Ontario Energy Board Commission de l'énergie de l'Ontario



EB-2011-0123

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 Guelph Hydro Electric Systems Inc. for an order approving or fixing just and reasonable rates and other charges for the distribution of electricity to be effective January 1, 2012.

BEFORE: Karen Taylor Presiding Member

> Ken Quesnelle Member

RATE ORDER

Guelph Hydro Electric Systems Inc. ("Guelph Hydro") filed an application with the Ontario Energy Board (the "Board") on June 30, 2011. The Application was filed under section 78 of the *Ontario Energy Board Act, 1998*, S.O 1998, c. 15 (Schedule B) (the "Act"), seeking approval for changes to the rates that Guelph Hydro charges for electricity distribution to be effective January 1, 2012.

On February 22, 2012, the Board issued its Decision and Order on Guelph Hydro's application for 2012 distribution rates. The Board approved an effective date of January 1, 2012. Guelph Hydro filed its draft Rate Order ("DRO") and supporting documentation on February 29, 2012. On March 6, 2012 Energy Probe ("EP") filed comments on the DRO. Board staff filed comments on March 7, 2012. No other comments were received. Guelph Hydro filed its response on March 12, 2012. Additional documents were filed on March 16, 2012.

PP&E Deferral Account

In the DRO Guelph Hydro presented the treatment of the PP&E Deferral account as a result of the transition from CGAAP to MIFRS in accordance with the Settlement Agreement. Guelph Hydro calculated a credit balance of \$1,526,000 in the PP&E deferral account. Guelph Hydro proposed an amortization period of four years. The resulting downward adjustment to the revenue requirement is \$485,000 (\$381,500 Depreciation expense + \$103,500 Return on Rate base at WACC – 2012 6.80%) over the amortization period. Guelph Hydro stated that it lowered the 2012 revenue requirement by \$1,526,000 (the difference in the closing net PP&E of CGAAP vs. MIRFS) and by \$485,000 (amortization and return on rate base). Guelph Hydro showed an adjustment of \$1,363,654 (\$1,526,000/2 + 600,645 for the removal of the Zigbee chip as per the Board's Decision and Order) to gross fixed assets in the Revenue Requirement Work Form. This was challenged by both EP and Board staff as described below.

In the DRO, Guelph Hydro provided a continuity schedule for 2012 that reflected the removal of the Zigbee chip from account 1860 meter. EP submitted that this adjustment is correct. EP also submitted that Guelph Hydro added a line to the continuity schedule that is labeled "PP&E Account". This line shows a reduction in the 2012 capital addition of \$1,526,000 and an addition to accumulated depreciation of \$381,500. EP submitted that this line item should not be included, as it does not properly reflect the adjustments needed to reflect the impact of the PP&E Deferral Account on the 2012 revenue requirement. EP indicated that the methodology utilized by Guelph Hydro does not provide the correct adjustments to the revenue requirement related to the return on rate base, depreciation or income taxes.

EP submitted that the impact of the correct adjustments should increase the return on capital component of the revenue requirement by about \$38,900; excluding the impact on taxes and that the depreciation component of the revenue requirement should decrease by \$103,500. EP also submitted that the impact of the reduction to depreciation related to the PP&E account is for regulatory purposes only and should not be used for income tax calculation purposes. EP submitted that the impact on grossed-up taxes should be an increase of \$143,876.

Board staff made a similar submission, but added that the downward adjustment relating to the PP&E deferral account to Guelph Hydro's 2012 revenue requirement should have two components:

- (1) A downward adjustment of \$381,500 to the 2012 depreciation expense.
- (2) A credit amount of \$103,500 for the return on rate base component.

Board staff submitted that the credit amount of for the return on the rate base (which should not be recorded in PP&E deferral account) should be shown as a separate line item to the 2012 revenue requirement calculation.

Guelph Hydro agreed and filed an updated DRO reflecting these changes on March 12, 2012.

Smart Meter Disposition Rate Rider ("SMDR")

In its original DRO Guelph Hydro filed an updated smart meter model and a SMDR calculation in accordance with the Board's Decision and Order. Board staff noted that Guelph Hydro reflected smart meter funding through a smart meter funding adder ("SMFA") up until December 31, 2011. Board staff submitted that the smart meter model should include SMFA revenues up to March 31, 2012 and that the SMFA should cease as of that date. Board staff also submitted that the resulting SMFA revenue for the Residential and GS<50 kW should be directly allocated and that the remaining SMFA revenue collected from other classes should be allocated between the Residential and GS<50 kW customer classes evenly.

EP made no comments.

Guelph Hydro agreed with Board staff's comments and filed the corresponding updates on March 12, 2012.

Implementation

EP submitted that Guelph Hydro's calculation and treatment of rate riders is reasonable and should be accepted by the Board. Similarly, Board staff took no issue with Guelph Hydro's approach. The Board has reviewed the information provided in support of the undated DRO, including the additional documentation, and the proposed Tariff of Rates and Charges and is satisfied that the Tariff of Rates and Charges accurately reflects the Board's Decision and Order in this proceeding. The Board approves an implementation date of April 1, 2012.

On December 21, 2011, the Board issued a Decision with Reasons and Rate Order (EB-2011-0405) establishing the Rural or Remote Electricity Rate Protection ("RRRP") benefit and charge for 2012. The Board amended the RRRP charge to be collected by the Independent Electricity System Operator from the current \$0.0013 per kWh to \$0.0011 per kWh effective May 1, 2012. The final Tariff of Rates and Charges reflects the new RRRP charge.

THE BOARD ORDERS THAT:

- 1. The Tariff of Rates and Charges set out in Appendix A of this Rate Order is approved effective January 1, 2012 for electricity consumed or estimated to have been consumed on and after such date.
- The Tariff of Rates and Charges set out in Appendix A of this Rate Order supersedes all previous Tariff of Rates and Charges approved by the Ontario Energy Board for Guelph Hydro Electric Systems Inc.'s service area, and is final in all respects.
- 3. Guelph Hydro Electric Systems Inc. shall notify its customers of the rate changes no later than with the first bill reflecting the new rates.

DATED at Toronto, March 21, 2012

ONTARIO ENERGY BOARD

Original Signed By

Kirsten Walli Board Secretary

APPENDIX A

TO RATE ORDER

Guelph Hydro Electric Systems Inc

2012 Electricity Distribution Rates

EB-2011-0123

March 21, 2012

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Guelph Hydro Electric Systems Inc. TARIFF OF RATES AND CHARGES Effective Date January 1, 2012 Implementation Date April 1, 2012

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

EB-2011-0123

RESIDENTIAL SERVICE CLASSIFICATION

This classification includes accounts 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 apartment 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.

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.

Service Charge Rate Rider for Recovery of Foregone Revenue – effective until December 31, 2012 Smart Meter Funding Adder – effective until March 31, 2012 Green Energy Act Plan Funding Adder – effective until March 31, 2013 Rate Rider for Recovery of Residual Historical Smart Meter Costs – effective until March 31, 2013	\$ \$ \$ \$ \$ \$ \$	13.95 0.18 1.17 0.10 (1.14)
Rate Rider for Recovery of Stranded Meter Assets – effective until March 31, 2016	\$	0.73
Rate Rider for Disposition of Post Retirement Actuarial Gain – effective until March 31, 2025	\$	(0.18)
Rate Rider for Recovery of Late Payment Penalty Litigation Costs – effective until April 30, 2012	\$ © / -> A / -	0.22
Distribution Volumetric Rate Rate Rider for Recovery of Foregone Revenue – effective until December 31, 2012	\$/kWh \$/kWh	0.0170 (0.0001)
Rate Rider for Global Adjustment Sub-Account Disposition (2010) – effective until April 30, 2012	φ/κννιι	(0.0001)
Applicable only for Non-RPP Customers	\$/kWh	0.0006
Rate Rider for Global Adjustment Sub-Account Disposition (2012) – effective until March 31, 2013	* * * • • •	<i></i>
Applicable only for Non-RPP Customers	\$/kWh	(0.0001)
Rate Rider for Deferral/Variance Account Disposition (2010) – effective until April 30, 2012	\$/kWh	(0.0015)
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until March 31, 2013	\$/kWh	(0.0027)
Rate Rider for Disposition of PILs Deferral/Variance Account – effective until March 31, 2016	\$/kWh	0.0007
Rate Rider for Tax Change – effective until April 30, 2012	\$/kWh	(0.0005)
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism (SSM)		
Recovery – effective until March 31, 2016	\$/kWh	0.0003
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0071
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0055

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Guelph Hydro Electric Systems Inc. TARIFF OF RATES AND CHARGES Effective Date January 1, 2012 Implementation Date April 1, 2012

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

EB-2011-0123

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge – effective until April 30, 2012	\$/kWh	0.0013
Rural Rate Protection Charge – effective on and after May 1, 2012	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

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Guelph Hydro Electric Systems Inc. TARIFF OF RATES AND CHARGES Effective Date January 1, 2012 Implementation Date April 1, 2012

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EB-2011-0123

GENERAL SERVICE LESS THAN 50 kW SERVICE CLASSIFICATION

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

APPLICATION

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

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.

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Service Charge	\$	15.00
Rate Rider for Recovery of Foregone Revenue – effective until December 31, 2012	\$	0.91
Smart Meter Funding Adder – effective until March 31, 2012	\$	1.17
Green Energy Act Plan Funding Adder – effective until March 31, 2013	\$	0.10
Rate Rider for Recovery of Residual Historical Smart Meter Costs – effective until March 31, 2013	\$	5.66
Rate Rider for Recovery of Stranded Meter Assets – effective until March 31, 2016	\$	0.73
Rate Rider for Disposition of Post Retirement Actuarial Gain – effective until March 31, 2025	\$	(0.50)
Rate Rider for Recovery of Late Payment Penalty Litigation Costs – effective until April 30, 2012	\$	0.57
Distribution Volumetric Rate	\$/kWh	0.0126
Rate Rider for Recovery of Foregone Revenue – effective until December 31, 2012	\$/kWh	(0.0012)
Rate Rider for Global Adjustment Sub-Account Disposition (2010) – effective until April 30, 2012		
Applicable only for Non-RPP Customers	\$/kWh	0.0006
Rate Rider for Global Adjustment Sub-Account Disposition (2012) – effective until March 31, 2013		
Applicable only for Non-RPP Customers	\$/kWh	(0.0001)
Rate Rider for Deferral/Variance Account Disposition (2010) – effective until April 30, 2012	\$/kWh	(0.0015)
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until March 31, 2013	\$/kWh	(0.0018)
Rate Rider for Disposition of PILs Deferral/Variance Account – effective until March 31, 2016	\$/kWh	0.0004
Rate Rider for Tax Change – effective until April 30, 2012	\$/kWh	(0.0003)
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism (SSM)		
Recovery – effective until March 31, 2016	\$/kWh	0.0001
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0065
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0049

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Guelph Hydro Electric Systems Inc. TARIFF OF RATES AND CHARGES Effective Date January 1, 2012 Implementation Date April 1, 2012

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

EB-2011-0123

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge – effective until April 30, 2012	\$/kWh	0.0013
Rural Rate Protection Charge – effective on and after May 1, 2012	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

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Guelph Hydro Electric Systems Inc. TARIFF OF RATES AND CHARGES Effective Date January 1, 2012 Implementation Date April 1, 2012

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

EB-2011-0123

GENERAL SERVICE 50 to 999 kW SERVICE CLASSIFICATION

This classification includes non residential accounts where 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 1,000 kW. Note that for the application of the Retail Transmission Rate – Network Service Rate and the Retail Transmission Rate – Line and Transformation Connection Service Rate the following sub-classifications apply:

General Service 50 to 999 kW non-interval metered

General Service 50 to 999 kW interval metered

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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Service Charge	\$	162.60
Rate Rider for Recovery of Foregone Revenue – effective until December 31, 2012	\$	(22.70)
Smart Meter Funding Adder – effective until March 31, 2012	\$	Ì.17 Ú
Green Energy Act Plan Funding Adder – effective until March 31, 2013	\$	0.10
Rate Rider for Disposition of Post Retirement Actuarial Gain – effective until March 31, 2025	\$	(3.80)
Rate Rider for Recovery of Late Payment Penalty Litigation Costs – effective until April 30, 2012	\$	4.21 [′]
Distribution Volumetric Rate	\$/kW	2.4801
Low Voltage Service Rate	\$/kW	0.0151
Rate Rider for Recovery of Foregone Revenue – effective until December 31, 2012	\$/kW	(0.1334)
Rate Rider for Global Adjustment Sub-Account Disposition (2010) – effective until April 30, 2012		
Applicable only for Non-RPP Customers	\$/kW	0.2280
Rate Rider for Global Adjustment Sub-Account Disposition (2012) – effective until March 31, 2013		
Applicable only for Non-RPP Customers	\$/kW	(0.3681)
Rate Rider for Deferral/Variance Account Disposition (2010) – effective until April 30, 2012	\$/kW	(0.5756)
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until March 31, 2013	\$/kW	(0.5768)
Rate Rider for Disposition of PILs Deferral/Variance Account – effective until March 31, 2016	\$/kW	0.0614
Rate Rider for Tax Change – effective until April 30, 2012	\$/kW	(0.0595)
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism (SSM)		
Recovery – effective until March 31, 2016	\$/kW	0.0065
Retail Transmission Rate – Network Service Rate	\$/kW	2.7044
Retail Transmission Rate – Network Service Rate – Interval Metered	\$/kW	2.8052
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	2.0387
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	\$/kW	2.1151

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Guelph Hydro Electric Systems Inc. TARIFF OF RATES AND CHARGES Effective Date January 1, 2012 Implementation Date April 1, 2012

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

MONTHLY RATES AND CHARGES – Regulatory Component

EB-2011-0123

\$/kWh	0.0052
\$/kWh	0.0013
\$/kWh	0.0011
\$	0.25
	\$/kWh

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Guelph Hydro Electric Systems Inc. TARIFF OF RATES AND CHARGES Effective Date January 1, 2012 Implementation Date April 1, 2012

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

EB-2011-0123

GENERAL SERVICE 1,000 to 4,999 kW SERVICE CLASSIFICATION

This classification includes non residential accounts where monthly average peak demand is equal to or greater than, or is forecast to be equal to or greater than 1,000 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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Service Charge	\$	620.07
Smart Meter Funding Adder – effective until March 31, 2012	\$	1.17
Green Energy Act Plan Funding Adder – effective until March 31, 2013	\$	0.10
Rate Rider for Disposition of Post Retirement Actuarial Gain – effective until March 31, 2025	\$	(46.33)
Rate Rider for Recovery of Late Payment Penalty Litigation Costs – effective until April 30, 2012	\$	53.31
Distribution Volumetric Rate	\$/kW	3.3153
Rate Rider for Recovery of Foregone Revenue – effective until December 31, 2012	\$/kW	0.4278
Rate Rider for Global Adjustment Sub-Account Disposition (2010) – effective until April 30, 2012		
Applicable only for Non-RPP Customers	\$/kW	0.2681
Rate Rider for Global Adjustment Sub-Account Disposition (2012) – effective until March 31, 2013		
Applicable only for Non-RPP Customers	\$/kW	(0.4397)
Rate Rider for Deferral/Variance Account Disposition (2010) – effective until April 30, 2012	\$/kW	(0.6738)
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until March 31, 2013	\$/kW	(0.6297)
Rate Rider for Disposition of PILs Deferral/Variance Account – effective until March 31, 2016	\$/kW	0.0567
Rate Rider for Tax Change – effective until April 30, 2012	\$/kW	(0.0329)
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism (SSM)		
Recovery – effective until March 31, 2016	\$/kW	0.0061
Retail Transmission Rate – Network Service Rate – Interval Metered	\$/kW	2.8052
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	\$/kW	2.1151
MONTHLY RATES AND CHARGES – Regulatory Component		

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge – effective until April 30, 2012	\$/kWh	0.0013
Rural Rate Protection Charge – effective on and after May 1, 2012	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

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Guelph Hydro Electric Systems Inc. TARIFF OF RATES AND CHARGES Effective Date January 1, 2012 Implementation Date April 1, 2012

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

EB-2011-0123

LARGE USE SERVICE CLASSIFICATION

This classification refers to an account where monthly average peak demand is equal to or greater than, or is forecast to be equal to or greater 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	\$	907.62
Smart Meter Funding Adder – effective until March 31, 2012	\$	1.17
Green Energy Act Plan Funding Adder – effective until March 31, 2013	\$	0.10
Rate Rider for Disposition of Post Retirement Actuarial Gain – effective until March 31, 2025	\$	(151.18)
Rate Rider for Recovery of Late Payment Penalty Litigation Costs – effective until April 30, 2012	\$	181.11
Distribution Volumetric Rate	\$/kW	2.2680
Rate Rider for Recovery of Foregone Revenue – effective until December 31, 2012	\$/kW	0.0139
Rate Rider for Global Adjustment Sub-Account Disposition (2010) – effective until April 30, 2012		
Applicable only for Non-RPP Customers	\$/kW	0.3330
Rate Rider for Global Adjustment Sub-Account Disposition (2012) – effective until March 31, 2013		
Applicable only for Non-RPP Customers	\$/kW	(0.5312)
Rate Rider for Deferral/Variance Account Disposition (2010) – effective until April 30, 2012	\$/kW	(0.8376)
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until March 31, 2013	\$/kW	(0.7475)
Rate Rider for Disposition of PILs Deferral/Variance Account – effective until March 31, 2016	\$/kW	0.0373
Rate Rider for Tax Change – effective until April 30, 2012	\$/kW	(0.0325)
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism (SSM)		
Recovery – effective until March 31, 2016	\$/kW	0.0099
Retail Transmission Rate – Network Service Rate – Interval Metered	\$/kW	3.3876
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	\$/kW	2.5541
MONTHI V PATES AND CHAPGES - Pequilatory Component		

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge – effective until April 30, 2012	\$/kWh	0.0013
Rural Rate Protection Charge – effective on and after May 1, 2012	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

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Guelph Hydro Electric Systems Inc. TARIFF OF RATES AND CHARGES Effective Date January 1, 2012 Implementation Date April 1, 2012

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

EB-2011-0123

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification includes accounts taking electricity at 750 volts or less where monthly average peak demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. These connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The customer provides detailed manufacturer information/documentation with regard to electrical demand/consumption of the proposed 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.

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 (per connection)	\$	5.70
Rate Rider for Recovery of Foregone Revenue – effective until December 31, 2012	\$	0.07
Green Energy Act Plan Funding Adder – effective until March 31, 2013	\$	0.10
Rate Rider for Disposition of Post Retirement Actuarial Gain – effective until March 31, 2025	\$	(0.05)
Rate Rider for Recovery of Late Payment Penalty Litigation Costs – effective until April 30, 2012	\$	0.06
Distribution Volumetric Rate	\$/kWh	0.0260
Rate Rider for Global Adjustment Sub-Account Disposition (2010) – effective until April 30, 2012		
Applicable only for Non-RPP Customers	\$/kWh	0.0006
Rate Rider for Global Adjustment Sub-Account Disposition (2012) – effective until March 31, 2013		
Applicable only for Non-RPP Customers	\$/kWh	(0.0010)
Rate Rider for Deferral/Variance Account Disposition (2010) – effective until April 30, 2012	\$/kWh	(0.0015)
Rider for Deferral/Variance Account Disposition (2012) – effective until March 31, 2013	\$/kWh	(0.0035)
Rate Rider for Disposition of PILs Deferral/Variance Account – effective until March 31, 2016	\$/kWh	0.0004
Rate Rider for Tax Change – effective until April 30, 2012	\$/kWh	(0.0006)
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism (SSM)		
Recovery – effective until March 31, 2016	\$/kWh	0.0048
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0065
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0049
MONTHLY RATES AND CHARGES – Regulatory Component		
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge – effective until April 30, 2012	\$/k\//h	0.0013

Rural Rate Protection Charge – effective until April 30, 2012\$/kWh0.0013Rural Rate Protection Charge – effective on and after May 1, 2012\$/kWh0.0011Standard Supply Service – Administrative Charge (if applicable)\$0.25

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Guelph Hydro Electric Systems Inc. TARIFF OF RATES AND CHARGES Effective Date January 1, 2012 Implementation Date April 1, 2012

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

EB-2011-0123

SENTINEL LIGHTING SERVICE CLASSIFICATION

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

APPLICATION

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

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MONTHLY RATES AND CHARGES – Delivery Component

Service Charge (per connection)	\$	6.79
Rate Rider for Recovery of Foregone Revenue – effective until December 31, 2012	\$	0.09
Green Energy Act Plan Funding Adder – effective until March 31, 2013	\$	0.10
Rate Rider for Disposition of Post Retirement Actuarial Gain – effective until March 31, 2025	\$	(0.11)
Rate Rider for Recovery of Late Payment Penalty Litigation Costs – effective until April 30, 2012	\$	0.11
Distribution Volumetric Rate	\$/kW	7.5162
Low Voltage Service Rate	\$/kW	0.0112
Rate Rider for Recovery of Foregone Revenue – effective until December 31, 2012	\$/kW	(0.0089)
Rate Rider for Global Adjustment Sub-Account Disposition (2010) – effective until April 30, 2012		
Applicable only for Non-RPP Customers	\$/kW	0.2243
Rate Rider for Global Adjustment Sub-Account Disposition (2012) – effective until March 31, 2013		
Applicable only for Non-RPP Customers	\$/kW	(0.0013)
Rate Rider for Deferral/Variance Account Disposition (2010) – effective until April 30, 2012	\$/kW	(0.5761)
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until March 31, 2013	\$/kW	(1.2750)
Rate Rider for Disposition of PILs Deferral/Variance Account – effective until March 31, 2016	\$/kW	0.3253
Rate Rider for Tax Change – effective until April 30, 2012	\$/kW	(0.1988)
Retail Transmission Rate – Network Service Rate	\$/kW	2.0706
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.5610

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge – effective until April 30, 2012	\$/kWh	0.0013
Rural Rate Protection Charge – effective on and after May 1, 2012	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

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Guelph Hydro Electric Systems Inc. TARIFF OF RATES AND CHARGES Effective Date January 1, 2012 Implementation Date April 1, 2012

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

EB-2011-0123

STREET LIGHTING SERVICE CLASSIFICATION

This classification is for roadway lighting with the Municipality. The consumption for this customer is 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

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MONTHLY RATES AND CHARGES – Delivery Component

Service Charge (per connection)	\$	0.38
Rate Rider for Recovery of Foregone Revenue – effective until December 31, 2012	\$	0.05
Green Energy Act Plan Funding Adder – effective until March 31, 2013	\$	0.10
Rate Rider for Disposition of Post Retirement Actuarial Gain – effective until March 31, 2025	\$	(0.01)
Rate Rider for Recovery of Late Payment Penalty Litigation Costs – effective until April 30, 2012	\$	0.01
Distribution Volumetric Rate	\$/kW	9.2151
Low Voltage Service Rate	\$/kW	0.0135
Rate Rider for Recovery of Foregone Revenue – effective until December 31, 2012	\$/kW	1.1607
Rate Rider for Global Adjustment Sub-Account Disposition (2010) – effective until April 30, 2012		
Applicable only for Non-RPP Customers	\$/kW	0.2157
Rate Rider for Global Adjustment Sub-Account Disposition (2012) – effective until March 31, 2013		
Applicable only for Non-RPP Customers	\$/kW	(0.3323)
Rate Rider for Deferral/Variance Account Disposition (2010) – effective until April 30, 2012	\$/kW	(0.5424)
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until March 31, 2013	\$/kW	(2.9382)
Rate Rider for Disposition of PILs Deferral/Variance Account – effective until March 31, 2016	\$/kW	0.0738
Rate Rider for Tax Change – effective until April 30, 2012	\$/kW	(0.1010)
Retail Transmission Rate – Network Service Rate	\$/kW	2.4914
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.8782

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge – effective until April 30, 2012	\$/kWh	0.0013
Rural Rate Protection Charge – effective on and after May 1, 2012	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

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Guelph Hydro Electric Systems Inc. TARIFF OF RATES AND CHARGES Effective Date January 1, 2012 Implementation Date April 1, 2012

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

EB-2011-0123

microFIT GENERATOR SERVICE CLASSIFICATION

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

APPLICATION

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MONTHLY RATES AND CHARGES – Delivery Component

Service Charge

5.25

\$

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Guelph Hydro Electric Systems Inc. TARIFF OF RATES AND CHARGES Effective Date January 1, 2012 Implementation Date April 1, 2012

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ALLOWANCES

EB-2011-0123

Transformer Allowance for Ownership by General Service 50 to 999 kW customers		
- per kW of billing demand/month	\$/kW	(0.72)
Primary Metering Allowance for transformer losses – applied to measured demand and energy	%	(1.00)

SPECIFIC SERVICE CHARGES

APPLICATION

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Customer Administration		
Arrears Certificate	\$	15.00
Returned Cheque (plus bank charges)	\$	8.55
Account setup charge/change of occupancy charge (plus credit agency costs if applicable)	\$	8.75
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	10.00
Non-Payment of Account		
Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Collection of account charge – no disconnection	\$	9.00
Disconnect/Reconnect at Meter – during regular hours	\$	20.00
Disconnect/Reconnect at Meter - after regular hours	\$	50.00
Disconnect/Reconnect at Pole – during regular hours	\$	50.00
Disconnect/Reconnect at Pole – after regular hours	\$	95.00
Service Call – customer-owned equipment	\$	17.50
Service Call – after regular hours	\$	95.00
Specific Charge for Access to the Power Poles – per pole/year	\$	22.35

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Guelph Hydro Electric Systems Inc. TARIFF OF RATES AND CHARGES Effective Date January 1, 2012 Implementation Date April 1, 2012

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EB-2011-0123

RETAIL SERVICE CHARGES (if applicable)

APPLICATION

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

iler \$ \$	100.00 20.00
\$/cust.	0.50
\$/cust.	0.30
\$/cust.	(0.30)
	. ,
\$	0.25
\$	0.50
	no charge
\$	2.00
	\$/cust. \$/cust. \$ \$

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	1.0209
Total Loss Factor – Secondary Metered Customer > 5,000 kW	1.0160
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0107
Total Loss Factor – Primary Metered Customer > 5,000 kW	1.0059