthly fixed charge, per retailer</td>
<td>$40.00</td>
</tr>
<tr>
<td>Monthly variable charge, per customer, per retailer</td>
<td>$1.00</td>
</tr>
<tr>
<td>Distributor-consolidated billing monthly charge, per customer, per retailer</td>
<td>$0.60</td>
</tr>
<tr>
<td>Retailer-consolidated billing monthly credit, per customer, per retailer</td>
<td>$(0.60)</td>
</tr>
<tr>
<td>Service Transaction Requests (STR)</td>
<td></td>
</tr>
<tr>
<td>Request fee, per request, applied to the requesting party</td>
<td>$0.50</td>
</tr>
<tr>
<td>Processing fee, per request, applied to the requesting party</td>
<td>$1.00</td>
</tr>
</tbody>
</table>

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) | $4.00 |

Notice of switch letter charge, per letter (unless the distributor has opted out of applying the charge as per the Ontario Energy Board's Decision and Order EB-2015-0304, issued on February 14, 2019)

<table>
<thead>
<tr>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>$2.00</td>
</tr>
</tbody>
</table>

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.

<table>
<thead>
<tr>
<th>Loss Factor Description</th>
<th>Factor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Loss Factor - Secondary Metered Customer &lt; 5,000 kW</td>
<td>1.0561</td>
</tr>
<tr>
<td>Total Loss Factor - Primary Metered Customer &lt; 5,000 kW</td>
<td>1.0455</td>
</tr>
</tbody>
</table>

Issued - March 28, 2019