

Exhibit 8:

RATE DESIGN

Exhibit 8: Rate Design

Tab 1 (of 4): Existing Rates

OVERVIEW OF EXISTING RATES

The existing rate schedule is presented at Exhibit 8 Tab 1 Schedule 1 Attachment 1. The current rates were approved as part of the proceeding EB-2012-0110. Burlington Hydro applied for distribution rate adjustments pursuant to the IRM process. Notice of Burlington Hydro's rate application was given through newspaper publication in Burlington Hydro's service area, and advising how interested parties may intervene in the proceeding or comment on the application. No intervention requests or comments were received.

The Board found that Burlington Hydro's rate application was filed in compliance with 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.

The following matters were addressed in the decision.

- Rates were adjusted by a price escalator less a productivity factor less the stretch factor. The Board established the price escalator to be 1.60%, the productivity factor to be 0.72% and the stretch factor to be 0.4%.
- 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 < 50kW customers for those distributors identified in the Board's annual Yearbook of Electricity Distributors.

The following matters were addressed in the decision.

- Retail Transmission Service Rates;
- Wholesale Market Service Rate;
- Rural or Remote Rate Protection Charge;
- Smart Meter Entity Charge;
- Specific Service, MicroFit and Retail Service Charges

Burlington Hydro's rates were approved by the Board and rendered effective May 1, 2013 and will remain in effect until new rates are approved.

Table 1 below summarizes these revenue projections, showing the proportions attributable to fixed (monthly service) charges and variable (distribution volumetric) charges. Table 2 which follows the Revenues from Existing Fixed and Variable Charges shows the current customer classes. Burlington Hydro is not proposing any changes to its customer class at this time.

Table 8-1 - Distribution Revenues at Current Rates

Test Year Projected Revenue from Existing Variable Charges								
Customer Class Name	Variable Distribution Rate	per	Test Year Volume	Gross Variable Revenue	Transform. Allowance Rate	Transform. Allowance kW's	Transform. Allowance \$'s	Net Variable Revenue
Residential	\$0.0167	kWh	550,757,317	9,197,647			0	9,197,647
General Service < 50 kW	\$0.0137	kWh	172,195,536	2,359,079			0	2,359,079
General Service > 50 to 4999 kW	\$2.8723	kW	2,386,874	6,855,818	(\$0.60)	951,749	-571,049	6,284,769
Unmetered Scattered Load	\$0.0179	kWh	3,316,847	59,372			0	59,372
Street Lighting	\$4.4300	kW	27,932	123,740			0	123,740
Total Variable Revenue			728,684,506	18,595,655		951,749	-571,049	18,024,606

Test Year Projected Revenue from Existing Fixed Charges								
Customer Class Name	Fixed Rate	Customers (Connections)	Fixed Charge Revenue	Variable Revenue	TOTAL	% Fixed Revenue	% Variable Revenue	% Total Revenue
Residential	\$12.2900	60,335	8,898,206	9,197,647	18,095,853	49.17%	50.83%	61.11%
General Service < 50 kW	\$25.5300	5,272	1,615,130	2,359,079	3,974,209	40.64%	59.36%	13.42%
General Service > 50 to 4999 kW	\$72.7700	1,014	885,465	6,284,769	7,170,234	12.35%	87.65%	24.21%
Unmetered Scattered Load	\$10.3400	605	75,068	59,372	134,440	55.84%	44.16%	0.45%
Street Lighting	\$0.6100	15,515	113,570	123,740	237,310	47.86%	52.14%	0.80%
Total Fixed Revenue		82,741	11,587,439	18,024,606	29,612,045			

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Table 8-2 - Customer Class

Customer Class Name	Existing	Proposed	Status	MSC Metric	Usage Metric	
Residential	YES	YES	Continued	Customer	kWh	
General Service < 50 kW	YES	YES	Continued	Customer	kWh	
General Service > 50 to 4999 kW	YES	YES	Continued	Customer	kW	
Unmetered Scattered Load	YES	YES	Continued	Customer	kWh	
Street Lighting	YES	YES	Continued	Connection	kW	

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Attachment 1 (of 1):

Current Rate Schedule

APPENDIX A

**To Burlington Hydro Inc.
Decision on Motion and Order**

Draft Tariff of Rates and Charges

Board File No. EB-2013-0186

Dated: April 25, 2013

Burlington Hydro Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2013

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

EB-2013-0186

RESIDENTIAL SERVICE CLASSIFICATION

This classification applies to low voltage connection assets that operate at 750 volts or less and supply electrical energy to residential customers where such energy is used exclusively in separately metered living accommodation. Customers shall be residing in single-dwelling units that consist of a detached house or one unit of a semi-detached, duplex, triplex, or quadruplex house, with 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, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	12.29
Rate Rider for Recovery of Smart Meter Incremental Revenue Requirement – in effect until the effective date of the next cost of service application	\$	2.17
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Distribution Volumetric Rate	\$/kWh	0.0167
Rate Rider for Disposition of Deferral/Variance Account (2010) – effective until April 30, 2014	\$/kWh	(0.0006)
Rate Rider for Disposition of Global Adjustment Sub-Account (2010) – effective until April 30, 2014		
Applicable only for Non-RPP Customers	\$/kWh	0.0003
Rate Rider for Disposition of Deferral/Variance Account (2012) – effective until April 30, 2014	\$/kWh	(0.0020)
Rate Rider for Disposition of Global Adjustment Sub-Account (2012) – effective until April 30, 2014		
Applicable only for Non-RPP Customers	\$/kWh	0.0009
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism (LRAM) / Shared Savings Mechanism (SSM) Recovery (2012) – effective until April 30, 2014	\$/kWh	0.0004
Rate Rider for Application of Tax Change - effective until April 30, 2014	\$/kWh	(0.0002)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0072
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0055

Burlington Hydro Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date May 1, 2013

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

EB-2013-0186

RESIDENTIAL SERVICE CLASSIFICATION

MONTHLY RATES AND CHARGES - Regulatory Component

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

Burlington Hydro Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2013

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EB-2013-0186

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification applies to low voltage connection assets that operate at 750 volts or less and supply electricity to general service customers whose monthly average peak demand during a calendar year is less than, or forecast by BHI 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.

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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	\$	25.53
Rate Rider for Recovery of Smart Meter Incremental Revenue Requirement – in effect until the effective date of the next cost of service application	\$	5.91
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Distribution Volumetric Rate	\$/kWh	0.0137
Rate Rider for Disposition of Deferral/Variance Account (2010) – effective until April 30, 2014	\$/kWh	(0.0006)
Rate Rider for Disposition of Global Adjustment Sub-Account (2010) – effective until April 30, 2014		
Applicable only for Non-RPP Customers	\$/kWh	0.0003
Rate Rider for Disposition of Deferral/Variance Account (2012) – effective until April 30, 2014	\$/kWh	(0.0018)
Rate Rider for Disposition of Global Adjustment Sub-Account (2012) – effective until April 30, 2014		
Applicable only for Non-RPP Customers	\$/kWh	0.0009
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism (LRAM) / Shared Savings Mechanism (SSM) Recovery (2012) – effective until April 30, 2014	\$/kWh	0.0004
Rate Rider for Application of Tax Change - effective until April 30, 2014	\$/kWh	(0.0002)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0068
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0048

MONTHLY RATES AND CHARGES - Regulatory Component

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

Burlington Hydro Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2013

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EB-2013-0186

GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION

This classification applies to general service customers with a monthly average peak demand during a calendar year equal to or greater than, or is forecast by BHI to be equal to or greater than, 50 kW but less than 5,000 kW. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	72.77
Rate Rider for Recovery of Smart Meter Incremental Revenue Requirement – in effect until the effective date of the next cost of service application	\$	3.72
Distribution Volumetric Rate	\$/kW	2.8723
Rate Rider for Disposition of Deferral/Variance Account (2010) – effective until April 30, 2014	\$/kW	(0.2906)
Rate Rider for Disposition of Global Adjustment Sub-Account (2010) – effective until April 30, 2014		
Applicable only for Non-RPP Customers	\$/kW	0.1240
Rate Rider for Disposition of Deferral/Variance Account (2012) – effective until April 30, 2014	\$/kW	(0.5791)
Rate Rider for Disposition of Global Adjustment Sub-Account (2012) – effective until April 30, 2014		
Applicable only for Non-RPP Customers	\$/kW	0.3447
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism (LRAM) / Shared Savings Mechanism (SSM) Recovery (2012) – effective until April 30, 2014	\$/kW	0.0142
Rate Rider for Application of Tax Change - effective until April 30, 2014	\$/kW	(0.0250)
Retail Transmission Rate - Network Service Rate	\$/kW	2.7723
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.0126
Retail Transmission Rate - Network Service Rate - Interval Metered	\$/kW	2.8124
Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered	\$/kW	2.1245

MONTHLY RATES AND CHARGES - Regulatory Component

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

Burlington Hydro Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2013

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EB-2013-0186

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification applies to low voltage connection assets that operate at 750 volts or less and supply electricity to general service customers whose monthly average peak demand during a calendar year is less than, or forecast by BHI 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 customer will provide detailed manufacturer information/documentation with regard to electrical demand/consumption of the proposed unmetered load. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	10.34
Distribution Volumetric Rate	\$/kWh	0.0179
Rate Rider for Disposition of Deferral/Variance Account (2010) – effective until April 30, 2014	\$/kWh	(0.0006)
Rate Rider for Disposition of Global Adjustment Sub-Account (2010) – effective until April 30, 2014		
Applicable only for Non-RPP Customers	\$/kWh	0.0003
Rate Rider for Disposition of Deferral/Variance Account (2012) – effective until April 30, 2014	\$/kWh	(0.0021)
Rate Rider for Disposition of Global Adjustment Sub-Account (2012) – effective until April 30, 2014		
Applicable only for Non-RPP Customers	\$/kWh	0.0009
Rate Rider for Application of Tax Change - effective until April 30, 2014	\$/kWh	(0.0003)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0068
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0048

MONTHLY RATES AND CHARGES - Regulatory Component

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

Burlington Hydro Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2013

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EB-2013-0186

STREET LIGHTING SERVICE CLASSIFICATION

This classification refers to roadway lighting customers such as the City of Burlington, the Regional Municipality of Halton, Ministry of Transportation and private roadway lighting, controlled by photo cells. The daily consumption for these customers will be based on the calculated connected load times the required night time or lighting times established in the approved OEB street lighting load shape template. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	0.61
Distribution Volumetric Rate	\$/kW	4.4300
Rate Rider for Disposition of Deferral/Variance Account (2010) – effective until April 30, 2014	\$/kW	(0.3359)
Rate Rider for Disposition of Global Adjustment Sub-Account (2010) – effective until April 30, 2014		
Applicable only for Non-RPP Customers	\$/kW	0.1089
Rate Rider for Disposition of Deferral/Variance Account (2012) – effective until April 30, 2014	\$/kW	(0.6571)
Rate Rider for Disposition of Global Adjustment Sub-Account (2012) – effective until April 30, 2014		
Applicable only for Non-RPP Customers	\$/kW	0.3201
Rate Rider for Application of Tax Change - effective until April 30, 2014	\$/kW	(0.0660)
Retail Transmission Rate - Network Service Rate	\$/kW	2.0553
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.5119

MONTHLY RATES AND CHARGES - Regulatory Component

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

Burlington Hydro Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date May 1, 2013

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EB-2013-0186

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

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	5.40
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Burlington Hydro Inc.

TARIFF OF RATES AND CHARGES

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EB-2013-0186

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

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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.

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Customer Administration

Arrears certificate	\$	15.00
Credit Reference/credit check (plus credit agency costs)	\$	15.00
Statement of Account	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Returned cheque (plus bank charges)	\$	15.00

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 Charge – At Meter – During Regular Hours	\$	65.00
Disconnect/Reconnect Charge – At Meter – After Hours	\$	185.00
Temporary Service – Install & remove – overhead – no transformer	\$	500.00
Specific Charge for Access to the Power Poles - \$/pole/year	\$	22.35

Burlington Hydro Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2013

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

EB-2013-0186

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.

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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.

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	1.0405
Total Loss Factor – Secondary Metered Customer > 5,000 kW	N/A
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0301
Total Loss Factor – Primary Metered Customer > 5,000 kW	N/A

Exhibit 8: Rate Design

**Tab 2 (of 4): Proposed Changes to Distribution
Rates**

OVERVIEW OF FIXED AND VARIABLE CHARGES

Table 3 below shows the proposed monthly service charge for each customer class, the resulting splits of fixed and variable charges.

Table 8-3 - Comparison of Fixed and Variable Charges under current and proposed rates

Customer Class Name	Existing Rates		Proposed Rates	
	Fixed %	Variable %	Fixed %	Variable %
Residential	48.91%	51.09%	55.41%	44.59%
General Service < 50 kW	40.33%	59.67%	45.28%	54.72%
General Service > 50 to 4999 kW	12.26%	87.74%	14.88%	85.12%
Unmetered Scattered Load	4.97%	95.03%	78.53%	21.47%
Street Lighting	47.50%	52.50%	54.34%	45.66%

Following the adjustment of the revenue to cost ratios, certain classes fell within the minimum and maximum fixed charge boundaries while others fell outside the boundaries. Burlington Hydro has adjusted the fixed charge taking into consideration various factors such as equity between the fixed and variable rate, impact on the customers as well as revenue stability, with the result that all the proposed fixed charges are within the Board's acceptable ranges (see Table 5).

Under current rates, the fixed charge rates for the Unmetered Scattered Load result in a 5% fixed to 95% variable revenue shares. Burlington Hydro proposes to readjust it's fixed to variable ratio to be a more equitable 54% fixed to 46% variable split. Burlington Hydro proposes to maintain its MSC at the same rate of \$10.34. The total revenue collected from the USL class is \$95K.

1

2 The fixed charge rates for the Street Lighting classes were set so as to maintain an
3 equitable fixed to variable split. The resulting Monthly Service Charge ("MSC") is a slight
4 increase from the currently approved rates and fall well within the boundaries produced
5 by the 2014 Cost Allocation ("CA") model. The MSC is set at \$0.70. The revenue
6 recovered from this class is \$240K.

7

8 The split at current rates is for the General Service 50 – 4,999 kW rate class is 13%
9 fixed to 87% variable. Since the calculated rates at current levels split fell outside the
10 maximum boundary, Burlington Hydro opted to keep the same fixed rates as current
11 rates the reason being that any higher monthly fixed charge would have resulted in a bill
12 impact over 10%. The resulting fixed to variable split is 14% fixed to a 85% variable split.
13 The revenue recovered from this class is \$8.6M.

14

15 For the General Service less than 50kW rate class, the split at current rates is 40% fixed
16 to 60% variable. Burlington Hydro proposed to maintain a similar ratio of 45% to 55% by
17 adjusting its MSC to the maximum boundary of \$27.32. The total revenue collected from
18 this class is \$3.8M.

19

20 Burlington Hydro proposes to maintain its Residential MSC at the same rate of \$12.29
21 which results in a fixed to variable ratio of 55% to 45%. The proposed MSC falls well
22 within the range minimum and maximum fixed charge. The total revenue collected from
23 the largest class is \$16M.

24

1

2 Exhibit 8 Tab 2 Schedule 1 Attachment 1 at the next page shows the Current
3 fixed/variable proportion for each rate class, along with the proposed fixed/variable
4 proportion for each rate class.

5

6 Exhibit 8 Tab 2 Schedule 1 Attachment 2 shows the reconciliation to the Base Revenue
7 Requirement.

Attachment 1 (of 2):

Fixed/Variable Revenue Split

Rate Design

Cost Allocation Results

Customer Class Name	Cost Allocation - Minimum Fixed Rate (b)		
	Rate	Fixed %	Variable %
Residential	\$2.71	12.22%	87.78%
General Service < 50 kW	\$11.81	19.57%	80.43%
General Service > 50 to 4999 kW	\$67.27	9.47%	90.53%
Unmetered Scattered Load	\$0.36	2.73%	97.27%
Street Lighting	\$0.38	29.50%	70.50%
TOTAL			

Customer Class Name	Cost Allocation - Maximum Fixed Rate (b)		
	Rate	Fixed %	Variable %
Residential	\$13.13	59.20%	40.80%
General Service < 50 kW	\$27.32	45.28%	54.72%
General Service > 50 to 4999 kW	\$105.70	14.88%	85.12%
Unmetered Scattered Load	\$10.34	78.53%	21.47%
Street Lighting	\$6.69	519.38%	-419.38%
TOTAL			

Existing Rates

Customer Class Name	Current Rates and Split		
	Rate	Fixed %	Variable %
Residential	\$12.29	49.17%	50.83%
General Service < 50 kW	\$25.53	40.64%	59.36%
General Service > 50 to 4999 kW	\$72.77	12.35%	87.65%
Unmetered Scattered Load	\$10.34	55.84%	44.16%
Street Lighting	\$0.61	47.86%	52.14%
TOTAL			

Customer Class Name	Calculated Rates at Current Split		
	Rate	Fixed %	Variable %
Residential	\$10.91	49.17%	50.83%
General Service < 50 kW	\$24.52	40.64%	59.36%
General Service > 50 to 4999 kW	\$87.75	12.35%	87.65%
Unmetered Scattered Load	\$7.35	55.84%	44.16%
Street Lighting	\$0.62	47.86%	52.14%
TOTAL			

Rate Design

Customer Class Name	Proposed Fixed Charge		
	Fixed Rate	Fixed %	Variable %
Residential	\$12.29	55.41%	44.59%
General Service < 50 kW	\$27.32	45.28%	54.72%
General Service > 50 to 4999 kW	\$105.70	14.88%	85.12%
Unmetered Scattered Load	\$10.34	78.53%	21.47%
Street Lighting	\$0.70	54.34%	45.66%
TOTAL			

Variable (h)	Resulting Variable	
	Rate (i)	per
7,159,858	\$0.0130	kWh
2,088,622	\$0.0121	kWh
7,931,017	\$3.3228	kW
20,526	\$0.0062	kWh
109,489	\$3.9198	kW
TOTAL		

Customer Class Name	Transf. Allowance (\$/kW): (\$0.60)		
	kW	Rate	Total \$ (g)
Residential	0	\$0.00	0
General Service < 50 kW	0	\$0.00	0
General Service > 50 to 4999 kW	951,749	\$0.60	571,049
Unmetered Scattered Load	0	\$0.00	0
Street Lighting	0	\$0.00	0
TOTAL	951,749		571,049

Base Revenue Requirement \$		
Total (d)	Fixed	Variable
16,058,064	8,898,206	7,159,858
3,816,994	1,728,372	2,088,622
8,646,126	1,286,158	7,359,968
95,595	75,068	20,526
239,815	130,326	109,489
TOTAL	12,118,130	16,738,463

Attachment 2 (of 2):

Reconciliation to Base Revenue Requirement

Appendix 2-V Revenue Reconciliation

Rate Class	Number of Customers/Connections			Test Year Consumption		Proposed Rates			Revenues at Proposed Rates	Class Specific Revenue Requirement	Transformer Allowance Credit	Total	Difference
	Start of Test Year	End of Test Year	Average	kWh	kW	Monthly Service Charge	Volumetric						
							kWh	kW					
Residential	60,335.00	60,335.00	60,335.00	550,757,317	-	\$12.29	\$0.01300		\$16,058,064.12	\$16,058,064.12		\$16,058,064.12	\$0.00
GS < 50 kW	5,272.00	5,272.00	5,272.00	172,195,536	-	\$27.32	\$0.0121		\$3,816,994.23	\$3,816,994.23		\$3,816,994.23	\$0.00
GS > 50 to 4,999 kW	1,014.00	1,014.00	1,014.00	889,853,768	2,386,874	\$105.70		\$3.3228	\$9,217,174.89	\$8,646,125.75	\$571,049.14	\$9,217,174.89	\$0.00
Streetlighting	15,515.00	15,515.00	15,515.00		27,932	\$0.70		\$3.9198	\$239,814.88	\$239,814.88		\$239,814.88	\$0.00
Unmetered Scattered Load	605.00	605.00	605.00	3,316,847	-	\$10.34	\$0.0062		\$95,594.52	\$95,594.52		\$95,594.52	\$0.00
Standby Power			-										
Embedded Distributor Class			-										
etc.			-										
			-										
			-										
			-										
			-										
Total									\$29,427,642.64	\$ 28,856,594	\$ 571,049	\$ 29,427,643	\$ -

Exhibit 8: Rate Design

**Tab 3 (of 4): Transmission, Low Voltage and Line
Losses**

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.

Burlington Hydro completed its 2014 proposed RTSR in accordance with the Guideline G-2008-0001: Electricity Distribution Retail Transmission Service Rates, October 22, 2008 (and any subsequent updates). The RTSR model provided by the Board is being filed in conjunction with this application.

The trend indicates that the current rates result in over-collection of transmission charges for both Network Service and Connection Service. This conclusion is consistent with the accumulation of credit balances in variance accounts 1580- RSVA - Wholesale Market Service Charge and 1586-RSVA/CN during the last year period.

Burlington Hydro therefore proposes to adjust its RTSRs to offset the over-collection bias in its existing retail rates. The Power account (1588) excluding Global Adjustment has seen a trend of under-collection.

Table 6 below presents the Applicant's existing versus its proposed RTSR for the Test Year. The proposed rates are reflected in the Applicant's projected power supply expense for 2014 as shown in Exhibit 3. Tables 7 through 10 show the historical transmission costs and revenues and the derivation of the newly proposed rates.

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Table 8-4 - Transmission and Network Connections

Transmission - Network

(loss adjusted)

				Bridge Year 2013			Test Year 2014		
Customer		Revenue	Expense						
Class Name		USA #	USA #	Volume	Rate	Amount	Volume	Rate	Amount
Residential	kWh	4066	4714	574,223,130	0.0072	\$4,134,407	571,353,164	0.0072	\$4,113,743
General Service < 50 kW	kWh	4066	4714	180,305,229	0.0068	\$1,226,076	178,634,874	0.0068	\$1,214,717
General Service > 50 to 4999 kW	kW	4066	4714	2,408,607	2.7723	\$6,677,381	2,386,874	2.7565	\$6,579,418
Unmetered Scattered Load	kWh	4066	4714	3,479,288	0.0068	\$23,659	3,440,882	0.0068	\$23,398
Street Lighting	kW	4066	4714	27,848	2.0553	\$57,236	27,932	2.0436	\$57,082
TOTAL				760,444,102		\$12,118,758	755,843,727		\$11,988,358

Transmission - Connection

(loss adjusted)

				Bridge Year 2013			Test Year 2014		
Customer		Revenue	Expense						
Class Name		USA #	USA #	Volume	Rate	Amount	Volume	Rate	Amount
Residential	kWh	4068	4716	574,223,130	0.0055	\$3,158,227	571,353,164	0.0054	\$3,085,307
General Service < 50 kW	kWh	4068	4716	180,305,229	0.0048	\$865,465	178,634,874	0.0047	\$839,584
General Service > 50 to 4999 kW	kW	4068	4716	2,408,607	2.0126	\$4,847,562	2,386,874	1.9857	\$4,739,615
Unmetered Scattered Load	kWh	4068	4716	3,479,288	0.0048	\$16,701	3,440,882	0.0047	\$16,172
Street Lighting	kW	4068	4716	27,848	1.5119	\$42,103	27,932	1.4917	\$41,667
TOTAL		0	0	760,444,102		\$8,930,059	755,843,727		\$8,722,345

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Table 8-5: Adjusted Network to Current WS

Rate Class	Unit	Current RTSR- Network	Loss Adjusted Billed kWh	Loss Adjusted Billed kW	Billed Amount	Billed Amount %	Current Wholesale Billing	Proposed RTSR Network
Residential Regular	kWh	\$0.0072	571,528,789		\$4,115,007	33.6%	\$4,023,913	\$0.0070
General Service Less Than 50 kW	kWh	\$0.0068	181,232,238		\$1,232,379	10.1%	\$1,205,098	\$0.0066
General Service 50 to 4,999 kW	kW	\$2.7723	254,308,691	656,648	\$1,820,425	14.9%	\$1,780,127	\$2.7109
Interval Meter	kW	\$2.8124	687,575,348	1,775,382	\$4,993,084	40.8%	\$4,882,553	\$2.7501
Unmetered Scattered Load	kWh	\$2.8124	687,575,348	1,775,382	\$4,993,084	40.8%	\$4,882,553	\$2.7501
Street Lighting	kW	\$0.0068	3,386,830		\$23,030	0.2%	\$22,521	\$0.0066

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Table 8-6: Adjusted Network to Forecasted WS

Rate Class	Unit	Adjusted RTSR- Network	Loss Adjusted Billed kWh	Loss Adjusted Billed kW	Billed Amount	Billed Amount %	Forecast Wholesale Billing	Proposed RTSR Network
Residential Regular	kWh	\$0.0070	571,528,789	-	\$4,023,913	33.6%	\$4,091,542	\$0.0072
General Service Less Than 50 kW	kWh	\$0.0066	181,232,238	-	\$1,205,098	10.1%	\$1,225,352	\$0.0068
General Service 50 to 4,999 kW	kW	\$2.7109	254,308,691	656,648	\$1,780,127	14.9%	\$1,810,045	\$2.7565
Interval Meter	kW	\$2.7501	687,575,348	1,775,382	\$4,882,553	40.8%	\$4,964,612	\$2.7964
Unmetered Scattered Load	kWh	\$2.7501	687,575,348	1,775,382	\$4,882,553	40.8%	\$4,964,612	\$2.7964
Street Lighting	kW	\$0.0066	3,386,830	-	\$22,521	0.2%	\$22,899	\$0.0068

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Table 8-7: Adjusted Connection to Current WS

Rate Class	Unit	Current RTSR- Connection	Loss Adjusted Billed kWh	Loss Adjusted Billed kW	Billed Amount	Billed Amount %	Current Wholesale Billing	Proposed RTSR Connection
Residential Regular	kWh	\$0.0055	571,528,789	-	\$3,143,408	34.3%	\$3,172,965	\$0.0056
General Service Less Than 50 kW	kWh	\$0.0048	181,232,238	-	\$869,915	9.5%	\$878,094	\$0.0048
General Service 50 to 4,999 kW	kW	\$2.0126	254,308,691	656,648	\$1,321,570	14.4%	\$1,333,996	\$2.0315
Interval Meter	kW	\$2.1245	687,575,348	1,775,382	\$3,771,799	41.2%	\$3,807,265	\$2.1445
Unmetered Scattered Load	kWh	\$0.0048	3,386,830	-	\$16,257	0.2%	\$16,410	\$0.0048
Street Lighting	kW	\$1.5119	10,274,178	27,456	\$41,511	0.5%	\$41,901	\$1.5261

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Table 8-8: Adjusted Connection to Forecasted WS

Rate Class	Unit	Current RTSR- Connection	Loss Adjusted Billed kWh	Loss Adjusted Billed kW	Billed Amount	Billed Amount %	Current Wholesale Billing	Proposed RTSR Connection
Residential Regular	kWh	\$0.0056	571,528,789	-	\$3,172,965	34.3%	\$3,101,395	\$0.0054
General Service Less Than 50 kW	kWh	\$0.0048	181,232,238	-	\$878,094	9.5%	\$858,288	\$0.0047
General Service 50 to 4,999 kW	kW	\$2.0315	254,308,691	656,648	\$1,333,996	14.4%	\$1,303,906	\$1.9857
Interval Meter	kW	\$2.1445	687,575,348	1,775,382	\$3,807,265	41.2%	\$3,721,387	\$2.0961
Unmetered Scattered Load	kWh	\$0.0048	3,386,830	-	\$16,410	0.2%	\$16,039	\$0.0047
Street Lighting	kW	\$1.5261	10,274,178	27,456	\$41,901	0.5%	\$40,956	\$1.4917

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OTHER CHARGES

Retail Service Charges

Burlington Hydro is proposing to maintain its existing retail service charges which are consistent with the OEB's Standard Rates. The retail service charges are as follows:

Customer Administration

Arrears certificate	\$	15.00
Credit Reference/credit check (plus credit agency costs)	\$	15.00
Statement of Account	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Returned cheque (plus bank charges)	\$	15.00

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 Charge – At Meter – During Regular Hours	\$	65.00
Disconnect/Reconnect Charge – At Meter – After Hours	\$	185.00

Temporary Service – Install & remove – overhead – no transformer	\$	500.00
Specific Charge for Access to the Power Poles - \$/pole/year	\$	22.35

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

Wholesale Market Service Charges

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. Burlington Hydro is proposing to maintain its existing Wholesale

Market Service Charges at \$0.0044. Burlington Hydro proposes to recover \$7.4M through wholesale market service charge.

Table 8-9 – Passthrough revenues from Wholesale Market Service

	Test Year 2014		
Customer		rate (\$/kWh):	0.0052
Class Name	Volume		Amount
Residential	571,353,164	0.00440	\$2,513,954
General Service < 50 kW	178,634,874	0.00440	\$785,993
General Service > 50 to 4999 kW	923,130,298	0.00440	\$4,061,773
Unmetered Scattered Load	3,440,882	0.00440	\$15,140
Street Lighting	10,412,340	0.00440	\$45,814
TOTAL	1,686,971,558		\$7,422,675

Rural Rate Protection Charge

Burlington Hydro proposes to maintain its existing Rural Rate Protection Charge. The proposed rate remains at \$0.0012.

Table 8-10 – Passthrough revenues from Rural Rate Protection Charge

Customer		rate (\$/kWh):	
Class Name	Volume		Amount
Residential	571,353,162	0.00120	\$685,624
General Service < 50 kW	178,634,874	0.00120	\$214,362
General Service > 50 to 4999 kW	923,130,295	0.00120	\$1,107,756
Unmetered Scattered Load	3,440,882	0.00120	\$4,129
Street Lighting	10,412,340	0.00120	\$12,495
TOTAL	1,686,971,552		\$2,024,366

LV Charges

Burlington Hydro does not have nor incurs any Low Voltage Charges.

Specific Service Charge

Burlington Hydro anticipates no material changes to the following Specific Service Charge revenue and proposes to maintain the current rates for the following:

Smart Meter Entity Charge

1 Burlington Hydro is proposing to maintain its existing Smart Meter Entity Charge. The
 2 proposed rate remains at \$0.79.

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4 **Table 8-11 – Passthrough revenues from Wholesale Market Service**

Customer	Test Year 2014		
		rate (\$/kWh):	
Class Name	Volume		Amount
Residential	60,335	0.79000	\$571,976
General Service < 50 kW	5,272	0.79000	\$49,979
General Service > 50 to 4999 kW	1,014	0.79000	\$9,613
Unmetered Scattered Load	25	0.79000	\$237
Street Lighting	15,515	0.79000	\$147,082
TOTAL	82,161		\$778,886

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LOSS ADJUSTMENT FACTORS

Table 1 at the next page presents the determination of the Applicant's loss adjustment factor.

Burlington Hydro proposes a Total Loss Factor ("TLF") of 1.0374, using the historical average of the last five years as presented in Appendix 2-R Loss Factor which is provided at the next page. The proposed TLF represents a marginal increase from Burlington Hydro's currently approved TLF of 1.0301.

Burlington Hydro does not have any control over the supply facility loss factor as it originates from the Hydro One and/or IESO power bill.

Burlington Hydro has not undertaken, nor has it been instructed to undertake any line loss study in previous board decisions. However Burlington Hydro is committed to continuing its effort to minimize its distribution system losses.

Appendix 2-R Loss Factors

		Historical Years					5-Year Average
		2008	2009	2010	2011	2012	
	Losses Within Distributor's System						
A(1)	"Wholesale" kWh delivered to distributor (higher value)	1,716,667,999	1,648,092,984	1,710,566,163	1,706,208,053	1,702,581,206	1,696,823,281
A(2)	"Wholesale" kWh delivered to distributor (lower value)	1,709,843,561	1,642,258,793	1,704,244,532	1,700,108,830	1,696,732,633	1,690,637,670
B	Portion of "Wholesale" kWh delivered to distributor for its Large Use Customer(s)						-
C	Net "Wholesale" kWh delivered to distributor = A(2) - B	1,709,843,561	1,642,258,793	1,704,244,532	1,700,108,830	1,696,732,633	1,690,637,670
D	"Retail" kWh delivered by distributor	1,654,981,841	1,587,755,226	1,649,153,565	1,646,737,783	1,642,340,001	1,636,193,683
E	Portion of "Retail" kWh delivered by distributor to its Large Use Customer(s)	-	-	-	-		-
F	Net "Retail" kWh delivered by distributor = D - E	1,654,981,841	1,587,755,226	1,649,153,565	1,646,737,783	1,642,340,001	1,636,193,683
G	Loss Factor in Distributor's system = C / F	1	1	1	1	1	1
	Losses Upstream of Distributor's System						
H	Supply Facilities Loss Factor	1.0040	1.0045	1.0037	1.0036	1.0034	1.0038
	Total Losses						
I	Total Loss Factor = G x H	1.0373	1.0390	1.0372	1.0361	1.0366	1.0374

Exhibit 8: Rate Design

Tab 4 (of 4): Rate Schedules and Bill Impacts

BASE REVENUE CALCULATIONS AND RECONCILIATIONS

The table below shows Burlington Hydro' proposed rates.

Table 8-12 - 2014 Proposed Rates

Customer Class Name	Variable Distribution Rate	Fixed Rate
Residential	\$0.0130	\$12.29
General Service < 50 kW	\$0.0121	\$27.32
General Service > 50 to 4999 kW	\$3.3228	\$105.70
Unmetered Scattered Load	\$0.0062	\$10.34
Street Lighting	\$3.9198	\$0.70

The calculation of base revenue by customer class under current rates was presented in Exhibit 8, Tab 1, Schedule 1, Attachment 1 and is also replicated below. The table shows that the sum of revenues allocated to each class corresponds to the total revenue required for the base revenue requirement.

The Attachment also shows that the revenues calculated for each customer class correspond to the allocated amount, with any differences due entirely to rounding.

Table 8-13 – Reconciliation between proposed rates and revenue requirement

Test Year

Customer Class Name	Test Year Projected Revenue from Existing Variable Charges							
	Variable Distribution Rate	per	Test Year Volume	Gross Variable Revenue	Transform. Allowance Rate	Transform. Allowance kW's	Transform. Allowance \$'s	Net Variable Revenue
Residential	\$0.0130	kWh	550,757,317	7,159,858			0	7,159,858
General Service < 50 kW	\$0.0121	kWh	172,195,536	2,088,622			0	2,088,622
General Service > 50 to 4999 kW	\$3.3228	kW	2,386,874	7,931,017	(\$0.60)	951,749	-571,049	7,359,968
Unmetered Scattered Load	\$0.0062	kWh	3,316,847	20,526			0	20,526
Street Lighting	\$3.9198	kW	27,932	109,489			0	109,489
Total Variable Revenue			728,684,506	17,309,512		951,749	-571,049	16,738,463

Test Year

Customer Class Name	Test Year Projected Revenue from Proposed Fixed Charges							
	Fixed Rate	Customers (Connections)	Fixed Charge Revenue	Variable Revenue	TOTAL	% Fixed Revenue	% Variable Revenue	% Total Revenue
Residential	\$12.2900	60,335	8,898,206	7,159,858	16,058,064	55.41%	44.59%	57.27%
General Service < 50 kW	\$27.3200	5,272	1,728,372	2,088,622	3,816,994	45.28%	54.72%	13.23%
General Service > 50 to 4999 kW	\$105.7000	1,014	1,286,158	7,359,968	8,646,126	14.88%	85.12%	28.34%
Unmetered Scattered Load	\$10.3400	605	75,068	20,526	95,595	78.53%	21.47%	0.33%
Street Lighting	\$0.7000	15,515	130,326	109,489	239,815	54.34%	45.66%	0.83%
Total Fixed Revenue		82,741	12,118,130	16,738,463	28,856,594			

RATE CHANGES AND BILL IMPACTS

Total rates for both the Residential will decrease by 2.81%. The GS>50kW, GS<50kW and StreetLights rates have gone up by 1.23%, 3.18% and 3.25% respectively. The bill impacts for Unmetered Scattered Loads have decreasing by 7.92%. The reason for the decrease in residential rates is mainly due to the expiration of many rate riders such as the SMDR and SMIRR but also as the results of the cost allocation study. Additionally the results of the cost allocation study showed that the residential class was subsidizing the commercial class; accordingly the revenue to cost ratios were adjusted to as close to unity as possible to achieve among and between all customer classes.

The impacts were further reduced by overall credit rate riders to dispose of the balances owed to ratepayers that have accumulated in certain variance accounts, including in particular the credit of \$2.8M associated with the change in capitalization policy.

Historically, Burlington Hydro operated under CGAAP whereby it was granted a depreciation allowance based on an average equipment life of approximately 25 years. Effective January 1, 2013, the OEB required all municipal-owned LDCs to adopt new accounting policies which allowed a longer depreciation allowance (40 year average life for equipment.) The reduced depreciation allowance translates to almost \$2.5 million less available annually to replace and upgrade and operate Burlington Hydro's equipment.

While there is a significant reduction in cash flow available each year to replace aging equipment, other regulatory requirements that require additional major capital expenditures remain firmly in place (e.g. the "obligation to connect" new growth, the need to maintain the highest electrical safety standards for both the public and employees, the removal of all PCB contaminants, etc.).

With the reduced available funding, Burlington Hydro seeks to safeguard its current reliability achievements while meeting its other obligations; the most important of those being to maintain public and employee safety while minimizing any increases in its customers' bills.

1 The Bill impacts for all classes are presented at the next section.

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TOU / non-TOU: ☒ TOU

Consumption kWh ☐ May 1 - October 31 ☒ November 1 - April 30 (Select this radio button for applications filed after Oct 31)

Loss Factor (%)	3.01%	3.74%
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TOU / non-TOU: non-TOU

Consumption: kW ☐ May 1 - October 31 ☒ November 1 - April 30 (Select this radio button for applications filed after Oct 31)

Loss Factor (%)	3.01%	3.74%
-----------------	-------	-------

TOU / non-TOU: non-TOU

Consumption kWh ☐ May 1 - October 31 ☒ November 1 - April 30 (Select this radio button for applications filed after Oct 31)

Loss Factor (%)	3.01%	3.74%
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1 **PROPOSED RATE SCHEDULE IN TRACK CHANGES**

2 The proposed rate schedule in track changes is being filed in conjunction with this
3 application.

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RATE MITIGATION

2 None of Burlington Hydro's bill impacts exceed 10% therefore, the utility is not proposing
3 any rate mitigating measures at this time.

4