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BY COURIER & RESS

Ms. Kirsten Walli, Board Secretary
ONTARIO ENERGY BOARD
2300 Yonge Street, 26th Floor, P.O. Box 2319
TORONTO, ON M4P 1E4

Re: Board File No. EB-2012-0143
Kitchener-Wilmot Hydro Inc. – 2013 IRM Application

Dear Ms. Walli:

On September 28, 2012, Kitchener-Wilmot Hydro Inc. (KWHI) submitted its 2013 IRM Application to the Ontario Energy Board (the Board) for rates effective May 1, 2013. The Board issued its Decision on this Application on April 4, 2013, which included a requirement that KWHI review the draft Tariff of Rates and Charges (the Draft) as set out in Appendix A and to provide written confirmation of the completeness and accuracy of the Draft.

KWHI notes a problem in the Draft with regard to the Embedded Distribution Service Classification. In all previous Tariffs, KWHI's Embedded Distributor class has been subject to the Delivery component of the bill. There have not been any Regulatory charges. The Tariff, in its current form, includes Regulatory charges for Wholesale Market Services, Rural Rate Protection and Standard Supply Service – Administration Charges. KWHI submits that these charges should be removed from the Tariff.

In addition, KWHI notes that the Rate Rider for the Smart Metering Entity Charge has been included in the Delivery component of the Tariff for both Residential and GS<50 kW rate classes. KWHI submits that this charge should be included in the Regulatory section of the Tariff for both of these rate classes. The Smart Metering Entity Charge is not dissimilar from the Special Purpose Charge (SPC) which was a pass-through of third party charges. The SPC, when added to the Rate Tariff was included as part of the Regulatory section of the electricity bill so as not to be confused with other distribution/transmission related bill items.



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A copy of this submission has been electronically filed through the Board's RESS system.
The original has been couriered to the Board's offices.

Contact the undersigned should you require any further information.

Respectfully submitted,

Original Signed By:

Margaret Nanninga, MBA, CGA
Vice-President Finance

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