

**Wellington North Power Inc.**

290 Queen Street West, PO Box 359, Mount Forest, ON N0G 2L0

Phone: 519.323.1710

Fax: 519 323 2425

Email: [wnp@wellingtonnorthpower.com](mailto:wnp@wellingtonnorthpower.com)

[www.wellingtonnorthpower.com](http://www.wellingtonnorthpower.com)

March 20, 2014

Attention: Kirsten Walli, Board Secretary  
Ontario Energy Board  
2300 Yonge Street  
27<sup>th</sup> Floor P.O. Box 2319  
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: Wellington North Power Inc. – ED-2002-0511**  
**2014 Distribution Rate Application**  
**OEB File Number: EB-2013-0178**  
**Draft Rate Order**

Wellington North Power Inc. acknowledges receipt of the Ontario Energy Board's Decision and Order dated March 13, 2014 for file number EB-2013-0178 for approval for changes to the rates that the Applicant charges for electricity distribution, effective May 1, 2014.

As per the Decision and Order, Wellington North Power Inc. submits its Draft Rate Order for Distribution Rates effective May 1, 2014. This Draft Rate Order comprises of the following components:


1. Draft Rate Order Summary including:
  - 1.1 Price Cap Index Adjustment;
  - 1.2 Rural or Remote Electricity Rate Protection Charge;
  - 1.3 Retail Transmission Service Rates;
  - 1.4 Disposition of Group 1 Deferral and variance Account Balances;
  - 1.5 Incremental Capital Module (ICM):
    - 1.5.1 Threshold Parameters;
    - 1.5.2 Threshold CapEx;
    - 1.5.3 Eligible Incremental Capital calculation;
    - 1.5.4 ICM Rate Riders; and
  - 1.6 Bill Impact analysis.
  - 1.7 Draft Tariff of Rates and Charges
2. Excel versions of:
  - 2014 IRM Revenue-Cost Ratio Adjustment Workform;

- 2014 IRM Tax Sharing Model v1.1;
- 2014 RTSR Model v4.0 with 2014 approved charges;
- 2014 ICM Workform with updated GDP-IPI;
- 2014 Rate Generator Workform with updated GDP-IPI; and
- 2014 Draft Tariff of Rates and Charges.

An electronic copy of this Submission response has been filed on the RESS site and two hard copies have been sent by courier to the Board's office for the attention of the Board Secretary.

Should the Board have questions regarding this matter please contact myself at [rbucknall@wellingtonnorthpower.com](mailto:rbucknall@wellingtonnorthpower.com) or call 519-323-1710.

Yours truly,



Richard Bucknall

**Regulatory Compliance and Office Manager**

cc: Board Secretary  
cc: Stephen Vetsis – OEB Analyst, Applications & Regulatory Audit (by e-mail)  
cc: Intervenors on Record (by e-mail)  
cc: Mr. Randy Aiken, Consultant to Energy Probe (by e-mail)  
cc: Ms. Shelley Grice, Consultant to VECC (by e-mail)

**Wellington North Power Inc. (“WNP”)  
2014 IRM Rate Application  
Draft Rate Order  
EB-2013-0178**

**1. Draft Rate Order Summary**

The purpose of this Draft Rate Order is to provide the Board with information and calculations showing the impact of the Decision and Order on Wellington North Power Inc.’s determination of final rates, effective May 1, 2014.

The Decision and Order that was issued on March 13, 2014 consisted of the following items:

- Price Cap Index Adjustment;
- Rural or Remote Electricity Rate Protection Charge;
- Retail Transmission Service Rates;
- Disposition of Group 1 Deferral and Variance Account Balances; and
- Incremental Capital Module (ICM):

These items are discussed below:

**1.1 Price Cap Index Adjustment;**

The Board issued the Report on Rate Setting Parameters and Benchmarking under the Renewed Regulatory Framework for Electricity Distributors (the “*Price Cap IR Report*”) that provides the 2014 rate adjustment parameters for distribution companies selecting either the Price Cap IR or Annual IR Index option.

The rate-setting parameters, as issued by the OEB on November 21, 2013 in “*EB-2010-0379 – Report of the Board: Rate Setting Parameters and Benchmarking under the Renewed Regulatory Framework for Ontario’s Electricity Distributors*”, that apply for Wellington North Power Inc. for 2014 distribution rates are:

- Price escalator of 1.7%;
- Productivity factor of 0.00%;

- Stretch factor of 0.45% (WNP is in Cohort Group IV); and
- Price Cap Index (GDP – IPI) of 1.25% (i.e. 1.70% - (0% + 0.45%)).

WNP has adjusted the IRM models used in its 2014 IRM application to apply the GDP-IPI variables stated above. These models include:

- The Incremental Capital Module (ICM) Workform (*worksheet E1.1 Threshold Parameters*); and
- The Rate Generator (*worksheet 9. Rev2Cost\_GDPIPI*).

Updated versions of these models have been filed with this Draft Rate Order.

Submitted Files: [WellingtonNorth\\_ICM-Wrkfrm\\_GDPIPI\\_EB-2013-0178\\_2014\\_DRO](#)  
[WellingtonNorth\\_Rate Gen\\_GDPIPI\\_EB-2013-0178\\_2014\\_DRO](#)

## **1.2 Rural or Remote Electricity Rate Protection Charge**

The Board issued a Decision and Rate Order (EB-2013-0396) establishing the Rural or Remote Electricity Rate Protection (“RRRP”) benefit and charge for 2014. The Board determined that the RRRP charge to be paid by all rate-regulated distributors and collected by the Independent Electricity System Operator shall be increased to \$0.0013 per kWh effective May 1, 2014.

As directed in the Board’s Decision and Order for EB-2013-0178 (dated March 13, 2014) WNP has filed a draft Tariff of Rates and Charges schedule (see item 1.7 below) that reflects the RRRP charge of \$0.0013 per kWh effective May 1, 2014. The Rate Generator workform that has been filed with this Draft Rate Order has also been updated to reflect this amended rate.

Submitted Files: [WellingtonNorth\\_EB-2013-0178\\_Draft\\_Tariff\\_of\\_Rates\\_Charges\\_DRO](#)  
[WellingtonNorth\\_Rate Gen\\_GDPIPI\\_EB-2013-0178\\_2014\\_DRO](#)

**1.3 Retail Transmission Service Rates;**

The Board approved new rates for Hydro One's Sub-Transmission class, including the applicable Retail Transmission Service Rates ("RTSRs"), effective January 1, 2014 (EB-2013-0141), as shown in the following table:

<b>2014 Sub-Transmission RTSRs</b>	
Network Service Rate	\$3.23 per kW
<u>Connection Service Rates:</u>	
Line Connection Service Rate	\$0.65 per kW
Transformation Connection Service rate	\$1.62 per kW

The approved 2014 Retail Transmission Service Rates have been included in the updated RTSR model that has been filed with this Draft Rate Order. The table below illustrates the 2014 RTSRs that have been applied in the RTSR model (worksheet: "5. UTR and Sub-Transmission"):

Hydro One Sub-Transmission Rates	Unit	Effective January 1, 2012	Effective January 1, 2013	Effective January 1, 2014
Rate Description		Rate	Rate	Rate
Network Service Rate	kW	\$ 2.65	\$ 3.18	\$ 3.23
Line Connection Service Rate	kW	\$ 0.64	\$ 0.70	\$ 0.65
Transformation Connection Service Rate	kW	\$ 1.50	\$ 1.63	\$ 1.62
Both Line and Transformation Connection Service Rate	kW	\$ 2.14	\$ 2.33	\$ 2.27

*RTSR Workform; worksheet: "5. UTR and Sub-Transmission"*

The table below shows (i) RTSR Network and RTSR Connection rates that were filed in WNP's Application and (ii) the revised calculated rates that are being filed as part of the Draft Rate Order. The reason for the change is as a result of applying the 2014 approved Hydro One Sub-Transmission rates in the RTSR model:

Rate Class	Unit	Final Submission		Draft Rate Order	
		Proposed RTSR	Proposed RTSR	Proposed RTSR	Proposed RTSR
		Network	Connection	Network	Connection
Residential	kWh	\$0.0065	\$0.0041	\$0.0066	\$0.0041
General Service Less Than 50 kW	kWh	\$0.0060	\$0.0035	\$0.0061	\$0.0034
General Service 50 to 999 kW	kW	\$2.4756	\$1.3947	\$2.5128	\$1.3720
General Service 1,000 to 4,999 kW	kW	\$2.6295	\$1.5289	\$2.6690	\$1.5041
Unmetered Scattered Load	kWh	\$0.0060	\$0.0035	\$0.0061	\$0.0034
Sentinel Lighting	kW	\$1.8764	\$1.1007	\$1.9046	\$1.0829
Street Lighting	kW	\$1.8670	\$1.0783	\$1.8950	\$1.0608

*RTSR Workform; worksheet: "13. Final 2014 RTS Rates"*

Updated versions of the RTSR model have been filed with this Draft Rate Order.

Submitted File: WellingtonNorth\_EB-2013-0178\_2014\_RTSR MODEL\_V4.0\_DRO

**1.4 Disposition of Group 1 Deferral and variance Account Balances;**

As per Decision and Order dated March 13, 2014, the Board approves the disposition of a credit balance of \$253,967 as of December 31, 2012, including interest as of April 31, 2014 for Group 1 accounts.

The table below summarises the Principal and Interest amounts approved for disposition for Group 1 Accounts as per WNP’s IRM application and the Board Decision and Order:


Account Name	Account Number	Principal Balance	Interest Balance	Total Claim
		A	B	C = A + B
LV Variance Account	1550	(\$40,216)	(\$1,018)	(\$41,234)
RSVA - Wholesale Market Service Charge	1580	(\$251,680)	(\$9,082)	(\$260,762)
RSVA - Retail Transmission Network Charge	1584	\$12,058	\$110	\$12,168
RSVA - Retail Transmission Connection Charge	1586	(\$60,203)	(\$5,753)	(\$65,956)
RSVA - Power	1588	\$358,726	\$16,903	\$375,629
RSVA - Global Adjustment	1589	(\$264,863)	(\$9,146)	(\$274,009)
Disposition and Recovery/Refund of Regulatory Balances (2008)	1595	\$4,772	(\$4,575)	\$197
<b>Total Group 1 Excluding Global Adjustment – Account 1589</b>		<b>\$23,457</b>	<b>(\$3,414)</b>	<b>\$20,042</b>
<b>Total Group 1</b>		<b>(\$241,406)</b>	<b>(\$12,561)</b>	<b>(\$253,967)</b>

As per Decision and Order, Wellington North Power Inc. understands that:

- a) 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*.
- b) The date of the transfer must be the same as the effective date for the associated rates - in this application this date will be May 1, 2014; and
- c) The LDC needs to ensure these adjustments are included in the RRR reporting period ending June 30, 2014 (Quarter 2).

As per Decision and Order, Wellington North Power Inc. accepts that these balances are to be disposed over a one-year (1 year) period from May 1, 2014 to April 30, 2015. The

table below summarises the Deferral / Variance Account Rate Rider and Global Adjustment Rate Rider by rate class with a disposition period of one-year (1 year):

								
Input required at cell C15 only. This worksheet calculates rate riders related to the Deferral/Variance Account Disposition (if applicable) and associated rate riders for the global adjustment sub-account. Rate Riders will not be generated for the MicroFit class.								
Please indicate the Rate Rider Recovery Period (In years) <input type="text" value="1"/>								
Rate Class	Unit	Billed kWh	Billed kW	Balance of Accounts Allocated by kWh/kW (RPP) or Distribution	Deferral/Variance Account Rate Rider	Allocation of Balance in Account 1588	Billed kWh or Estimated kW for Non-RPP	Global Adjustment Rate Rider
RESIDENTIAL	\$/kWh	24,876,519		5,093	0.0002	(14,882)	3,625,931	(0.0041)
GENERAL SERVICE LESS THAN 50 KW	\$/kWh	10,703,832		2,188	0.0002	(5,888)	1,434,587	(0.0041)
GENERAL SERVICE 50 TO 999 KW	\$/kW	19,816,501	50,517	4,008	0.0793	(74,652)	46,367	(1.6100)
GENERAL SERVICE 1,000 TO 4,999 KW	\$/kW	42,769,242	97,039	8,598	0.0886	(175,542)	97,039	(1.8090)
UNMETERED SCATTERED LOAD	\$/kWh	3,969		1	0.0003	(3)	663	(0.0041)
SENTINEL LIGHTING	\$/kW	29,261	80	11	0.1409	(120)	80	(1.5065)
STREET LIGHTING	\$/kW	711,946	1,907	144	0.0753	(2,922)	1,907	(1.5320)
microFIT								
<b>Total</b>		<b>98,911,269</b>	<b>149,544</b>	<b>20,042</b>		<b>(274,009)</b>	<b>5,206,574</b>	

*Rate Generator Workform; worksheet: "8. Calculation of Def-Var RR"*

The Rate Riders illustrated in the above table have been included in the draft Tariff of Rates and Charges schedule (see item 1.7 below).

Submitted Files: [WellingtonNorth\\_Rate Gen\\_GDPIPI\\_EB-2013-0178\\_2014\\_DRO](#)


**1.5 Incremental Capital Module (ICM):**

As per Board Findings in the Decision and Order, the Board agrees and has determined that the project is non-discretionary and eligible for ICM funding, due to the identified safety and reliability issues mentioned in the application.

As directed in the Decision and Order, below are the relevant calculations relating to the Incremental Capital Module:

**1.5.1 Threshold Parameters;**

The table below, taken from the ICM Workform worksheet “E1.1 Threshold Parameters”, illustrates the variables and values applied to calculate the Price Cap Index. The values align to the Price Cap Index Adjustment that was discussed above in Section 1.1.Price Cap Index Adjustment.

			
<b>Threshold Parameters</b>			
<b>Price Cap Index</b>			
Price Escalator (GDP-IP)		1.70%	
Less Productivity Factor		0.00%	
Less Stretch Factor		-0.45%	
<b>Price Cap Index</b>			<b>1.25%</b>
<b>Growth</b>			
ICM Billing Determinants for Growth - Numerator : 2012 Re-based Forecast		<u>\$2,214,739</u>	A
ICM Billing Determinants for Growth - Denominator : 2011 Actual		<u>\$2,189,648</u>	B
<b>Growth</b>		<b>1.15%</b>	<b>C = A / B</b>

The above table also shows the growth variable of 1.15% that has been applied in the Incremental Capital Workform that has been filed with this Draft Rate Order.



### 1.5.2 Threshold CapEx;

The table below shows the Threshold Test which is part of the Incremental Capital Workform. The highlighted cells in this table illustrate the differences between the Final Submission information that was filed by the Applicant on January 17, 2014 versus the revised data that has been filed as part of the Draft Rate Order:

Threshold Test	Final Submission	Draft Rate Order	Calculation	Changed	Variance
Year	2012	2012			
Price Cap Index	0.43%	1.25%	A	Yes	0.82%
Growth	1.15%	1.15%	B	No	
Dead Band	20.00%	20.00%	C	No	
<b>Average Net Fixed Assets</b>					
Gross Fixed Assets Opening	\$12,143,669	\$12,143,669			
Add: CWIP Opening	\$0	\$0			
Capital Additions	\$760,000	\$760,000			
Capital Disposals	(\$510,744)	(\$510,744)			
Capital Retirements	\$0	\$0			
Deduct: CWIP Closing	\$0	\$0			
Gross Fixed Assets - Closing	\$12,392,925	\$12,392,925			
<b>Average Gross Fixed Assets</b>	<u>\$12,268,297</u>	<u>\$12,268,297</u>		No	
Accumulated Depreciation - Opening	\$6,366,338	\$6,366,338			
Depreciation Expense	\$387,630	\$387,630	D		
Disposals	(\$309,511)	(\$309,511)			
Retirements	\$0	\$0			
Accumulated Depreciation - Closing	\$6,444,457	\$6,444,457			
<b>Average Accumulated Depreciation</b>	<u>\$6,405,398</u>	<u>\$6,405,398</u>		No	
<b>Average Net Fixed Assets</b>	<u>\$5,862,899</u>	<u>\$5,862,899</u>	E	No	
<b>Working Capital Allowance</b>					
Working Capital Allowance Base	\$11,617,281	\$11,617,281			
Working Capital Allowance Rate	14%	14%			
<b>Working Capital Allowance</b>	<u>\$1,626,419</u>	<u>\$1,626,419</u>	F	No	
<b>Rate Base</b>	<u>\$7,489,318</u>	<u>\$7,489,318</u>	G = E + F	No	
Depreciation D	\$387,630	\$387,630	H	No	
<b>Threshold Test</b>	150.54%	166.57%	$I = 1 + (G / H) * (B + A * (1 + B)) + C$	Yes	16.02%
<b>Threshold CAPEX</b>	<u>\$583,551</u>	<u>\$645,667</u>	J = H * I	Yes	\$62,116

The amendments to the data shown under the Draft Rate Order column (cells highlighted) in the above table are due to:

- **Price Cap Index** – the Incremental Capital Module Workform has been updated to reflect the rate-setting parameters, as issued by the OEB on November 21, 2013 in “EB-2010-0379 – Report of the Board: Rate Setting Parameters and Benchmarking

*under the Renewed Regulatory Framework for Ontario's Electricity Distributors". This was discussed above (section 1.1.).*

- **Threshold Test** – this has increased to 166.5% as a result of applying the updated rate-setting parameters to the calculation.

In its application, WNP applied the following values:

❖ Price Escalator (GDP-IPI)	1.60%	- Board approved rate is 1.70%;
❖ Productivity Factor	-0.72%	- Board approved rate is 0.00%;
❖ Stretch Factor	-0.40%	- Board approved rate is -0.45%
❖ Price Cap Index	0.43%	- Board approved rate is 1.255%

- **Threshold CapEx** – as a consequence of using the approved rate-setting parameters that were issued after WNP's IRM application was submitted, applying the Price Cap Index at 1.25% and a growth variable of 1.15%, the Threshold CapEx amount is \$645,667.

The table on the following page also shows the variances between:

- WNP's ICM data that was submitted with the IR responses on November 27, 2013;
- WNP's calculations applying the approved Board Rate-Setting Parameters (21-Nov-2013) and referenced in WNP's Final Response to Energy Probe (page 10), filed on January 17, 2014; and
- Calculations as per Incremental Capital Workform filed with Draft Rate Order.

Change Summary of ICM Data during IRM Application:

	Incremental Capital Workform submitted with IR#1 Responses	Calculations applying Board Rate- Setting Parameters (21-Nov-2013) and WNP's Final Response to Energy Probe (page 10)	Calculations as per Incremental Capital Workform filed with Draft Rate Order
Price Escalator (GDP-IPI)	1.60%	1.70%	1.70%
<b>Less:</b> Productivity Factor	-0.72%	0%	0%
<b>Less:</b> Stretch Factor	-0.45%	-0.45%	-0.45%
<b>Price Cap Index</b>	<b>0.43%</b>	<b>1.25%</b>	<b>1.25%</b>
Growth	1.15%	1.15%	1.15%
Ratebase	\$7,489,318	\$7,489,318	\$7,489,318
Depreciation	\$387,630	\$387,630	\$387,630
DeadBand	20%	20%	20%
Threshold Test	150.54%	166.65%	<b>166.57%</b>
Threshold CapEx	\$583,551	\$645,976	<b>\$645,667</b>
2014 Non-Discretionary Capital Budget	\$1,996,000	\$1,996,000	\$1,996,000
Eligible Incremental Capital Amount	\$1,412,449	\$1,350,024	<b>\$1,350,333</b>
Total Incremental Capital Amount for ICM Rate Rider Calculation	\$1,356,100		
Difference between Incremental Capital Workform submitted in IR#1 Responses		(\$6,076)	
Difference between Incremental Capital Workform submitted in Final Response to Energy Probe - page 10			<b>\$309</b>

The amendments to the data shown under the Draft Rate Order column (cells highlighted) in the above table are due to:

- Applying the approved rate-setting parameters as issued by the OEB on November 21, 2013 in "EB-2010-0379 – Report of the Board: Rate Setting Parameters and Benchmarking under the Renewed Regulatory Framework for Ontario's Electricity Distributors"; and
- Modelling rounding / calculations in the ICM model updated with the Price Cap Index of 1.25% filed with the Draft Rate Order which has created a variance of

\$309 compared to WNP's spreadsheet calculations that were used in the Applicants Final Response to Energy Probe's Submission (page 10).

**1.5.3 Eligible Incremental Capital calculation;**

The table below, taken from the ICM Workform worksheet "E3.1 Summary of I C Projects", illustrates the Eligible Incremental Capital Amount:

Incremental Capital Workform for 2014 Filers				
Summary of Incremental Capital Projects (ICPs)				
Calculation of Eligible Incremental Capital Amount				
2014 Non-Discretionary Capital Budget (Including ICM Projects)	\$1,996,000.00			A
Threshold CAPEX (as calculated on sheet E2.1)	\$645,667.47			B
Eligible Incremental Capital Amount	= \$1,350,332.53			C = A - B
Summary of Proposed Incremental Capital Projects				
Number of ICPs	3	Update Sheet		
Project ID #	Incremental Capital Non-Discretionary Project Description	Incremental Capital CAPEX	Amortization Expense	CCA
ICP 1	Distribution Substation replacement - MS2 - Major Equipment	\$280,000.00	\$7,325.00	\$22,400.00
ICP 2	Distribution Substation replacement - MS2 - Major Equipment - continued	\$203,500.00	\$6,175.00	\$21,680.00
ICP 3	Substation replacement - Non Major Equipment Capital Items	\$872,600.00	\$19,057.78	\$68,608.00
<b>Total Proposed Incremental Capital CAPEX</b>		<b>\$1,356,100.00</b>	<b>\$32,557.78</b>	<b>\$112,688.00</b>
<b>Total Incremental Capital Amount for ICM Rate Rider Calculation</b>		<b>\$1,350,332.53</b>		
Note: The total incremental capital amount for the ICM rate rider calculation cannot exceed the eligible incremental capital amount.				

The above table shows that:

- Total Proposed Incremental Capital CapEx (i.e. the total Incremental Capital CapEx required by the Applicant to replace MS-2 substation) is \$1,356,100.00.
- However, the Eligible Incremental Capital Amount that is allowed is \$1,350,332.53. The Eligible Incremental Capital Amount is calculated by:

2014 Non-Discretionary Capital Budget ( <i>including the ICM to replace MS2 substation project</i> )	\$1,996,000.00	A
Threshold CapEx ( <i>as described in section 1.5.2 above</i> )	\$645,667.47	B
<b>Eligible Incremental Capital Amount</b>	<b>\$1,350,332.53</b>	<b>C = A - B</b>

- The Total Incremental Capital Amount for the ICM Rate Rider calculation cannot exceed the Eligible Incremental Capital Amount. The ICM rate Riders have been calculated using the Eligible Incremental Capital Amount of \$1,350,332.53 as shown in the table above.

#### 1.5.4 ICM Rate Riders

As per the Decision and Order, the Board accepts WNP's proposal to recover the resulting ICM revenue requirement through fixed and variable rate riders to be in effect until the issuance of the rate order arising from the Applicants next cost of service application. The table below illustrate the Rate Riders derived from the Incremental Capital Module Workform:

<b>Calculation of Incremental Capital Rate Rider - Option A Fixed and Variable</b>				
<b>Rate Class</b>	<b>Fixed Metric</b>	<b>Service Charge Rate Rider</b>	<b>Distribution Volumetric Rate kWh Rate Rider</b>	<b>Distribution Volumetric Rate kW Rate Rider</b>
Residential	Customer	\$0.8809	\$0.0009	
General Service Less Than 50 kW	Customer	\$1.8702	\$0.0008	
General Service 50 to 999 kW	Customer	\$13.1477	\$0.0000	\$0.1746
General Service 1,000 to 4,999 kW	Customer	\$107.4590	\$0.0000	\$0.0902
Unmetered Scattered Load	Connection	\$0.8619	\$0.0007	
Sentinel Lighting	Connection	\$0.2499	\$0.0000	\$0.9234
Street Lighting	Connection	\$0.3392	\$0.0000	\$0.3778


An updated version of the Incremental Capital Module Workform has been filed with this Draft Rate Order.

Submitted File: [WellingtonNorth\\_ICM-Wrkfrm\\_GDPIPI\\_EB-2013-0178\\_2014\\_DRO](#)

## 1.6 Bill Impact Analysis

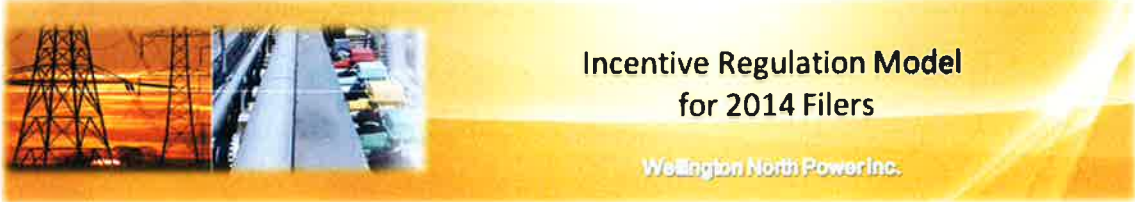
### Bill Impact: Residential Customer - 800 kWh:

The Rates and Charges in the table below are based upon the output from the Rate Generator Workform that has been filed with this Draft Rate Order (*worksheet 14 "Bill Impacts"*) and refers to a Residential customer with a typical monthly consumption of 800 kWh:

									
Wellington North Power Inc.									
Rate Class <b>RESIDENTIAL</b>									
Loss Factor <b>1.0716</b>									
Consumption <b>kWh 800</b>									
If Billed on a kW basis:									
Demand <b>kW</b>									
Load Factor <b>Update Bill Impacts</b>									
	Current Board-Approved			Proposed			Impact		
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change	
Monthly Service Charge	\$ 18.05	1	\$ 18.05	\$ 18.28	1	\$ 18.28	\$ 0.23	1.27%	
Distribution Volumetric Rate	\$ 0.0181	800	\$ 14.48	\$ 0.0183	800	\$ 14.64	\$ 0.16	1.10%	
Fixed Rate Riders	\$ 2.82	1	\$ 2.82	\$ 0.88	1	\$ 0.88	-\$ 1.94	-68.76%	
Volumetric Rate Riders	0.0004	800	\$ 0.32	0.0009	800	\$ 0.71	\$ 0.39	120.75%	
<b>Sub-Total A (excluding pass through)</b>			<b>\$ 35.67</b>			<b>\$ 34.51</b>	<b>-\$ 1.16</b>	<b>-3.28%</b>	
Line Losses on Cost of Power	\$ 0.0839	57	\$ 4.81	\$ 0.0839	57	\$ 4.81	\$ -	0.00%	
Total Deferral/Variance	-0.0085	800	\$ 6.80	0.0002	800	\$ 0.16	\$ 6.96	-102.35%	
Account Rate Riders									
Low Voltage Service Charge	\$ 0.0018	800	\$ 1.44	\$ 0.0018	800	\$ 1.44	\$ -	0.00%	
Smart Meter Entity Charge	\$ 0.7900	1	\$ 0.79	\$ 0.7900	1	\$ 0.79	\$ -	0.00%	
<b>Sub-Total B - Distribution (includes Sub-Total A)</b>			<b>\$ 35.91</b>			<b>\$ 41.70</b>	<b>\$ 5.80</b>	<b>16.15%</b>	
RTSR - Network	\$ 0.0069	857	\$ 5.92	\$ 0.0066	857	\$ 5.66	-\$ 0.25	-4.31%	
RTSR - Connection and/or Line and Transformation Connection	\$ 0.0045	857	\$ 3.86	\$ 0.0041	857	\$ 3.50	-\$ 0.36	-9.39%	
<b>Sub-Total C - Delivery (including Sub-Total B)</b>			<b>\$ 45.68</b>			<b>\$ 50.86</b>	<b>\$ 5.18</b>	<b>11.34%</b>	
Wholesale Market Service Charge (WMSC)	\$ 0.0044	857	\$ 3.77	\$ 0.0044	857	\$ 3.77	\$ -	0.00%	
Rural and Remote Rate Protection (RRRP)	\$ 0.0012	857	\$ 1.03	\$ 0.0012	857	\$ 1.03	\$ -	0.00%	
Standard Supply Service Charge	\$ 0.2500	1	\$ 0.25	\$ 0.2500	1	\$ 0.25	\$ -	0.00%	
Debt Retirement Charge (DRC)	\$ 0.0070	800	\$ 5.60	\$ 0.0070	800	\$ 5.60	\$ -	0.00%	
TOU - Off Peak	\$ 0.0670	512	\$ 34.30	\$ 0.0670	512	\$ 34.30	\$ -	0.00%	
TOU - Mid Peak	\$ 0.1040	144	\$ 14.98	\$ 0.1040	144	\$ 14.98	\$ -	0.00%	
TOU - On Peak	\$ 0.1240	144	\$ 17.86	\$ 0.1240	144	\$ 17.86	\$ -	0.00%	
<b>Total Bill on TOU (before Taxes)</b>			<b>\$ 123.47</b>			<b>\$ 128.65</b>	<b>\$ 5.18</b>	<b>4.20%</b>	
HST	13%		\$ 16.05	13%		\$ 16.72	\$ 0.67	4.20%	
<b>Total Bill (including HST)</b>			<b>\$ 139.52</b>			<b>\$ 145.37</b>	<b>\$ 5.85</b>	<b>4.20%</b>	
Ontario Clean Energy Benefit <sup>1</sup>			-\$ 13.95			-\$ 14.54	-\$ 0.59	-4.23%	
<b>Total Bill on TOU (including OCEB)</b>			<b>\$ 125.57</b>			<b>\$ 130.83</b>	<b>\$ 5.26</b>	<b>4.19%</b>	

**Bill Impact: General Service <50kW Customer - 2000 kWh:**

The Rates and Charges in the table below are based upon the output from the Rate Generator Workform that has been filed with this Draft Rate Order (*worksheet 14 "Bill Impacts"*) and refers to a General Service <50kW customer with a typical monthly consumption of 2,000 kWh:

									
Rate Class GENERAL SERVICE LESS THAN 50 KW									
Loss Factor			1.0716						
Consumption	kWh			2,000					
If Billed on a kW basis:									
Demand	kW								
Load Factor					Update Bill Impacts				
	Current Board-Approved			Proposed			Impact		
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change	
Monthly Service Charge	\$ 38.32	1	\$ 38.32	\$ 38.80	1	\$ 38.80	\$ 0.48	1.25%	
Distribution Volumetric Rate	\$ 0.0164	2,000	\$ 32.80	\$ 0.0166	2,000	\$ 33.20	\$ 0.40	1.22%	
Fixed Rate Riders	\$ 19.15	1	\$ 19.15	\$ 1.87	1	\$ 1.87	-\$ 17.28	-90.23%	
Volumetric Rate Riders	0.0022	2,000	\$ 4.40	0.0008	2,000	\$ 1.60	-\$ 2.80	-63.64%	
<b>Sub-Total A (excluding pass through)</b>			<b>\$ 94.67</b>			<b>\$ 75.47</b>	<b>-\$ 19.20</b>	<b>-20.28%</b>	
Line Losses on Cost of Power	\$ 0.0839	143	\$ 12.02	\$ 0.0839	143	\$ 12.02	\$ -	0.00%	
Total Deferral/Variance	-0.0093	2,000	\$ 18.60	0.0002	2,000	\$ 0.40	\$ 19.00	-102.15%	
Account Rate Riders									
Low Voltage Service Charge	\$ 0.0015	2,000	\$ 3.00	\$ 0.0015	2,000	\$ 3.00	\$ -	0.00%	
Smart Meter Entity Charge	\$ 0.7900	1	\$ 0.79	\$ 0.7900	1	\$ 0.79	\$ -	0.00%	
<b>Sub-Total B - Distribution (includes Sub-Total A)</b>			<b>\$ 91.88</b>			<b>\$ 91.88</b>	<b>-\$ 0.20</b>	<b>-0.22%</b>	
RTSR - Network	\$ 0.0064	2,143	\$ 13.72	\$ 0.0061	2,143	\$ 13.13	-\$ 0.59	-4.31%	
RTSR - Connection and/or Line and Transformation Connection	\$ 0.0038	2,143	\$ 8.14	\$ 0.0034	2,143	\$ 7.38	-\$ 0.76	-9.39%	
<b>Sub-Total C - Delivery (including Sub-Total B)</b>			<b>\$ 113.74</b>			<b>\$ 112.18</b>	<b>-\$ 1.56</b>	<b>-1.37%</b>	
Wholesale Market Service Charge (WMSC)	\$ 0.0044	2,143	\$ 9.43	\$ 0.0044	2,143	\$ 9.43	\$ -	0.00%	
Rural and Remote Rate Protection (RRRP)	\$ 0.0012	2,143	\$ 2.57	\$ 0.0012	2,143	\$ 2.57	\$ -	0.00%	
Standard Supply Service Charge	\$ 0.2500	1	\$ 0.25	\$ 0.2500	1	\$ 0.25	\$ -	0.00%	
Debt Retirement Charge (DRC)	\$ 0.0070	2,000	\$ 14.00	\$ 0.0070	2,000	\$ 14.00	\$ -	0.00%	
TOU - Off Peak	\$ 0.0670	1,280	\$ 85.76	\$ 0.0670	1,280	\$ 85.76	\$ -	0.00%	
TOU - Mid Peak	\$ 0.1040	360	\$ 37.44	\$ 0.1040	360	\$ 37.44	\$ -	0.00%	
TOU - On Peak	\$ 0.1240	360	\$ 44.64	\$ 0.1240	360	\$ 44.64	\$ -	0.00%	
<b>Total Bill on TOU (before Taxes)</b>			<b>\$ 307.83</b>			<b>\$ 306.27</b>	<b>-\$ 1.56</b>	<b>-0.51%</b>	
HST	13%		\$ 40.02	13%		\$ 39.82	-\$ 0.20	-0.51%	
<b>Total Bill (including HST)</b>			<b>\$ 347.85</b>			<b>\$ 346.09</b>	<b>-\$ 1.76</b>	<b>-0.51%</b>	
Ontario Clean Energy Benefit <sup>1</sup>			-\$ 34.78			-\$ 34.61	\$ 0.17	-0.49%	
<b>Total Bill on TOU (including OCEB)</b>			<b>\$ 313.07</b>			<b>\$ 311.48</b>	<b>-\$ 1.59</b>	<b>-0.51%</b>	

An updated version of the Rate Generator Workform has been filed with this Draft Rate Order.

## **1.7 Draft Tariff of Rates and Charges**

An updated version of the Rate Generator Workform has been filed with this Draft Rate Order. This workform includes the proposed Tariff of Rates and Charges (worksheet "13. Final Tariff Schedule")

Submitted Files: [WellingtonNorth\\_Rate Gen\\_GDPIPI\\_EB-2013-0178\\_2014\\_DRO](#)  
[WellingtonNorth\\_EB-2013-0178\\_Draft\\_Tariff\\_of\\_Rates\\_Charges\\_DRO](#)

## **1.8 Models filed with Draft rate Order;**

The following models and filenames have been submitted as part of the Draft Rate Order:

### **Incremental Capital Project:**

Filenames:

- [WellingtonNorth\\_EB-2013-0178\\_2014\\_Inc\\_Cap\\_project\\_V1.0\\_A\\_IR1](#)
- [WellingtonNorth\\_EB-2013-0178\\_2014\\_Inc\\_Cap\\_project\\_V1.0\\_B\\_IR1](#)
- [WellingtonNorth\\_EB-2013-0178\\_2014\\_Inc\\_Cap\\_project\\_V1.0\\_C\\_IR1](#)

### **Incremental Capital Workform:**

Filename:

- [WellingtonNorth\\_ICM-Wrkfrm\\_GDPIPI\\_EB-2013-0178\\_2014\\_DRO](#)

### **Tax Sharing Model**

Filename:

- [WellingtonNorth\\_EB-2013-0178\\_2014\\_IRM\\_Tax\\_Sharing\\_Model\\_V1.1\\_DRO](#)

### **Revenue Cost Ratio Model**

Filename:

- [WellingtonNorth\\_EB-2013-0178\\_2014\\_IRM\\_Revenue\\_Cost\\_Ratio\\_Adjustment\\_Wrkfrom\\_V2.0\\_DRO](#)

### **RTSR model**

Filename:

- [WellingtonNorth\\_EB-2013-0178\\_2014\\_RTSR\\_MODEL1\\_V4.0\\_DRO](#)

### **Rate Generator Model**

Filename:

- [WellingtonNorth\\_Rate Gen\\_GDPIPI\\_EB-2013-0178\\_2014\\_DRO](#)

### **Draft Tariff of Rates and Charges:**

Filename:

- [WellingtonNorth\\_EB-2013-0178\\_Draft\\_Tariff\\_of\\_Rates\\_Charges\\_DRO](#)