Ontario Energy Board Commission de l'énergie de l'Ontario



EB-2013-0140

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 Hydro One Brampton Networks Inc. for an order approving just and reasonable rates and other charges for electricity distribution to be effective January 1, 2014.

By Delegation, Before: Lynne Anderson

DECISION AND RATE ORDER December 5, 2013

Hydro One Brampton Networks Inc. ("HOBNI") filed an application with the Ontario Energy Board (the "Board") on August 14, 2013 under section 78 of the Act, seeking approval for changes to the rates that HOBNI charges for electricity distribution, effective January 1, 2014 (the "Application"). The Board assigned file number EB-2013-0140 to the Application and issued a Notice of Application on September 9, 2013.

The Application met the Board's requirements as detailed in the *Report of the Board: Renewed Regulatory Framework for Electricity Distributors: A Performance-Based Approach* (the "RRFE Report") dated October 18, 2012 and the *Filing Requirements for Transmission and Distribution Applications* (the "Filing Requirements") dated July 17, 2013. HOBNI selected the Price Cap Incentive Rate-Setting ("Price Cap IR") option to adjust its 2014 rates. The Price Cap IR methodology provides for a mechanistic and formulaic adjustment to distribution rates and charges between cost of service applications. HOBNI was last before the Board with a full cost of service application for the 2011 rate year in the EB-2010-0132 proceeding. In the current proceeding, HOBNI also sought approval for the cessation of its *Green Energy Act* ("GEA") funding adder and funding through the IESO Charge Type 1413 Renewable Generation Connection – Monthly Compensation Amount. The Board conducted a written hearing and Board staff participated in the proceeding. No letters of comment were received.

While I have considered the entire record in this proceeding, I have made reference only to such evidence as is necessary to provide context to its findings. The following issues are addressed in this Decision and Rate Order:

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

Price Cap Index Adjustment

The Board issued its *Report on Rate Setting Parameters and Benchmarking under the Renewed Regulatory Framework for Ontario's Electricity Distributors* (the "Price Cap IR Report") on November 21, 2013 which provides the 2014 rate adjustment parameters for distribution companies selecting either the Price Cap IR or Annual IR Index option.

Distribution rates under the Price Cap IR option are adjusted by an inflation factor, less a productivity factor and a stretch factor. The inflation factor for 2014 rates is 1.7%. Based on the total cost benchmarking model developed by Pacific Economics Group Research, LLC, the Board determined that the appropriate value for the productivity factor is zero percent. The Board also determined that the stretch factor can range from 0.0% to 0.6% for distributors selecting the Price Cap IR option, assigned based on a distributor's cost evaluation ranking. In the Price Cap IR Report, the Board assigned HOBNI a stretch factor of 0.3%.

As a result, the net price cap index adjustment for HOBNI is 1.4% (i.e. 1.7% - (0% + 0.3%)). The price cap index adjustment applies to distribution rates (fixed and variable charges) uniformly across all customer classes. The price cap index adjustment does not apply to the components of delivery rates set out in the list below.

- 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 Charge; and,
- Retail Service Charges.

Rural or Remote Electricity Rate Protection Charge

As of the date of this Decision and Rate Order, the Board has not issued a decision on the Rural or Remote Electricity Rate Protection ("RRRP") charge for 2014. In the event that a new charge is established for 2014, the RRRP rate order will supersede this Decision and Rate Order with respect to the RRRP charge.

Shared Tax Savings Adjustments

In its manager's summary, HOBNI requested that the shared tax savings to be refunded to ratepayers be \$86,301 based on a corporate tax rate of 26.5%. Furthermore, HOBNI requested that the Board authorize the recording of \$86,301 in Account 1595 for disposition in a future application given the associated rate riders for certain classes are negligible.

In support of this request, HOBNI completed the Board's shared tax saving workform and filed it in Tab 5 of their application. This workform used a default corporate tax rate of 25.84% that HOBNI was unable to modify. Based on this tax rate, the calculated shared tax savings were \$117,777.

In its manager's summary, HOBNI stated that the 2014 shared tax savings workform takes into consideration the full Small Business Tax ("SBT") Reduction Threshold of \$500,000 when calculating the corporate tax rate and noted that, because it is a wholly

owned subsidiary of Hydro One Inc., HOBNI only claims \$5,632 of the full \$500,000 SBT reduction tax credit. As a result of these factors, HOBNI submitted that its corporate tax rate should be 26.5% (as opposed to 25.84%) and the shared tax savings should be \$86,301.

In its submission, Board staff agreed with HOBNI that its corporate tax rate should be 26.5% rather than the 25.84% calculated by the model. As well, Board staff took no issues with HOBNI's request to transfer the shared tax savings to account 1595 as this is in line with section 3.2.4 of the *Filing Requirements for Electricity Distribution Rate Applications*, dated July 17, 2013.

I am concerned that HOBNI's request appears contrary to the stand-alone principle that is commonly adopted by regulators, and has been applied by the Board in the past. The stand-alone principle requires that all costs incurred for providing regulated services be based on what the cost would have been if the company was a stand-alone regulated company, regardless of corporate structure.

The Board adopted this principle in the *Report of the Board on the 2006 Rate Electricity Rate Handbook*, issued May 11, 2005, in the RP-2004-0188 proceeding ("Rate Handbook Report"). Therein, the Board confirmed, in the section on sharing of tax exemptions, as follows: "The Board agrees that the stand-alone principle is applicable in this situation and that the federal large corporation tax and Ontario capital tax exemptions should be determined without prorating between distribution and non-distribution functions. However, the exemptions will be prorated among regulated entities with the same corporate group."

Furthermore, in the combined proceeding to review balances in Account 1562 Deferred PILs (EB-2008-0381) the Board accepted a settlement proposal in which the parties agreed that the stand-alone principle was part of the Board's methodology for Account 1562.

The issue of the applicability of the stand-alone principle was not raised in this proceeding. Therefore I will approve the shared tax savings amount of \$86,301 as applied for by HOBNI. In making this decision I note two key factors. First, this issue is not about the determination of the tax allowance to be included in the revenue requirement in a cost of service application; that determination was made in HOBNI's

application for 2011 rates in the EB-2010-0132 proceeding. Rather, this proceeding is about the total amount to be shared with customers given a change in tax rates since that cost of service proceeding. In determining if the stand-alone principle should apply in calculating shared tax savings, it is important to consider whether the stand-alone principle was applied in determining the original tax allowance. Second, the difference between the amount to be shared at a tax rate of 26.5% and 25.84% is only approximately \$31k. This is not a material amount in consideration of HOBNI's total distribution revenue.

I therefore direct HOBNI to record the tax sharing refund of \$86,301 in variance Account 1595 by March 31, 2014 for disposition at a future date.

Retail Transmission Service Rates

Electricity distributors are charged for transmission costs at the wholesale level and then pass these charges on to their distribution customers through the Retail Transmission Service Rates ("RTSRs"). Variance accounts are used to capture 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") which outlines the information that the Board requires electricity distributors to file to adjust their RTSRs for 2014. The RTSR Guideline requires electricity distributors to adjust their RTSRs based on a comparison of historical transmission costs adjusted for the new Uniform Transmission Rates ("UTR") levels and the revenues generated under existing RTSRs. Similarly, embedded distributors must adjust their RTSRs to reflect any changes to the applicable Sub-Transmission RTSRs of their host distributor(s), e.g. Hydro One Networks Inc. The objective of resetting the rates is to minimize the prospective balances in Accounts 1584 and 1586.

As of the date of this Decision and Rate Order, the Board has not issued its rate order for Hydro One Network Inc. Transmission (EB-2012-0031) which will adjust the UTRs effective January 1, 2014. I will therefore approve the RTSRs as partially adjusted in this Application. The differences arising from the new UTRs will be captured in Accounts 1584 and 1586 for future disposition.

Review and Disposition of Group 1 Deferral and Variance Account Balances

The Report of the Board on Electricity Distributors' Deferral and Variance Account Review Report Initiative dated July 31, 2009 (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.

HOBNI's 2012 actual year-end total balance for Group 1 Accounts including interest projected to December 31, 2013 is a credit of \$8,312,496. This amount results in a total credit claim of \$0.0021 per kWh, which exceeds the preset disposition threshold. HOBNI proposed to dispose of this credit amount over a two-year period to allow for leveling of rate impacts for the 2014 and 2015 rate years and to help mitigate rate impacts that may arise in 2015 when HOBNI files its 2015 cost of service rate application.

In its submission, Board staff noted that the principal amounts as of December 31, 2012 reconcile with the amounts reported as part of the *Reporting and Record-keeping Requirements*. Board staff submitted that HOBNI's proposal for a two-year disposition period is not in accordance with the EDDVAR Report and that the balances in the subject accounts represent over recoveries on the part of the distributor and in the normal course should be available to be refunded over a relatively short time frame. As well, Board staff noted that using a disposition period as long as two years may exacerbate intergenerational inequities. Board staff however recognized that some volatility in electricity bills may result from adopting a shorter disposition period.

I approve the disposition of a credit balance of \$8,312,496 as of December 31, 2012, including interest as of December 31, 2013 for Group 1 accounts. These balances are to be disposed over a two-year period from January 1, 2014 to December 31. 2015. HOBNI noted that it plans to file a cost of service rate application for 2015 rates and that its proposal for a two-year disposition would mitigate rates impacts that may arise at that time. I disagree with this rationale. There is no information on the record as to the nature of the 2015 rate application and it is inappropriate to predict what the Board's decision will be. However, I do note that the credit claim is \$0.0021 per kWh. In proceeding EB-2011-0206 for Whitby Hydro Electric Corporation, the Board approved a

two-year disposition period for a credit claim of \$0.00181 per kWh, less than the claim by HOBNI in this proceeding.

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

Account Name	Account	Prine	cipal Balance	Intere	est Balance	Total Claim		
	Number	A			В	C = A + B		
LV Variance Account	1550	\$	198,900	\$	2,894	\$	201,794	
RSVA - Wholesale Market Service Charge	1580	-\$	13,024,857	-\$	187,463	-\$	13,212,320	
RSVA - Retail Transmission Network Charge	1584	\$	2,753,128	\$	39,267	\$	2,792,395	
RSVA - Retail Transmission Connection Charge	1586	\$	793,678	\$	11,443	\$	805,121	
RSVA - Power	1588	-\$	868,548	-\$	12,399	-\$	880,947	
RSVA - Global Adjustment	1589	\$	1,995,612	\$	28,625	\$	2,024,237	
Disposition and Recovery of Regulatory Balances (2010)	1595	\$	82,798	\$	3,129	\$	85,926	
Disposition and Recovery of Regulatory Balances (2011)	1595	-\$	126,735	-\$	1,968	-\$	128,702	
Total Group 1 Excluding Global Adjustment – Account 1589						-\$	10,336,733	
Total Group 1						-\$	8,312,495	

The 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 transfer must be the same as the effective date for the associated rates, generally, the start of the rate year. HOBNI should ensure these adjustments are included in the reporting period ending March 31, 2014 (Quarter 1).

Green Energy Plan Funding

In its last cost of service application (2011 rates), the Board approved funding on an interim basis for HOBNI's initiatives proposed under its Green Energy Plan. In its current Application, HOBNI requested to cease both funding mechanisms implemented by the last cost of service decision (the IESO funding mechanism and the existing GEA Initiatives Funding Adder of \$0.02/month (per metered customer) to recover HOBNI's customers' share of the revenue requirement for the Green Energy Plan investments). In the current proceeding, HOBNI noted in its original filing that based on HOBNI's Green Energy Plan expenditures completed to date the company does not require any further funding beyond 2013 for its programs at this time.

In the interrogatory phase, Board staff questioned whether or not the investments had been fully recovered. HOBNI noted that in its 2011 cost of service application, it planned on \$2,027,000 in GEA capital additions of which \$1,544,590 would be attributed to work that would benefit the provincial ratepayer. However, for the socialized investments, no capital additions were made during 2011-2013 and HOBNI noted that it is now forecasting total capital additions of \$75,200 for 2014. To prevent further over-recovery from the IESO, HOBNI is requesting that the funding cease, and submits to return any over-collection back to the IESO in monthly installments.

In relation to the local investments currently being recovered by the GEA funding adder of \$0.02/month, HOBNI revised its original request to cease the funding adder as a further analysis unveiled it would actually under-recover. HOBNI identified that it is now forecasting that the capital additions and forecasted OM&A costs benefiting HOBNI's rate payers will rise by \$185,598 to \$668,368, to the end of 2014 mostly due to the recategorization of the investments identified in the last cost of service application. As shown in Tables 1 and 2 below, significant amounts were re-categorized from ones that originally attracted the IESO provincial benefit treatment to amounts that are not subject to socialization.

HOBNI Green Energy Investments	Bridge	Year Forec	ast 2010	Test	Year Foreca	st 2011	Actual 2012	Forecast 2013	Forecast 2014		Grand Total	
	Province	HOBNI	Total	Province	HOBNI	Total	Total	Total	Total	Province	HOBNI	Total
Expansions (up to threshold)	\$-	\$-	\$ -	\$161,850	\$ 33,150	\$ 195,000	\$ -	\$ -	\$ -	\$ 161,850	\$ 33,150	\$ 195,000
Renewable Enabling Improvements	\$270,720	\$ 17,280	\$ 288,000	\$ 92,120	\$ 5,880	\$ 98,000	\$ -	\$ -	\$ -	\$ 362,840	\$ 23,160	\$ 386,000
Smart Grid (SCADA Only)	\$653,300	\$ 41,700	\$ 695,000	\$366,600	\$ 23,400	\$ 390,000	\$ -	\$ -	\$ -	\$1,019,900	\$ 65,100	\$1,085,000
Smart Grid (Other)	\$ -	\$ 20,000	\$ 20,000	\$ -	\$341,000	\$ 341,000	\$ -	\$ -	\$ -	\$ -	\$361,000	\$ 361,000
Totals	\$924,020	\$ 78,980	\$1,003,000	\$620,570	\$403,430	\$1,024,000	\$ -	\$ -	\$ -	\$1,544,590	\$482,410	\$2,027,000

Table 1: Allocation of Cost Responsibility based on 2011 Cost of Service Decision

Table 2: Forecast of Allocation of Cost Responsibility for Period 2010 – 2014– Capital Additions

HOBNI Green Energy Investments	Bridge	Year Forec	ast 2010	Test Year Forecast 2011	Actual 2012	Fo	orecast 20	13	Fo	recast 20	14		Grand Tota	al
	Province	HOBNI	Total	Total	Total	Province	HOBNI	Total	Province	HOBNI	Total	Province	HOBNI	Total
Expansions (up to threshold)	\$ -	\$ -	\$ -	\$-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$-	\$ -
Renewable Enabling Improvements	\$ -	\$ -	\$ -	\$-	\$ -	\$ -	\$ -	\$ -	\$75,200	\$4,800	\$80,000	\$75,200	\$ 4,800	\$ 80,000
Smart Grid (SCADA Only)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$-	\$ -	\$ -	\$ -
Smart Grid (Other)	\$ -	\$640,568	\$640,568	\$-	\$ -	\$ -	\$23,000	\$23,000	\$ -	\$ -	\$ -	\$ -	\$663,568	\$663,568
Totals	\$ -	\$640,568	\$640,568	\$ -	\$ -	\$ -	\$23,000	\$23,000	\$75,200	\$4,800	\$80,000	\$75,200	\$668,368	\$743,568

Accordingly, HOBNI proposed to recover the under collection of the GEA funding adder from HOBNI rate payers by increasing its current funding adder from \$0.02/month to \$0.17/month.

Board staff submitted that the IRM application process is intended to be mechanistic in nature and noted that HOBNI's requests could be considered out of scope of the IRM process. Board staff noted that HOBNI filed detailed explanations to interrogatories that introduced new information which required further exploration as to the nature of the changes to the plan and to assess the reasonableness of HOBNI's proposals. Board staff also noted that HOBNI will be filing a cost of service application in 2014, for 2015 rates, and submitted that since variance accounts exist for both the provincial benefit and direct benefit portions associated with HOBNI's activities, little harm will come from not implementing HOBNI's proposals at this time.

If HOBNI's GEA-related requests were approved by the Board, Board staff submitted that it would not object to the cessation of the IESO monthly payment at the next opportunity. Board staff noted that it was not aware of any reason why the Board cannot take note of an IRM decision and flow any change through to the Electricity Rate Protection Benefit and Charge proceeding (EB-2013-0009), the next time a decision in that proceeding is issued.

Board staff suggested that HOBNI confirm the bill impacts for the 2014 rate year reflecting both a one- and two- year disposition period in the event that the Board approved the increase of the GEA funding adder as requested by HOBNI.

In its reply submission, HOBNI presented a bill impact analysis (for a residential class customer with a monthly consumption of 800 kWh per month) examining three different

scenarios with alternative disposition periods for the deferral and variance accounts, and various combinations of GEA rate adders.

Table 3 below identifies the three scenarios.

Scenario	Deferral/Variance Account Disposition Period (Yrs)	Deferral/Variance Account Rider	GEA Rate Adder 2014	GEA Rate Rider 2015	2014 vs. 2013 Total Bill Impact (\$)	2014 vs. 2013 Total Bill Impact (%)	2015 vs. 2014 Total Bill Impact (\$)	2015 vs. 2014 Total Bill Impact (%)
1	2	-\$0.0013	\$0.17	\$0.00	-\$0.61	-0.53%	-\$0.73	-0.64%
2	1	-\$0.0026	\$0.17	\$0.00	-\$1.67	-1.44%	\$1.38	1.21%
3	1	-\$0.0026	\$0.02	\$0.15	-\$1.82	-1.58%	\$1.69	1.48%

Table 3

HOBNI has requested approval for scenario one, which reflects HOBNI's proposals as of the filing of its interrogatory responses.

I approve a GEA funding adder of \$0.17/month (per customer) and the cessation of the provincial funding through the IESO the next time the Board adjusts the Electricity Rate Protection Benefit and Charge. In approving the increase to the GEA funding adder I note that Chapter 3 of the *Filing Requirements for Electricity Distribution Rates* does not include an exclusion for GEA funding adders in an IRM rate application, as it does for other items. Furthermore, a variance account will be used to record the funding and costs, and the costs will be subject to a review for prudence at the time of disposition of the variance account.

I agree that it is appropriate to minimize any over-recovery of the provincial funding amount by adjusting the Electricity Rate Protection Benefit and Charge at the next opportunity. However, repayment of any over recovery should be considered as part of HOBNI's cost of service rate application scheduled to be filed in 2014 for 2015 rates to ensure full details of HOBNI's plans are reviewed and considered.

Rate Model

With this Decision and Rate Order, the Board is providing HOBNI with a rate model, applicable supporting models and a draft Tariff of Rates and Charges (Appendix A). The Board also reviewed the entries in the rate model to ensure that they were in accordance with the 2013 Board approved Tariff of Rates and Charges and the rate model was adjusted, where applicable, to correct any discrepancies.

THE BOARD ORDERS THAT:

- 1. HOBNI's new distribution rates shall be effective January 1, 2014.
- 2. HOBNI shall review the draft Tariff of Rates and Charges set out in Appendix A and shall file with the Board, as applicable, a written confirmation of its completeness and accuracy, or provide a detailed explanation of any inaccuracies or missing information, within **7 days** of the date of issuance of this Decision and Rate Order.
- 3. If the Board does not receive a submission from HOBNI to the effect that inaccuracies were found or information was missing pursuant to item 2 of this Decision and Rate Order, the draft Tariff of Rates and Charges set out in Appendix A of this Decision and Rate Order will become final, except for the stand-by rates which remain interim. HOBNI 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 HOBNI to the effect that inaccuracies were found or information was missing pursuant to item 2 of this Decision and Rate Order, the Board will consider the submission of HOBNI prior to issuing a final Tariff of Rates and Charges.
- 5. HOBNI 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-2013-0140**, 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 <u>www.ontarioenergyboard.ca</u>. If the web portal is not available parties may email their document to <u>BoardSec@ontarioenergyboard.ca</u>. Those who do not have internet access are required to submit all filings on a CD in PDF format, along with two paper copies. Those who do not have computer access are required to file 2 paper copies.

DATED at Toronto, December 5, 2013

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli Board Secretary Appendix A

To Decision and Rate Order Draft Tariff of Rates and Charges Board File No: EB-2013-0140 DATED: December 5, 2013

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

EB-2013-0140

RESIDENTIAL SERVICE CLASSIFICATION

This classification applies to an account where the electricity is supplied exclusively to single-family dwelling units for domestic or household purposes, including seasonal occupancy. This includes, but is not limited to, detached houses, one unit of a semi-detached, duplex, triplex or quadruplex house, with a residential zoning. Separately metered dwellings within a town house complex 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.

Service Charge	\$	10.10
Rate Rider for Disposition of Residual Historical Smart Meter Costs - effective until December 31, 2014	\$	0.14
Rate Rider for Recovery of Smart Meter Incremental Revenue Requirement - in effect until the effective		
date of the next cost of service-based rate order	\$	0.41
Green Energy Act Initiatives Funding Adder - in effect until the effective date of the next cost of		
service-based rate order	\$	0.17
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Distribution Volumetric Rate	\$/kWh	0.0147
Rate Rider for Disposition of Deferral/Variance Accounts (2014) - effective until December 30, 2015	\$/kWh	(0.0013)
Rate Rider for Disposition of Global Adjustment Account (2014) - effective until December 30, 2015		
Applicable only for Non-RPP Customers	\$/kWh	0.0004
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0076
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0054
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

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

EB-2013-0140

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification applies to a non residential account whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW. Multi-unit residential establishments such as apartment buildings supplied through one service (bulk metered) shall normally be classified as general service. Where service is provided to combined residential and business, or residential and agricultural, whether seasonal or all-year premises, and the wiring does not provide for separate metering, the service shall normally be classed as general service. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

Service Charge	\$	18.23
Rate Rider for Disposition of Residual Historical Smart Meter Costs - effective until December 31, 2014 Rate Rider for Recovery of Smart Meter Incremental Revenue Requirement - in effect until the effective	\$	7.17
date of the next cost of service-based rate order	\$	6.16
Green Energy Act Initiatives Funding Adder - in effect until the effective date of the next cost of		
service-based rate order	\$	0.17
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Distribution Volumetric Rate	\$/kWh	0.0160
Rate Rider for Disposition of Deferral/Variance Accounts (2014) - effective until December 30, 2015	\$/kWh	(0.0013)
Rate Rider for Disposition of Global Adjustment Account (2014) - effective until December 30, 2015		
Applicable only for Non-RPP Customers	\$/kWh	0.0004
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0068
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0046
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

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

EB-2013-0140

GENERAL SERVICE 50 TO 699 KW SERVICE CLASSIFICATION

This classification applies to a non residential account whose average monthly maximum demand used for billing purposes is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 700 kW. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	111.25
Rate Rider for Disposition of Residual Historical Smart Meter Costs - effective until December 31, 2014	\$	9.26
Rate Rider for Recovery of Smart Meter Incremental Revenue Requirement - in effect until the effective date of the next cost of service-based rate order	\$	9.93
Green Energy Act Initiatives Funding Adder - in effect until the effective date of the next cost of		
service-based rate order	\$	0.17
Distribution Volumetric Rate	\$/kW	2.5039
Rate Rider for Disposition of Deferral/Variance Accounts (2014) - effective until December 30, 2015	\$/kW	(0.4750)
Rate Rider for Disposition of Global Adjustment Account (2014) - effective until December 30, 2015		
Applicable only for Non-RPP Customers	\$/kW	0.1479
Retail Transmission Rate - Network Service Rate	\$/kW	2.6437
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.7980

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

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

EB-2013-0140

GENERAL SERVICE 700 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, 700 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.

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	\$	1,196.32
Green Energy Act Initiatives Funding Adder - in effect until the effective date of the next cost of		
service-based rate order	\$	0.17
Distribution Volumetric Rate	\$/kW	3.4411
Rate Rider for Disposition of Deferral/Variance Accounts (2014) - effective until December 30, 2015	\$/kW	(0.5871)
Rate Rider for Disposition of Global Adjustment Account (2014) - effective until December 30, 2015		
Applicable only for Non-RPP Customers	\$/kW	0.1830
Retail Transmission Rate - Network Service Rate	\$/kW	2.9649
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.9327

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

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

EB-2013-0140

LARGE USE SERVICE CLASSIFICATION

This classification applies to an account whose average monthly maximum demand over 12 consecutive months used for billing purposes is equal to or greater than 5,000 kW, or is forecast to be equal to or greater than 5,000 kW. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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.

Service Charge	\$	4,549.67
Green Energy Act Initiatives Funding Adder - in effect until the effective date of the next cost of		
service-based rate order	\$	0.17
Distribution Volumetric Rate	\$/kW	2.2038
Rate Rider for Disposition of Deferral/Variance Accounts (2014) - effective until December 30, 2015	\$/kW	(0.7202)
Rate Rider for Disposition of Global Adjustment Account (2014) - effective until December 30, 2015		
Applicable only for Non-RPP Customers	\$/kW	0.2244
Retail Transmission Rate - Network Service Rate	\$/kW	3.3557
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.2339
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

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

EB-2013-0140

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification applies to an account whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. Such connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The level of the consumption will be agreed to by the distributor and the customer, based on detailed manufacturer information/documentation with regard to electrical consumption of the unmetered load or periodic monitoring of actual consumption. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	0.96
Distribution Volumetric Rate	\$/kWh	0.0176
Rate Rider for Disposition of Deferral/Variance Accounts (2014) - effective until December 30, 2015	\$/kWh	(0.0013)
Rate Rider for Disposition of Global Adjustment Account (2014) - effective until December 30, 2015		
Applicable only for Non-RPP Customers	\$/kWh	0.0004
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0068
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0046

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

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

EB-2013-0140

STREET LIGHTING SERVICE CLASSIFICATION

All service supplied to roadway lighting equipment owned by or operated by the City of Brampton, Regional Municipality of Peel, or the Ministry of Transportation, 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, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

Service Charge (per light)	\$	0.84
Distribution Volumetric Rate	\$/kW	8.7506
Rate Rider for Disposition of Deferral/Variance Accounts (2014) - effective until December 30, 2015	\$/kW	(0.4347)
Rate Rider for Disposition of Global Adjustment Account (2014) - effective until December 30, 2015		
Applicable only for Non-RPP Customers	\$/kW	0.1353
Retail Transmission Rate - Network Service Rate	\$/kW	2.2013
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.4969
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

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

EB-2013-0140

STANDBY POWER SERVICE CLASSIFICATION

This classification refers to an account that has Load Displacement Generation and requires the distributor to provide backup service. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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 - Approved on an Interim Basis

Distribution Volumetric Rate

1.5573

\$/kW

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

EB-2013-0140

EMBEDDED DISTRIBUTOR SERVICE CLASSIFICATION

This classification applies to an electricity distributor licensed by the Board, that is provided electricity by means of this distributor's facilities. 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, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Distribution Volumetric Rate

0.0634

\$/kW

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

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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, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

Service Charge	\$	5.40
ALLOWANCES		
Transformer Allowance for Ownership - per kW of billing demand/month		
General Service 50 to 699 kW Classification	\$/kW	(0.7048)
General Service 700 to 4,999 kW Classification	\$/kW	(0.8758)
Primary Metering Allowance for transformer losses – applied to measured demand and energy	%	(1.00)

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

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SPECIFIC SERVICE CHARGES

APPLICATION

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

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

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

Customer Administration

Arrears certificate	\$	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
Account history	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Returned cheque charge (plus bank charges)	\$	15.00
Legal letter charge	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Special meter reads	\$	30.00
Special Billing Service (aggregation)	\$	125.00
Special Billing Service (sub-metering charge per meter)	\$	25.00
Non-Payment of Account		
Late Payment – per month	%	1.50
Late Payment – per annum	%	19.56
Collection of account charge – no disconnection	\$	30.00
Disconnect/Reconnect at meter – during regular hours	\$	65.00
Disconnect/Reconnect at meter – after regular hours	\$	185.00
Disconnect/Reconnect at pole – during regular hours	\$	185.00
Disconnect/Reconnect at pole – after regular hours	\$	415.00
Disconnect/Reconnection for >300 volts - during regular hours	\$	60.00
Disconnect/Reconnection for >300 volts - after regular hours	\$	155.00
Owner Requested Disconnection/Reconnection – during regular hours	\$	120.00
Owner Requested Disconnection/Reconnection – after regular hours	\$	155.00
Specific Charge for Access to the Power Poles - \$/pole/year	\$	22.35

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

EB-2013-0140

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, 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	1.0349
Total Loss Factor – Secondary Metered Customer > 5,000 kW	1.0145
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0247
Total Loss Factor – Primary Metered Customer > 5,000 kW	1.0045