

EB-2012-0164

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 Rideau St. Lawrence Distribution Inc. for an order or orders approving or fixing just and reasonable distribution rates and other charges, to be effective May 1, 2013.

BEFORE: Marika Hare

Presiding Member

DECISION AND ORDER April 4, 2013

Introduction

Rideau St. Lawrence Distribution Inc. ("Rideau"), a licensed distributor of electricity, filed an application with the Ontario Energy Board (the "Board") on October 25, 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 Rideau charges for electricity distribution, to be effective May 1, 2013.

Rideau 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, 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, Rideau 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 cost of service applications. Rideau also sought approval of its lost revenue adjustment mechanism ("LRAM") for pre-2011 conservation and demand management ("CDM") activities and disposition of its LRAM variance account ("LRAMVA") in Account 1568 for 2011 CDM activities.

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 Rideau's rate application was given through newspaper publication in Rideau'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 or intervention requests were received. Board staff 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;
- Wholesale Market Service Rate;

- Smart Metering Entity 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 Lost Revenue Adjustment Mechanism.

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 March 21, 2013, the Board announced a price escalator of 1.6% for those distributors under IRM that have a rate year commencing May 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 November 28, 2012 the Board assigned Rideau to efficiency cohort 2, being the middle group and a resulting cohort specific stretch factor of 0.4%.

The Board therefore has determined, on that basis, that the resulting price cap index adjustment is 0.48% (i.e. 1.60% - (0.72% + 0.40%)). 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

On March 21, 2013, the Board issued a Decision with Reasons and Rate Order (EB-2013-0067) establishing that the Rural or Remote Electricity Rate Protection ("RRRP") used by rate regulated distributors to bill their customers shall be \$0.0012 per kilowatt hour effective May 1, 2013. The draft Tariff of Rates and Charges flowing from this Decision and Order reflects this RRRP charge.

Wholesale Market Service Rate

On March 21, 2013, the Board issued a Decision with Reasons and Rate Order (EB-2013-0067) establishing that the Wholesale Market Service rate ("WMS rate") used by rate regulated distributors to bill their customers shall be \$0.0044 per kilowatt hour effective May 1, 2013. The draft Tariff of Rates and Charges flowing from this Decision and Order reflects this WMS rate.

Smart Metering Entity Charge

On March 28, 2013, the Board issued a Decision and Order (EB-2012-0100/EB-2012-0211) establishing a Smart Metering Entity charge of \$0.79 per month for Residential and General Service < 50 kW customers for those distributors identified in the Board's annual *Yearbook of Electricity Distributors*. This charge will be in effect from May 1, 2013 to October 31, 2018. The draft Tariff of Rates and Charges flowing from this Decision and Order reflects this Smart Metering Entity 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.

Rideau's application identified no tax savings to be refunded to rate payers and the inputs in the model are consistent with the last cost of service decision.

The Board confirms that there are no tax savings refundable to Rideau's rate payers.

Retail Transmission Service Rates ("RTSR")

Electricity distributors are charged for transmission costs at the wholesale level and subsequently pass these charges on to their distribution customers through the 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 Ontario Uniform Transmission Rates levels and the revenues generated under existing RTSRs. Similarly, embedded distributors whose host is Hydro One Networks Inc. ("Hydro One") should adjust their RTSR's to reflect any changes in Hydro One's Sub-Transmission class 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.

Rideau is a fully embedded distributor whose host is Hydro One.

On December 20, 2012, the Board approved new rates for Hydro One Sub-Transmission class RTSRs effective January 1, 2013 (EB-2012-0136), as shown in the following table.

2013 Sub-Transmission RTSRs

Network Service Rate	\$3.18 per kW
Connection Service Rates	
Line Connection Service Rate	\$0.70 per kW
Transformation Connection Service Rate	\$1.63 per kW

The Board finds that these Sub-Transmission class RTSRs are to be incorporated into the filing module.

Review and Disposition of Group 1 Deferral and Variance Account Balances

The Report of the Board on Electricity Distributors' Deferral and Variance Account Review 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.

Rideau's 2011 actual year-end total balance for Group 1 Accounts including interest projected to April 30, 2013 is a credit of \$185,287. This amount results in a total credit claim of \$0.0018 per kWh, which exceeds the preset disposition threshold. Rideau proposed to dispose of this credit amount over a one-year period.

In its submission, Board staff noted that the principal amounts to be disposed as of December 31, 2011 reconcile with the amounts reported as part of the *Reporting and Record-keeping Requirements* ("RRR"). Board staff submitted that the amounts should be disposed on a final basis. Board staff further submitted that Rideau's proposal for a one-year disposition period is in accordance with the EDDVAR Report.

Rideau has also proposed to defer the disposition of Account 1588 RSVA – Power (excluding Global Adjustment) and Account 1588 RSVA – Power – Sub-account –

Global Adjustment. This request was based on the fact that during the approval of its 2012 Cost of Service Application (EB-2011-0274), the parties to the settlement agreement agreed that the balance in Account 1588 would not be disposed until after a regulatory audit was conducted on Account 1588 to verify the balance and the recurring journal entries. Rideau noted that it is awaiting a Board staff review of these accounts prior to applying for disposition. Rideau expects to file for disposition of the amounts in Accounts 1588 in its 2014 IRM application. The amount of \$185,287, does not include Accounts 1588.

In its submission, Board staff confirmed that an audit has not yet been conducted on Account 1588, but that one will be incorporated into Board staff's audit plans for 2013 in advance of Rideau's 2014 rate application.

The Board approves, on a final basis, the disposition of a credit balance of \$185,286 as of December 31, 2011, including interest as of April 30, 2013 for Group 1 accounts. These balances are to be disposed over a one year period from May 1, 2013 to April 30, 2014.

The table below identifies the principal and interest amounts approved for disposition for Group 1 Accounts.

Account Name	Account Number	Principal Balance A	Interest Balance B	Total Claim C = A + B
LV Variance Account	1550	\$42,081	\$350	\$42,431
RSVA - Wholesale Market Service Charge	1580	-\$113,572	-\$2,422	-\$115,994
RSVA - Retail Transmission Network Charge	1584	-\$56,966	-\$1,412	-\$58,378
RSVA - Retail Transmission Connection Charge	1586	-\$12,301	-\$448	-\$12,749
Recovery of Regulatory Asset Balances	1590	\$0	-\$7	-\$7
Disposition and Recovery of Regulatory Balances (2008)	1595	\$1	\$1	\$2
Disposition and Recovery of Regulatory Balances (2010)	1595	-\$410,775	\$370,185	-\$40,590
Total Group 1 Excluding Global Adjustment Sub-Account				-\$185,286
Total Group 1				-\$185,286

For accounting and reporting purposes, the respective balance of each Group 1 account approved for disposition shall be transferred to the applicable principal and interest carrying charge sub-accounts of Account 1595 pursuant to the requirements specified in Article 220, Account Descriptions, of the *Accounting Procedures Handbook for Electricity Distributors*. The date of the journal entry to transfer the approved account balances to the sub-accounts of Account 1595 is the date on which disposition of the balances is effective in rates, which generally is the start of the rate year. This entry should be completed on a timely basis to ensure that these adjustments are included in the reporting period ending June 30, 2013 (Quarter 2).

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.

LRAM for pre-2011 CDM Activities

Rideau requested the recovery of an LRAM claim of \$15,108.73 in relation to persisting lost revenues in 2011 from CDM programs implemented between 2006 and 2010. Rideau relied on the final 2010 net program evaluation results from the Ontario Power Authority ("OPA") when calculating its LRAM amount.

Board staff submitted that it supports the recovery of persisting lost revenues from 2006 to 2010 CDM programs in 2011 since Rideau last rebased in 2008 and filed its cost of service application on November 20, 2007, prior to the issuance of the Board's CDM 2008 Guidelines which were issued on March 28, 2008 (EB-2008-0037).

LRAMVA for 2011 CDM Activities

Rideau also requested to dispose of the balance in its LRAMVA in account 1568 of \$5,125.58 for recovery of lost revenues in 2011 from its 2011 CDM programs. Rideau's LRAMVA amount was calculated using the final 2011 net program evaluation results from the OPA. Rideau deemed its LRAMVA amount to be significant from both a timing and intergenerational aspect and noted that beginning in 2012, it will be calculating its LRAM amount in a different manner than it has up to and including 2011 as it will be offsetting its lost revenues from CDM programs by the CDM reduction that was approved as part of Rideau's load forecast in its 2012 cost of service application.

Board staff submitted that it supports the recovery of 2011 lost revenues from 2011 CDM programs as Rideau did not have its load forecast updated until its 2012 cost of service application. Board staff also noted that disposing of the 2011 LRAMVA amount will avoid any intergenerational issues and will allow Rideau to remain consistent in how it calculates and recovers its lost revenues from CDM programs up to the 2011 CDM program year.

Board staff submitted that Rideau should recover its LRAM amount for pre-2011 CDM activities and its LRAMVA amount for 2011 CDM activities by way of separate rate riders. In its reply submission, Rideau agreed with Board staff's submission.

The Board approves Rideau's LRAM claim of \$15,108.73 for persisting lost revenues in 2011 from CDM programs implemented between 2006 and 2010. The Board also approves Rideau's LRAMVA claim of \$5,125.58 for lost revenues in 2011 from 2011 CDM Programs as Rideau's load forecast underpinning its 2011 rates was not adjusted for CDM activity. The Board finds that it is appropriate that Rideau collect its LRAM and LRAMVA amounts through separate rate riders for clarity. The Board notes that Rideau's residential rate class LRAMVA rate rider will be expressed to the fifth decimal place in order to generate a valid rate for recovery.

Rate Model

With this Decision, the Board is providing Rideau 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 has reviewed the entries in the rate model to ensure that they are 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. Rideau St. Lawrence Distribution Inc.'s new distribution rates shall be effective May 1, 2013.
- 2. Rideau St. Lawrence Distribution Inc.shall review the draft Tariff of Rates and Charges set out in Appendix A. Rideau St. Lawrence Distribution Inc. 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 Rideau St. Lawrence Distribution Inc. 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. Rideau St. Lawrence Distribution Inc. 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 Rideau St. Lawrence Distribution Inc. 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 Rideau St. Lawrence Distribution Inc. and will issue a final Tariff of Rates and Charges.
- 5. Rideau St. Lawrence Distribution Inc. 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-2012-0164**, 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, April 4, 2013 **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-2012-0164

DATED: April 4, 2013

Effective and Implementation Date May 1, 2013

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

EB-2012-0164

RESIDENTIAL SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less where the electricity is used exclusively in a separate metered living accommodation. Customers shall be residing in single-dwelling units that consist of a detached house or one unit of a semi-detached, duplex, triplex or quadruplex house, with a residential zoning. Separately metered dwellings within a town house complex or apartment building also qualify as residential customers. 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, charges for Ministry of Energy Conservation and Renewable Energy Program, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	12.82
Rate Rider for Disposition of Residual Historical Smart Meter Costs - effective until August 31, 2013	\$	0.28
Rate Rider for Recovery of Stranded Meter Assets - effective until August 31, 2013	\$	1.83
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Distribution Volumetric Rate	\$/kWh	0.0146
Low Voltage Service Rate	\$/kWh	0.0024
Rate Rider for Disposition of Deferral/Variance Account (2013) - effective until April 30, 2014	\$/kWh	(0.0016)
Rate Rider for Disposition of Deferral/Variance Account - effective until August 31, 2013	\$/kWh	(0.0015)
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism (LRAM) - effective until August 31, 2013	\$/kWh	0.0002
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism (LRAM)		
(pre-2011 CDM Activities) - effective until April 30, 2014	\$/kWh	0.0002
Rate Rider for Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) Recovery		
(2011 CDM Activities) - effective until April 30, 2014	\$/kWh	0.00003
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0067
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0052

Wholesale Market Service Rate	\$/kWh	0.0044
Rural Rate Protection Charge	\$/kWh	0.0012
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Effective and Implementation Date May 1, 2013

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

EB-2012-0164

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification applies to a non-residential account taking electricity at 750 volts or less whose average monthly maximum demand is less than, or is forecast to be less than 50 kW. 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, charges for Ministry of Energy Conservation and Renewable Energy Program, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	29.67
Rate Rider for Disposition of Residual Historical Smart Meter Costs - effective until August 31, 2013	\$	5.24
Rate Rider for Recovery of Stranded Meter Assets - effective until August 31, 2013	\$	5.60
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Distribution Volumetric Rate	\$/kWh	0.0090
Low Voltage Service Rate	\$/kWh	0.0022
Rate Rider for Disposition of Deferral/Variance Account (2013) - effective until April 30, 2014	\$/kWh	(0.0018)
Rate Rider for Disposition of Deferral/Variance Account - effective until August 31, 2013	\$/kWh	(0.0027)
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism (LRAM) - effective until August 31, 2013	\$/kWh	0.0002
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism (LRAM)		
(pre-2011 CDM Activities) - effective until April 30, 2014	\$/kWh	0.0002
Rate Rider for Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) Recovery		
(2011 CDM Activities) - effective until April 30, 2014	\$/kWh	0.00019
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0061
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0048
MONTHLY DATED AND OHADOED Descriptions Occurrent		

Wholesale Market Service Rate	\$/kWh	0.0044
Rural Rate Protection Charge	\$/kWh	0.0012
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Effective and Implementation Date May 1, 2013

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

EB-2012-0164

GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION

This classification applies to a non-residential account whose average monthly maximum demand used for billing purposes is equal to or greater than, or is forecast to be equal to or greater than 50kW 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.

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	282.74
Distribution Volumetric Rate	\$/kW	1.8993
Low Voltage Service Rate	\$/kW	0.8135
Rate Rider for Disposition of Deferral/Variance Account (2013) - effective until April 30, 2014	\$/kW	(0.5797)
Rate Rider for Disposition of Deferral/Variance Account - effective until August 31, 2013	\$/kW	(1.0147)
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism (LRAM) - effective until August 31, 2013	\$/kW	0.0098
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism (LRAM)		
(pre-2011 CDM Activities) - effective until April 30, 2014	\$/kW	0.0066
Rate Rider for Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) Recovery		
(2011 CDM Activities) - effective until April 30, 2014	\$/kW	0.00016
Retail Transmission Rate - Network Service Rate	\$/kW	2.5605
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.9205
Retail Transmission Rate - Network Service Rate - Interval Metered	\$/kW	2.8608
Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered	\$/kW	2.1406

Wholesale Market Service Rate	\$/kWh	0.0044
Rural Rate Protection Charge	\$/kWh	0.0012
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Effective and Implementation Date May 1, 2013

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

EB-2012-0164

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less whose average monthly maximum demand is less than, or is forecast to be less than 50 kW and the consumption is unmetered. Such connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The level of the consumption will be agreed to by the distributor and the customer, based on detailed manufacturer information/documentation with regard to electrical consumption of the unmetered load or periodic monitoring of actual consumption. 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, charges for Ministry of Energy Conservation and Renewable Energy Program, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per customer)	\$	3.88
Distribution Volumetric Rate	\$/kWh	0.0178
Low Voltage Service Rate	\$/kWh	0.0022
Rate Rider for Disposition of Deferral/Variance Account (2013) - effective until April 30, 2014	\$/kWh	(0.0015)
Rate Rider for Disposition of Deferral/Variance Account - effective until August 31, 2013	\$/kWh	(0.0010)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0061
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0048

Wholesale Market Service Rate	\$/kWh	0.0044
Rural Rate Protection Charge	\$/kWh	0.0012
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Effective and Implementation Date May 1, 2013

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

EB-2012-0164

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	2.07
Distribution Volumetric Rate	\$/kW	15.1232
Low Voltage Service Rate	\$/kW	0.6420
Rate Rider for Disposition of Deferral/Variance Account - effective until August 31, 2013	\$/kW	0.6260
Rate Rider for Disposition of Deferral/Variance Account (2013) - effective until April 30, 2014	\$/kW	(0.4035)
Retail Transmission Rate - Network Service Rate	\$/kW	1.9409
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.5156

Wholesale Market Service Rate	\$/kWh	0.0044
Rural Rate Protection Charge	\$/kWh	0.0012
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Effective and Implementation Date May 1, 2013

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

EB-2012-0164

STREET LIGHTING SERVICE CLASSIFICATION

This classification applies to an account for roadway lighting with a Municipality, Regional Municipality, Ministry of Transsportation, and private roadway lighting, controlled by photo cells. The consumption for these customers will be based on the calculated connected load times the required lighting times established in the approved 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, charges for Ministry of Energy Conservation and Renewable Energy Program, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	3.35
Distribution Volumetric Rate	\$/kW	12.7674
Low Voltage Service Rate	\$/kW	0.6289
Rate Rider for Disposition of Deferral/Variance Account - effective until August 31, 2013	\$/kW	(1.0688)
Rate Rider for Disposition of Deferral/Variance Account (2013) - effective until April 30, 2014	\$/kW	(0.6904)
Retail Transmission Rate - Network Service Rate	\$/kW	1.9311
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.4848

Wholesale Market Service Rate	\$/kWh	0.0044
Rural Rate Protection Charge	\$/kWh	0.0012
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Effective and Implementation Date May 1, 2013

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

EB-2012-0164

MICROFIT SERVICE CLASSIFICATION

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

APPLICATION

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

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

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge \$ 5.40

Effective and Implementation Date May 1, 2013

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

EB-2012-0164

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

Customer A	dministration
------------	---------------

Arrears certificate	\$ 15.00
Statement of Account	\$ 15.00
Pulling Post Dated Cheques	\$ 15.00
Duplicate Invoices for previous billing	\$ 15.00
Request for other billing information	\$ 15.00
Easement Letter	\$ 15.00
Income Tax Letter	\$ 15.00
Notification charge	\$ 15.00
Account History	\$ 15.00
Credit Reference/credit check (plus credit agency costs)	\$ 15.00
Returned cheque charge (plus bank charges)	\$ 15.00
Charge to certify cheque	\$ 15.00
Legal letter charge	\$ 15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$ 30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$ 30.00
Special meter reads	\$ 30.00

Non-Payment of Account

Temporary service installation and removal - overhead - no transformer

Temporary Service Install & Remove – Underground – No Transformer

Temporary Service Install & Remove - Overhead - With Transformer

Specific Charge for Access to the Power Poles - \$/pole/year

uj		
Late Payment – per month	%	1.50
Late Payment – per annum	%	19.56
Collection of account charge – no disconnection	\$	30.00
Collection of account charge – no disconnection – after regular hours	\$	165.00
Disconnect/Reconnect at meter – during regular hours	\$	65.00
Disconnect/Reconnect at meter – after regular hours	\$	185.00
Disconnect/Reconnect at pole – during regular hours	\$	185.00
Disconnect/Reconnect at pole – after regular hours	\$	415.00
Service call – customer owned equipment	\$	30.00
Service call – after regular hours	\$	165.00
Install/Remove load control device – during regular hours	\$	65.00
Install/Remove load control device – after regular hours	\$	185.00

500.00

300.00

22.35

1,000.00

\$

Effective and Implementation Date May 1, 2013

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

EB-2012-0164

RETAIL SERVICE CHARGES (if applicable)

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

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

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable

It should be noted that this schedule does not list any charges, assessments, or credits that are required by law to be invoiced by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, 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 monthly charge, per customer, per retailer	\$/cust.	0.30
Retailer-consolidated billing monthly credit, per customer, per retailer	\$/cust.	(0.30)
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	\$	0.25
Processing fee, per request, applied to the requesting party	\$	0.50
Request for customer information as outlined in Section 10.6.3 and Chapter 11 of the Retail		
Settlement Code directly to retailers and customers, if not delivered electronically through the		
Electronic Business Transaction (EBT) system, applied to the requesting party		
Up to twice a year	\$	no charge
More than twice a year, per request (plus incremental delivery costs)	\$	2.00

LOSS FACTORS

If the distributor is not capable of prorating changed loss factors jointly with distribution rates, the revised loss factors will be implemented upon the first subsequent billing for each billing cycle.

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0797
Total Loss Factor – Secondary Metered Customer > 5,000 kW	N/A
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0689
Total Loss Factor – Primary Metered Customer > 5.000 kW	N/A