



**Margaret Nanninga**  
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April 19, 2012

**BY COURIER & RESS**

Ms. Kirsten Walli, Board Secretary  
Ontario Energy Board  
2300 Yonge Street, 26<sup>th</sup> Floor, P.O. Box 2319  
TORONTO, ON M4P 1E4

**Re: IRM 2012 EB Number: EB-2011-0179 Reply to Draft Rate Order Comments  
Kitchener-Wilmot Hydro Inc. Application for Approval of 2012 Electricity  
Distribution Rates, Licence No. ED-2002-0573**

Dear Ms. Walli:

On November 1, 2011, Kitchener-Wilmot Hydro Inc. (KWHI) submitted its 2012 IRM Application to the Ontario Energy Board (the Board) for rates effective May 1, 2012. The Board issued its Decision on this Application on April 4, 2012 requesting a Draft Rate Order which was submitted April 11, 2012. Please find attached KWHI's Reply Submission to Board Staff Comments on the Draft Rate Order as requested in the Board's letter dated April 16, 2012.

A copy of this package has been electronically filed through the Ontario Energy Board's RESS system. The original and one copy have been couriered to the Board's offices and one copy has been couriered to all other registered parties to this proceeding.

Should you require any further information or clarification of any of the above, kindly contact myself.

Respectfully submitted,

*Original Signed by*

M. Nanninga, MBA, CGA

Manager of Finance

MN/kb  
Attachments

**ONTARIO ENERGY BOARD**

**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 Kitchener-Wilmot  
Hydro Inc. to the Ontario Energy Board for an Order approving just  
and reasonable rates and other charges, effective May 1, 2012.

**REPLY COMMENTS  
TO  
BOARD STAFF COMMENTS  
ON DRAFT RATE ORDER  
OF KITCHENER-WILMOT HYDRO INC.**

1. On April 4, 2012, the Board issued its Decision on the rate application of Kitchener-Wilmot Hydro Inc. (KWHI).
2. The Decision required KWHI to submit its draft Rate Order within seven days of the issuance of the Decision. The draft Rate Order, along with other supporting documentation, was submitted by KWHI on April 11, 2012.
3. On April 16, 2012, Board Staff Comments on Draft Rate Order were released by the Board.

***Tariff of Rates and Charges***

4. KWHI submits the following comments in reply to Board staff's submission of April 16, 2012:
5. KWHI agrees with Board staff comments regarding the Tariff of Rates and Charges. There were errors in the Draft Rate Order submitted on April 11, 2012 by KWHI. There was a problem with the file that was submitted to the Board and the submission of incorrect rates was entirely unintentional. A corrected version is attached to this submission as Appendix A.
6. Board staff's noted in its Comments that the draft Rate Order includes an LRAM rate rider which has five decimal places. Board staff further noted that the standard practice of the Board is to list

all rate riders to four decimal places; however, the Board has approved the use of five decimal places for rate riders in instances where the use of four decimal places would result in the utility forgoing the recovery of a Board approved amounts.

7. KWHI confirms that its billing system can accommodate the billing of the LRAM rate rider to the fifth decimal point.

**Kitchener-Wilmot Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective May 01, 2012**

EB-2011-0179

MONTHLY RATES AND CHARGES

## Applied For Monthly Rates and Charges

### Residential

#### Monthly Rates and Charges - Delivery Component

Service Charge	\$	9.69
Distribution Volumetric Rate	\$/kWh	0.0172
Rate Rider for Global Adjustment Sub-Account Disposition (2011) - Effective until April 30, 2013, applicable only for Non-RPP Customers	\$/kWh	0.0021
Distribution Volumetric Def Var Disp 2011 – effective until April 30, 2013	\$/kWh	(0.0004)
Distribution Volumetric Def Var Disp 2012 – effective until April 30, 2013	\$/kWh	(0.0003)
Distribution Volumetric Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism (SSM) Recovery – effective until April 30, 2014	\$/kWh	0.00030
Distribution Volumetric Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism (SSM) Recovery – effective until April 30, 2013	\$/kWh	0.00003
Distribution Volumetric Tax Change – effective until April 30, 2013	\$/kWh	(0.0004)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0067
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0015

#### Monthly Rates and Charges - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

### General Service Less Than 50 kW

#### Monthly Rates and Charges - Delivery Component

Service Charge	\$	25.54
Distribution Volumetric Rate	\$/kWh	0.0123
Rate Rider for Global Adjustment Sub-Account Disposition (2011) - Effective until April 30, 2013, applicable only for Non-RPP Customers	\$/kWh	0.0021
Distribution Volumetric Def Var Disp 2011 – effective until April 30, 2013	\$/kWh	(0.0004)
Distribution Volumetric Def Var Disp 2012 – effective until April 30, 2013	\$/kWh	(0.0002)
Distribution Volumetric Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism (SSM) Recovery – effective until April 30, 2014	\$/kWh	0.00010
Distribution Volumetric Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism (SSM) Recovery – effective until April 30, 2013	\$/kWh	0.00013
Distribution Volumetric Tax Change – effective until April 30, 2013	\$/kWh	(0.0003)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0058
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0014

#### Monthly Rates and Charges - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

### General Service 50 to 4,999 kW

#### Monthly Rates and Charges - Delivery Component

Service Charge	\$	236.11
Distribution Volumetric Rate	\$/kW	4.0319
Rate Rider for Global Adjustment Sub-Account Disposition (2011) - Effective until April 30, 2013, applicable only for Non-RPP Customers	\$/kW	0.8121
Distribution Volumetric Def Var Disp 2011 – effective until April 30, 2013	\$/kW	(0.1575)
Distribution Volumetric Def Var Disp 2012 – effective until April 30, 2013	\$/kW	(0.0475)
Distribution Volumetric Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism (SSM) Recovery – effective until April 30, 2014	\$/kW	0.01720
Distribution Volumetric Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism (SSM) Recovery – effective until April 30, 2013	\$/kW	0.02049
Distribution Volumetric Tax Change – effective until April 30, 2013	\$/kW	(0.0602)
Retail Transmission Rate – Network Service Rate	\$/kW	3.0521
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.7287

#### Monthly Rates and Charges - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

### Large Use

#### Monthly Rates and Charges - Delivery Component

Service Charge	\$	14,403.67
Distribution Volumetric Rate	\$/kW	1.3727
Rate Rider for Global Adjustment Sub-Account Disposition (2011) - Effective until April 30, 2013, applicable only for Non-RPP Customers	\$/kW	1.0403
Distribution Volumetric Def Var Disp 2011 – effective until April 30, 2013	\$/kW	(0.2022)
Distribution Volumetric Def Var Disp 2012 – effective until April 30, 2013	\$/kW	(0.0322)
Distribution Volumetric Tax Change – effective until April 30, 2013	\$/kW	(0.0434)
Retail Transmission Rate – Network Service Rate	\$/kW	2.8686
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.6849

#### Monthly Rates and Charges - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

### Standby Power – INTERIM APPROVAL

#### Monthly Rates and Charges - Delivery Component

## Unmetered Scattered Load

### Monthly Rates and Charges - Delivery Component

Service Charge (per connection)	\$	8.46
Distribution Volumetric Rate	\$/kWh	0.0165
Distribution Volumetric Def Var Disp 2011 – effective until April 30, 2013	\$/kWh	(0.0004)
Distribution Volumetric Def Var Disp 2012 – effective until April 30, 2013	\$/kWh	(0.0004)
Distribution Volumetric Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism (SSM) Recovery – effective until April 30, 2014	\$/kWh	0.00450
Distribution Volumetric Tax Change – effective until April 30, 2013	\$/kWh	(0.0005)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0058
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0014

### Monthly Rates and Charges - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

## Street Lighting

### Monthly Rates and Charges - Delivery Component

Service Charge (per connection)	\$	0.79
Distribution Volumetric Rate	\$/kW	5.3025
Rate Rider for Global Adjustment Sub-Account Disposition (2011) - Effective until April 30, 2013, applicable only for Non-RPP Customers	\$/kW	0.7291
Distribution Volumetric Def Var Disp 2011 – effective until April 30, 2013	\$/kW	(0.1417)
Distribution Volumetric Def Var Disp 2012 – effective until April 30, 2013	\$/kW	(0.0933)
Distribution Volumetric Tax Change – effective until April 30, 2013	\$/kW	(0.1136)
Retail Transmission Rate – Network Service Rate	\$/kW	1.8559
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.4433

### Monthly Rates and Charges - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

## Embedded Distributor

### Monthly Rates and Charges - Delivery Component

Distribution Volumetric Rate - Dedicated LV Line	\$/kW	1.4660
Distribution Volumetric Tax Change - Dedicated LV Line - effective until April 30, 2013	\$/kW	(0.0130)
Distribution Volumetric Rate - Shared LV Line	\$/kW	0.1420
Distribution Volumetric Tax Change - Shared LV Line - effective until April 30, 2013	\$/kW	(0.0016)
Retail Transmission Rate – Network Service Rate	\$/kW	2.8776
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.6871

## microFIT Generator

Service Charge	\$	5.25
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### Specific Service Charges

#### Customer Administration

Returned Cheque charge (plus bank charges)	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	10.00
Collection of Account Charge – No Disconnection	\$	30.00
Meter Dispute Charge Plus Measurement Canada Fees (if meter found correct)	\$	30.00
Meter Removal Without Authorization	\$	60.00

#### Non-Payment of Account

Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Disconnect/Reconnect at meter - during regular hours	\$	45.00
Disconnect/Reconnect at meter - after regular hours	\$	75.00
Disconnect/Reconnect at pole - during regular hours	\$	95.00

#### Other

Service call - after regular hours	\$	105.00
Specific Charge for Access to the Power Poles \$/pole/year	\$	22.35

### 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)

### Retail Service Charges (if applicable)

#### Retail Service Charges (if applicable)

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 charge, per customer, per retailer	\$/cust.	0.30
Retailer-consolidated billing 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

Total Loss Factor - Secondary Metered Customer < 5,000 kW	1.0320
Total Loss Factor - Secondary Metered Customer > 5,000 kW	1.0154
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0226
Total Loss Factor - Primary Metered Customer > 5,000 kW	1.0053