



EB-2012-0157

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 Oshawa PUC Networks Inc. for an order or orders approving or fixing just and reasonable distribution rates and other charges, to be effective January 1, 2013.

BEFORE: Marika Hare
Presiding Member

Ken Quesnelle
Member

**DECISION AND ORDER
December 6, 2012**

Introduction

Oshawa PUC Networks Inc. ("Oshawa"), a licensed distributor of electricity, filed an application with the Ontario Energy Board (the "Board") on July 27, 2012 under section 78 of the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, (Schedule B), seeking approval for changes to the rates that Oshawa charges for electricity distribution, to be effective January 1, 2013.

Oshawa is one of 77 electricity distributors in Ontario regulated by the Board. The *Report of the Board on 3rd Generation Incentive Regulation for Ontario's Electricity Distributors* (the "IR Report"), issued on July 14, 2008, and established a three year plan for 3rd generation incentive regulation mechanism ("IRM") (i.e., rebasing plus three years). In its October 27, 2010 letter regarding the development of a Renewed

Regulatory Framework for Electricity (“RRFE”), the Board announced that it was extending the IRM plan until such time as the RRFE policy initiatives have been substantially completed. In a letter dated October 18, 2012, the Board stated its expectation that the three rate setting methods set out in the *Report of the Board – Renewed Regulatory Framework for Electricity Distributors: A Performance-Based Approach* would be available for the 2014 rate year.

As part of the plan, Oshawa is one of the electricity distributors that will have its rates adjusted for 2013 on the basis of the IRM process, which provides for a mechanistic and formulaic adjustment to distribution rates and charges between costs of service applications. Oshawa also sought approval for lost revenue adjustment mechanism (“LRAM”) recovery.

To streamline the process for the approval of distribution rates and charges for distributors, the Board issued its IR Report, *Supplemental Report of the Board on 3rd Generation Incentive Regulation for Ontario’s Electricity Distributors* on September 17, 2008 (the “Supplemental Report”), and *Addendum to the Supplemental Report of the Board on 3rd Generation Incentive Regulation for Ontario’s Electricity Distributors* on January 28, 2009 (collectively the “Reports”). Among other things, the Reports provide the relevant guidelines for 2013 rate adjustments for distributors applying for distribution rate adjustments pursuant to the IRM process. On June 28, 2012, the Board issued an update to Chapter 3 of the Board’s *Filing Requirements for Transmission and Distribution Applications* (the “Filing Requirements”), which outlines the application filing requirements for IRM applications based on the policies in the Reports.

Notice of Oshawa’s rate application was given through newspaper publication in Oshawa’s service area advising interested parties where the rate application could be viewed and advising how they could intervene in the proceeding or comment on the application. No letters of comment were received. The Notice of Application indicated that intervenors could be eligible for cost awards with respect to Oshawa’s proposed LRAM recovery. The Vulnerable Energy Consumers Coalition (“VECC”) applied and was granted intervenor status in this proceeding. The Board granted VECC eligibility for cost awards with respect to Oshawa’s request for LRAM recovery. Board staff also participated in the proceeding. The Board proceeded by way of a written hearing.

While the Board has considered the entire record in this proceeding, it has made reference only to such evidence as is necessary to provide context to its findings. The

following issues are addressed in this Decision and Order:

- Price Cap Index Adjustment;
- Rural or Remote Electricity Rate Protection Charge;
- MicroFIT Service Charge;
- Shared Tax Savings Adjustments;
- Retail Transmission Service Rates;
- Review and Disposition of Group 1 Deferral and Variance Account Balances; and
- Review and Disposition of LRAM.

Price Cap Index Adjustment

As outlined in the Reports, distribution rates under the IRM are to be adjusted by a price escalator, less a productivity factor of 0.72% and a stretch factor.

On October 4, 2012 the Board announced a price escalator of 2.2% for those distributors under IRM that have a rate year commencing January 1, 2013.

The stretch factors are assigned to distributors based on the results of two benchmarking evaluations to divide the Ontario industry into three efficiency cohorts. In its letter to Licensed Electricity Distributors dated November 28, 2012 the Board assigned Oshawa to efficiency cohort 2 and a cohort specific stretch factor of 0.4%.

On that basis, the resulting price cap index adjustment is 1.08% (i.e. $2.2\% - (0.72\% + 0.4\%)$). The price cap index adjustment applies to distribution rates (fixed and variable charges) uniformly across customer classes.

The price cap index adjustment does not apply to the following components of delivery rates:

- Rate Riders;
- Rate Adders;
- Low Voltage Service Charges;
- Retail Transmission Service Rates;
- Wholesale Market Service Rate;
- Rural or Remote Rate Protection Charge;
- Standard Supply Service – Administrative Charge;

- Transformation and Primary Metering Allowances;
- Loss Factors;
- Specific Service Charges;
- MicroFIT Service Charge; and
- Retail Service Charges.

Rural or Remote Electricity Rate Protection Charge

As of the date of this Decision and Order, the Board has not issued its decision on the status of the Rural or Remote Electricity Rate Protection (“RRRP”) benefit and charge for 2013. In the event that the Board’s decision and rate order establishes a new RRRP charge for 2013, the RRRP rate order will supersede the tariff of rates and charges flowing from this IRM Decision and Order with respect to the RRRP charge.

MicroFIT Service Charge

On September 20, 2012, the Board issued a letter advising that the default province-wide fixed monthly charge for all electricity distributors related to the microFIT Generator Service Classification was to be updated to \$5.40 per month effective with the implementation of electricity distributors’ 2013 rates applications. The draft Tariff of Rates and Charges flowing from this Decision and Order reflects the new default microFIT service charge.

Shared Tax Savings Adjustments

In its Supplemental Report, the Board determined that a 50/50 sharing of the impact of currently known legislated tax changes, as applied to the tax level reflected in the Board-approved base rates for a distributor, is appropriate.

The calculated annual tax reduction will be allocated to customer rate classes on the basis of the Board-approved base-year distribution revenue. These amounts will be refunded to customers over a 12-month period, through a volumetric rate rider using annualized consumption by customer class underlying the Board-approved base rates.

Oshawa’s application identified a total tax savings of \$3,240 resulting in a shared amount of \$1,620 to be refunded to rate payers.

Oshawa requested that the Board authorize that this amount be recorded in Account 1595 for disposition in a future application given that the associated rate riders are negligible. The Board agrees with Oshawa's request and directs Oshawa to record the tax sharing refund of \$1,620 in variance Account 1595 by March 31, 2013 for disposition at a future date.

Retail Transmission Service Rates

Electricity distributors are charged the Ontario Uniform Transmission Rates ("UTRs") at the wholesale level and subsequently pass these charges on to their distribution customers through the Retail Transmission Service Rates ("RTSRs"). Variance accounts are used to capture timing differences and differences in the rate that a distributor pays for wholesale transmission service compared to the retail rate that the distributor is authorized to charge when billing its customers (i.e. variance Accounts 1584 and 1586).

On June 22, 2012 the Board issued revision 3.0 of the *Guideline G-2008-0001 - Electricity Distribution Retail Transmission Service Rates* (the "RTSR Guideline"). The RTSR Guideline outlines the information that the Board requires electricity distributors to file to adjust their RTSRs for 2013. The RTSR Guideline requires electricity distributors to adjust their RTSRs based on a comparison of historical transmission costs adjusted for the new UTR levels and the revenues generated under existing RTSRs. The objective of resetting the rates is to minimize the prospective balances in Accounts 1584 and 1586. In order to assist electricity distributors in the calculation of the distributors' specific RTSRs, Board staff provided a filing module.

As of the date of this Decision and Order, the Board has not issued its rate order for Hydro One Transmission (EB-2012-0031) which will adjust the UTRs effective January 1, 2013. The Board will therefore approve the RTSRs as partially adjusted in this application. The differences arising from the new UTRs will be captured in Accounts 1584 and 1586 for future disposition.

Review and Disposition of Group 1 Deferral and Variance Account Balances

The *Report of the Board on Electricity Distributors' Deferral and Variance Account Review Report Initiative* (the "EDDVAR Report") provides that, during the IRM plan term, the distributor's Group 1 account balances will be reviewed and disposed if the

preset disposition threshold of \$0.001 per kWh (debit or credit) is exceeded. The onus is on the distributor to justify why any account balance in excess of the threshold should not be disposed.

Oshawa originally reported a credit balance of \$649,340 for its Group 1 Accounts as of December 31, 2011, including interest projected to December 31, 2012. In response to Board staff interrogatory #4, Oshawa revised this balance to a credit of \$68,516. This amount results in a total credit claim of \$0.0001 per kWh, which does not exceed the preset disposition threshold and as a result, Oshawa did not seek disposition of its Group 1 Accounts.

The Board agrees that no disposition is required at this time.

Review and Disposition of Lost Revenue Adjustment Mechanism (“LRAM”)

The Board’s *Guidelines for Electricity Distributor Conservation and Demand Management* (the “CDM Guidelines”) issued on April 26, 2012 outline the information that is required when filing an application for LRAM.

Oshawa requested the recovery of an LRAM claim of \$281,835.83. Oshawa’s LRAM claim consists of revenue loss of 2010 programs in 2010, and revenue loss in 2011 from programs implemented up to the end of 2010. Oshawa proposed to recover the LRAM claim over a one-year period.

Board staff noted that Oshawa did not file an LRAM claim for 2010 in its 2012 cost of service application as set out in the Filing Requirements that were applicable for that test year. Board staff submitted that the lost revenues claimed in this rate application for 2010 CDM programs are reasonable and have not been recovered in past applications by Oshawa. With respect to the persistence of 2006-2010 programs in 2011, Board staff submitted that Oshawa’s rates were last rebased in 2012 and therefore, Oshawa had no opportunity to recover the lost revenues in 2011 from 2006-2010 CDM programs. Further, Oshawa previously rebased in 2008 and filed its application on October 3, 2007. Since the 2008 CDM Guidelines were not issued until March 28, 2008, they were not available to Oshawa when it was preparing its historic load forecast. Board staff therefore supported the recovery of the entire LRAM amount requested by Oshawa for 2011.

VECC submitted that Oshawa's request for lost revenues in 2010 from 2010 OPA CDM programs is appropriate as these savings occurred prior to Oshawa's updated load forecast in the 2012 rebasing year. VECC also noted that the requested lost revenues have not been claimed in previous applications and that the LRAM calculation is appropriately based on Oshawa's 2006-2010 OPA CDM Final results. Further, VECC submitted that Oshawa has provided a reasonable rationale as to why 2010 lost revenues were not claimed as part of its 2012 COS application. Regarding Oshawa's requested 2011 lost revenues, VECC also submitted that Oshawa is calculating estimated lost revenues for 2011 based on the OPA's verified results available at the timing of this application (i.e. 2006 to 2010 final results), which do not reflect 2011 results. Accordingly, VECC does not support the approval of persisting revenues in 2011 for CDM Programs implemented in 2006 to 2010. VECC submitted that the LRAM claim approved by the Board in this application should be adjusted to exclude the proposed lost revenue in 2011 for CDM programs implemented between 2006 and 2010.

In its reply submission, Oshawa submitted it has requested recovery of lost revenues in 2010 and 2011 in this application as the final program results for 2010 CDM programs had not been released by the OPA when Oshawa filed its 2012 COS rate application. Oshawa noted that it has reasonably included an LRAM request in its 2013 IRM rate application to recover lost revenues in 2010 and 2011 from 2010 CDM programs as it would not have been practical to adjust its 2012 COS rate application. Oshawa also noted that Board staff and VECC both support Oshawa's request to recover 2010 lost revenues from 2010 CDM programs.

Regarding Oshawa's lost revenues in 2011 from 2010 CDM programs, Oshawa submitted that the OPA's final program results are intended as final and not just for the year issued, but also for future years. Oshawa further noted that the OPA results include assumptions related to the persistence of savings into the future. Oshawa also stated that the approach it has used is consistent with previous applications, including its 2012 COS application where lost revenues in 2010 for 2006-2009 CDM programs were based on the OPA's 2006-2009 Final CDM report. Oshawa noted that Board staff supports the recovery of these lost revenues and submitted that its entire LRAM claim is appropriate.

Board Findings

The Board finds that Oshawa has relied on the best and most up-to-date information

when calculating its LRAM amount. Oshawa used the final 2006-2010 OPA results which include assumptions related to the persistence of savings into the future. The Board therefore agrees with both Board staff and Oshawa that the requested lost revenues in 2010 and 2011 are reasonable and could not have been recovered in previous applications. The Board approves Oshawa's requested LRAM amount of \$281,835.83. This amount includes carrying charges.

Rate Model

With this Decision and Order, the Board is providing Oshawa with a rate model (spreadsheet) and applicable supporting models and a draft Tariff of Rates and Charges (Appendix A) that reflects the elements of this Decision. The Board also reviewed the entries in the rate model to ensure that they were in accordance with the 2012 Board approved Tariff of Rates and Charges and the rate model was adjusted, where applicable, to correct any discrepancies.

THE BOARD ORDERS THAT:

1. Oshawa's new distribution rates shall be effective January 1, 2013.
2. Oshawa shall review the draft Tariff of Rates and Charges set out in Appendix A. Oshawa shall file with the Board a written confirmation assessing the completeness and accuracy of the draft Tariff of Rates and Charges, or provide a detailed explanation of any inaccuracies or missing information within **7 days** of the date of issuance of this Decision and Order.
3. If the Board does not receive a submission from Oshawa to the effect that inaccuracies were found or information was missing pursuant to item 2 of this Decision and Order, the draft Tariff of Rates and Charges set out in Appendix A of this Decision and Order will become final effective January 1, 2013, and will apply to electricity consumed or estimated to have been consumed on and after January 1, 2013. Oshawa shall notify its customers of the rate changes no later than with the first bill reflecting the new rates.
4. If the Board receives a submission from Oshawa to the effect that inaccuracies were found or information was missing pursuant to item 2 of this Decision and Order, the Board will consider the submission of Oshawa and will issue a final Tariff of Rates and Charges.

Cost Awards

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

1. VECC shall submit their cost claims no later than **7 days** from the date of issuance of the final Rate Order.
2. Oshawa shall file with the Board and forward to VECC any objections to the claimed costs within **21 days** from the date of issuance of the final Rate Order.
3. VECC shall file with the Board and forward to Oshawa any responses to any objections for cost claims within **28 days** from the date of issuance of the final Rate Order.
4. Oshawa shall pay the Board's costs incidental to this proceeding upon receipt of the Board's invoice.

All filings to the Board must quote file number **EB-2012-0157**, be made through the Board's web portal at, <https://www.pes.ontarioenergyboard.ca/eservice> and consist of two paper copies and one electronic copy in searchable / unrestricted PDF format. Filings must clearly state the sender's name, postal address and telephone number, fax number and e-mail address. Parties must use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at www.ontarioenergyboard.ca. If the web portal is not available parties may email their document to BoardSec@ontarioenergyboard.ca. Those who do not have internet access are required to submit all filings on a CD in PDF format, along with two paper copies. Those who do not have computer access are required to file 2 paper copies.

DATED at Toronto, December 6, 2012

ONTARIO ENERGY BOARD

Original Signed By

Kirsten Walli
Board Secretary

Appendix A
To Decision and Order
Draft Tariff of Rates and Charges
Board File No: EB-2012-0157
DATED: December 6, 2012

Oshawa PUC Networks Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2013

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

EB-2012-0157

RESIDENTIAL SERVICE CLASSIFICATION

This classification refers to the supply of electrical energy to residential customers residing in detached, semi detached, townhouse (freehold or condominium) dwelling units, duplexes or triplexes. Basic connection is defined as 100 amp 12/240 volt overhead service. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES – Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	8.34
Rate Rider for Disposition of Residual Historical Smart Meter Costs – effective until December 31, 2015	\$	0.10
Rate Rider for Recovery of Stranded Meter Assets – effective until December 31, 2015	\$	0.57
Distribution Volumetric Rate	\$/kWh	0.0118
Rate Rider for Disposition of Deferral/Variance Accounts (2012) – effective until December 31, 2015	\$/kWh	0.0004
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism (2013) – effective until December 31, 2013	\$/kWh	0.0002
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0072
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0057

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

Oshawa PUC Networks Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2013

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EB-2012-0157

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification refers to a non-residential account taking electricity at 750 volts or less whose monthly peak demand is less than or expected 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. In addition, the charges in the MONTHLY RATES AND CHARGES – Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	8.25
Rate Rider for Disposition of Residual Historical Smart Meter Costs - effective until December 31, 2015	\$	0.43
Rate Rider for Recovery of Stranded Meter Assets - effective until December 31, 2015	\$	2.49
Distribution Volumetric Rate	\$/kWh	0.0167
Rate Rider for Disposition of Deferral/Variance Accounts (2012) – effective until December 31, 2015	\$/kWh	0.0003
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism (2013) – effective until December 31, 2013	\$/kWh	0.0011
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0066
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0052

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

Oshawa PUC Networks Inc.
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Effective and Implementation Date January 1, 2013

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GENERAL SERVICE 50 TO 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 1,000 kW. Note that for statistical purposes the following sub-classifications apply:

General Service 50 to 200 kW

General Service over 200 kW

Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES – Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	42.47
Distribution Volumetric Rate	\$/kW	3.6531
Rate Rider for Disposition of Deferral/Variance Accounts (2012) – effective until December 31, 2015	\$/kW	0.0073
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism (2013) – effective until December 31, 2013	\$/kW	0.0161
Retail Transmission Rate - Network Service Rate	\$/kW	2.3925
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.8655
Retail Transmission Rate - Network Service Rate - Interval Metered	\$/kW	3.0665
Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered	\$/kW	2.3698

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

Oshawa PUC Networks Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2013

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EB-2012-0157

GENERAL SERVICE 1,000 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, 1,000 kW but less than 5,000 kW. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES – Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	1,202.92
Distribution Volumetric Rate	\$/kW	2.5527
Rate Rider for Disposition of Deferral/Variance Accounts (2012) – effective until December 31, 2015	\$/kW	(0.0244)
Retail Transmission Rate - Network Service Rate - Interval Metered	\$/kW	3.0665
Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered	\$/kW	2.3698

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

Oshawa PUC Networks Inc.
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EB-2012-0157

LARGE USE > 5000 KW SERVICE CLASSIFICATION

This classification applies to an 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, 5,000 kW. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	8,144.39
Distribution Volumetric Rate	\$/kW	2.0218
Rate Rider for Disposition of Deferral/Variance Accounts (2012) – effective until December 31, 2015	\$/kW	(0.0251)
Retail Transmission Rate - Network Service Rate - Interval Metered	\$/kW	3.2673
Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered	\$/kW	2.5858

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

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TARIFF OF RATES AND CHARGES
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UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification applies to an account 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. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES – Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	3.29
Distribution Volumetric Rate	\$/kWh	0.0134
Rate Rider for Disposition of Deferral/Variance Accounts (2012) – effective until December 31, 2015	\$/kWh	0.0002
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism (2013) – effective until December 31, 2013	\$/kWh	0.0042
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0066
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0052

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

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EB-2012-0157

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.

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

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES – Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	4.27
Distribution Volumetric Rate	\$/kW	6.1166
Rate Rider for Disposition of Deferral/Variance Accounts (2012) – effective until December 31, 2015	\$/kW	0.2409
Retail Transmission Rate - Network Service Rate	\$/kW	1.6502
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.1900

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

Oshawa PUC Networks Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2013

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

EB-2012-0157

STREET LIGHTING SERVICE CLASSIFICATION

This classification refers to accounts concerning roadway lighting for a Municipality, Regional Municipality, and/or Ministry of Transportation. This lighting will be controlled by photo cells. The consumption for these customers will be based on the calculated connected load times as established in the approved OEB Street Lighting Load Shape Template. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES – Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	1.15
Distribution Volumetric Rate	\$/kW	17.8279
Rate Rider for Disposition of Deferral/Variance Accounts (2012) – effective until December 31, 2015	\$/kW	0.3779
Retail Transmission Rate - Network Service Rate	\$/kW	1.6222
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.1529

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

Oshawa PUC Networks Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2013

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EB-2012-0157

microFIT SERVICE CLASSIFICATION

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

APPLICATION

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

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

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	5.40
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ALLOWANCES

Transformer Allowance for Ownership - per kW of billing demand/month	\$/kW	(0.60)
Primary Metering Allowance for transformer losses – applied to measured demand and energy	%	(1.00)

SPECIFIC SERVICE CHARGES**APPLICATION**

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

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

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

Customer Administration

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

Non-Payment of Account

Late Payment – per month	%	1.50
Late Payment – per annum	%	19.56
Collection of account charge – no disconnection	\$	30.00
Disconnect/Reconnect at meter – during regular hours	\$	65.00
Disconnect/Reconnect at meter – after regular hours	\$	185.00
Disconnect/Reconnect Charge – At Pole – During Regular Hours	\$	185.00
Disconnect/Reconnect Charge – At Pole – After Hours	\$	415.00
Install/Remove load control device – during regular hours	\$	65.00
Install/Remove load control device – after regular hours	\$	185.00
Specific Charge for Access to the Power Poles - \$/pole/year	\$	22.35

Oshawa PUC Networks Inc.
TARIFF OF RATES AND CHARGES
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RETAIL SERVICE CHARGES (if applicable)

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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, charges for the Ministry of Energy Conservation and Renewable Energy Program, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

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

One-time charge, per retailer, to establish the service agreement between the distributor and the retailer	\$	100.00
Monthly Fixed Charge, per retailer	\$	20.00
Monthly Variable Charge, per customer, per retailer	\$/cust.	0.50
Distributor-consolidated billing 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

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	1.0430
Total Loss Factor – Secondary Metered Customer > 5,000 kW	1.0145
Distribution Loss Factor - Primary Metered Customer < 5,000 kW	1.0384
Distribution Loss Factor - Primary Metered Customer > 5,000 kW	1.0045