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April 17, 2014

BY COURIER & RESS

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

Re: Board File No. EB-2013-0147
Kitchener-Wilmot Hydro Inc. – Revised Draft Rate Order

Dear Ms. Walli:

On April 4, 2014, Kitchener-Wilmot Hydro Inc. (KWHI) filed its draft Rate Order with the Ontario Energy Board (the Board) in EB-2013-0147. Comments were received from Board staff and Energy Probe on April 11, 2014 and April 7, 2014 respectively.

Attached find a revised proposed Tariff of Rates and Charges reflecting the Board's findings in its Decision and the comments of Board and Energy Probe.

Along with the Draft Rate Order, KWHI has included the detailed supporting information requested by Board staff.

KWHI's submission, which has been previously electronically filed through the Board's web portal, consists of two (2) hard copies.

Respectfully submitted,

Original Signed by

Margaret Nanninga, MBA, CGA
Vice-President Finance

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IN THE MATTER OF the *Ontario Energy Board Act*, 1998, being Schedule B to the *Energy Competition Act*, 1998, S.O. 1998,c.15;

AND IN THE MATTER OF an Application by Kitchener-Wilmot Hydro Inc. to the Ontario Energy Board for an Order or Orders approving or fixing just and reasonable rates and other service charges for electricity distribution to be effective January 1, 2014.

**DRAFT RATE ORDER RESPONSES OF
KITCHENER-WILMOT HYDRO INC.**

FILED APRIL 17, 2014

A. BACKGROUND

Kitchener-Wilmot Hydro Inc. (“KWHI”) filed an amended Application (the “Application”) with the Ontario Energy Board (the “Board”) on June 21, 2013, under CGAAP seeking approval for changes to the rates that KWHI charges for electricity distribution, to be effective January 1, 2014. The Board assigned the Application file number EB-2013-0147.

As directed by the Board’s Decision of March 20, 2013, KWHI filed the DRO with the Board on April 4, 2014 for rates effective January 1, 2014 with an implementation date of May 1, 2014. The Board directed that Intervenor and Board staff should file any comments on the DRO within 7 days of the filing of the DRO.

Comments have been received by Energy Probe and Board staff. KWHI submits these responses to the comments. The following Appendices are attached:

Appendix A – Tariff of Rates and Charges

Appendix B – Appendix 2-V of the Filing Requirements – Revenue Reconciliation

B. DEFERRAL AND VARIANCE ACCOUNTS

Global Adjustment

Board staff and Energy Probe asked for clarification as to why there is a Class A consumer in the GS>50 kW rate class when a Class A customer would usually be classified as a Large Use customer. This anomaly is due to the differing definitions for a Class A consumer and Large Use customer. Large Use customers are defined in KWHI's Conditions of Service (section 3.4) as "Individual customers whose monthly measured maximum demand (kW) averaged over the most recent 12 consecutive months is equal to or greater than 5,000 kW..." This kW demand is calculated before loss adjustments are applied.

The definition for a Class A consumer is slightly different in legislation than in the definition of a Large Use customer in KWHI's Conditions of Service. According to Ontario Regulation 429/04 paragraph 6 (1) 3, a Class A consumer is a consumer with "maximum hourly demand for electricity in a month from the licensed distributor ...exceeds an average of 5 megawatts for the applicable base period" with the base period being defined as a 12-month period ending April 30 with loss adjustments applied.

It should be noted that the customer in question has an average monthly kW demand very close to 5,000 kW. Its loss-adjusted hourly kW demand over the base period qualified it as a Class A consumer for Global Adjustment purposes; however, its 5 consecutive monthly 15-minute kW demand was below the KWHI threshold for qualifying as a Large Use customer.

Since KWHI's Conditions of Service definition is based on the most recent 12 months (updated annually) and the legislation is based on a May – April kW demand period, this customer qualifies as *both* a Class A consumer and a GS > 50kW customer.

KWHI cleared the December 31, 2009 balance of its Global Adjustment variance through its IRM application for 2011 rates (EB-2010-0094). Energy Probe submits, and Board staff concurs, that if there is a balance in the Global Adjustment variance balance account relating to Class A customers prior to the legislation change, these consumers should be responsible for their portion of the variance amount. KWHI agrees with the submission of Energy Probe and Board staff.

The legislation came into effect on January 1, 2011. At that time, KWHI's two Large Use customers were the only two customers classified as Class A Consumers for the purposes of Global Adjustment assignment. On July 1, 2012, a GS>50kW customer became a Class A consumer. KWHI has therefore split the Global Adjustment variance into three (3) separate balances in order to properly allocate the Global Adjustment amounts. The 2010, January 1, 2011 – June 30, 2012, and July 1, 2012 – December 31, 2012 balances are shown in Table 1 below. The forecasted 2013 interest balance has been added to the July 1, 2012 – December 31, 2012 to balance to the EDDVAR schedule as filed.

Table 1
 GA Variance split into periods

	2010	January 1, 2011 - June 30, 2012	July 1, 2012 - December 31, 2012	Total
Balances	(1,049,622)	4,542,776	(646,041)	2,847,113
Interest	12,583	35,103	53,617	101,303
	(1,037,039)	4,577,879	(592,424)	2,948,416

The amounts in Table 1 above agree to the RRR filings except for the previously noted error in recording the Global Adjustment interest balance as an RSVA power balance (as mentioned in EB-2011-0179) and a timing difference for disposition of the 2009 balance in 2011. The amounts shown above also agree to the EDDVAR schedule in KWHI's original Application (Exhibit 9 Appendix A) with the exception that current year activity is only included, net of

Board Approved Dispositions (timing difference mentioned previously). Note that the last column shown agrees to the amounts in the Settlement Agreement (Appendix H).

The amounts in Table 1 are allocated to customer classes using 2012 billing data kWh of non – RPP customers. The kWhs are broken down into the same time periods as Table 1 to allocate by class. The allocators are the same as originally reported in Exhibit 9 Table 9-6 in KWHI's original application, and are shown below in Table 2:

Table 2

**Global Adjustment Allocators Attributable to Each Class by Time Period
(December 31, 2012)**

Class	2012 non-RPP Consumption (kWh) (A)	Class A Consumers (kWh)	2012 non-RPP Consumption (kWh) less LU Customers (B)	2012 non-RPP Consumption (kWh) less Class A Consumers (C)
	January 1, 2010 - December 31, 2010		January 1, 2011 - June 30, 2012	July 1, 2012 - December 31, 2012
Residential	40,365,728		40,365,728	40,365,728
GS < 50	34,597,542		34,597,542	34,597,542
GS > 50	756,939,530	10,979,521	756,939,530	745,960,009
Large User	69,911,509	69,911,509	0	0
Street Lighting	16,350,066		16,350,066	16,350,066
Total	918,164,375	80,891,030	848,252,866	837,273,345

The allocation methodology is as shown below:

Table 3
Allocation Methodology

Time Period	January 1, 2010 - December 31, 2010	January 1, 2011 - June 30, 2012	July 1, 2012 - December 31, 2012
Allocator	2012 non-RPP consumption (kWh)	2012 non-RPP consumption (kWh) less Large Use customers	2012 non-RPP consumption (kWh) less Large Use and Class A consumers
Amount	(1,037,039)	4,584,864	(592,424)

The results of the allocation are shown below in Table 4:

Table 4
Global Adjustment By Period by Class

Class	January 1, 2010 - December 31, 2010 GA Allocation (\$)	January 1, 2011 - June 30, 2012 GA Allocation (\$)	July 1, 2012 - December 31, 2012 GA Allocation (\$)	Total GA Allocation (\$)
Residential	(45,592)	217,847	(28,561)	143,694
GS < 50	(39,077)	186,717	(24,480)	123,160
GS > 50	(854,940)	4,085,077	(527,814)	2,702,322
Large User	(78,963)	0	(0)	(78,963)
Street Lighting	(18,467)	88,239	(11,569)	58,203
Total	(1,037,039)	4,577,879	(592,424)	2,948,416

Note that the last column agrees to the amounts in the Settlement Agreement in Appendix H.

The load forecasts used are as per the Settlement Agreement. The load forecast for each customer class and time period is shown below in Table 5.

Table 5
 Load Forecast for Global Adjustment

Class	2014 Load Forecast (kWh) as per Settlement Agreement	2014 Load Forecast (kW) as per Settlement Agreement	2014 Load Forecast (kW) Class A Consumers	2014 load forecast (kWh)	2014 kW Forecast excluding Class A Consumer (kW)
Residential	651,728,155			651,728,155	0
GS < 50	241,683,206			241,683,206	0
GS > 50		2,236,471	64,293	0	2,172,178
Large User		63,002	63,002	0	0
USL				0	0
Street Lighting		45,145		0	45,145
Total	893,411,361	2,344,619	127,295	893,411,361	2,217,324

Based on the revised balances in Table 4, three (3) Global Adjustment rate riders are calculated – one for each period.

The calculated rate riders are shown on Table 6 below:

Table 6

Global Adjustment Rate Rider Calculation

Deferral and Variance Accounts	Balances at Dec. 31, 2013	ALLOCATOR	Residential	GS < 50	GS > 50	Large User	Street Lighting	Total
RSVA - Global Adjustment - 2010	\$ (1,037,039)	kWh for non-RPP customers	\$ (45,592)	\$ (39,077)	\$ (854,940)	\$ (78,963)	\$ (18,467)	\$ (1,037,039)
RSVA - Global Adjustment - 2011 & 2012 balances	\$ 4,577,879	excluding Class A Consumers	\$ 217,847	\$ 186,717	\$ 4,085,077	\$ 0	\$ 88,239	\$ 4,577,879
RSVA - Global Adjustment - 2012 and 2013 interest balances	\$ (592,424)	excluding Class A Consumers	\$ (28,561)	\$ (24,480)	\$ (527,814)	\$ (0)	\$ (11,569)	\$ (592,424)
Subtotal - RSVA	\$ 2,948,416		\$ 143,694	\$ 123,160	\$ 2,702,322	\$ (78,963)	\$ 58,203	\$ 2,948,416

Class			Residential	GS < 50 KW	GS > 50 Non TOU	Large User	Street Lighting
RSVA - Global Adjustment - 2010 & Prior Balances	Adjusted to 8 months instead of 12	All Consumers			\$ (0.5734)	\$ (1.8800)	
RSVA - Global Adjustment - 2011 & 2012 Balances	Adjusted to 8 months instead of 12	All Consumers			\$ 2.7399		
RSVA - Global Adjustment	Adjusted to 8 months instead of 12	All Consumers - less Class A in the GS > 50	\$ 0.0003 kWh	\$ 0.0008 kWh	\$ (0.3645) kW		\$ 1.9339 kW
Billing Determinants							

Foregone Revenue

KWHI notes Board staff's comments regarding the foregone revenue rate riders would normally consist of fixed and variable rates. KWHI concurs with Board staff that the variable portion of the foregone revenue would have been insignificant and therefore the foregone revenue will be disposed of through a monthly fixed charge only.

Change in Collection Period

KWHI will collect the Rate Riders over an eight (8) month period which will allow KWHI to have its rate riders expire on the same date as KWHI's next expected rate change of January 1, 2015.

C. TARIFF OF RATES AND CHARGES

After filing the Draft Rate Order on April 4, 2014, KWHI noted that the billing determinant for the GS > 50 kW class was incorrect on the Draft Rate Order. The billing determinant appropriate for all variable components for the GS>50 kW rate class is kW (with the exception of WMS and RRRP, which are kWh). KWHI has made the applicable corrections in this filing for this class. KWHI has made the adjustments requested by Board staff to the GS> 50 kW and Large Use rate class. Additionally, the Draft Tariff has made the wording changes suggested by Board Staff. The Draft Tariff is attached in Appendix A.

KWHI has included with this filing Appendix 2-V and 2-W in Microsoft Excel format and has attached Appendix 2-V in pdf format as Appendix B.

All of which is respectfully submitted

Margaret Nanninga, MBA, CGA

Vice President Finance
Kitchener Wilmot Hydro Inc.

Appendix A

Kitchener-Wilmot Hydro Inc.

TARIFF OF RATES AND CHARGES

Effective Date January 1, 2014
Implementation Date May 1, 2014

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

EB-2013-0147

RESIDENTIAL SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less where the electricity is used exclusively in a separate metered living accommodation. Customers shall be residing in single-dwelling units that consist of a detached house or one unit of a semi-detached, duplex, triplex or quadruplex house, with a residential zoning. Separately metered dwellings within a town house complex or apartment building also qualify as residential customers. All customers are single-phase. 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 or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy Conservation and Renewable Energy Program, the Provincial Benefit and any applicable taxes.

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	10.50
Rate Rider for Disposition of Residual Historical Smart Meter Costs – effective until April 30, 2014	\$	0.13
Rate Rider for Recovery of Stranded Meter Assets – effective from May 1, 2014 until December 31, 2014	\$	3.09
Rate Rider for Recovery of Foregone Revenues (January 1 to April 30, 2014)		
– effective from May 1, 2014 until December 31, 2014	\$	(0.81)
Rate Rider for Smart Metering Entity Charge – effective until October 31, 2018	\$	0.79
Distribution Volumetric Rate	\$/kWh	0.0162
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery / Shared Savings Mechanism (SSM) Recovery (2010) – effective until April 30, 2014	\$/kWh	0.0003
Rate Rider for Application of Tax Change – effective until April 30, 2014	\$/kWh	(0.0004)
Rate Rider for Disposition of Deferral/Variance Accounts (2014) Recovery		
– effective from May 1, 2014 until December 31, 2014	\$/kWh	(0.0005)
Rate Rider for Disposition of Global Adjustment Sub-account (2014)		
– applicable to non-RPP customers only – effective from May 1, 2014 until December 31, 2014	\$/kWh	0.0003
Rate Rider for Disposition of Account 1576 – effective from May 1, 2014 until December 31, 2014	\$/kWh	(0.0065)
Rate Rider for Disposition of Lost CWIP – effective from May 1, 2014 until December 31, 2014	\$/kWh	0.0010
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0072
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0014

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044
Rural Rate Protection Charge – effective until April 30, 2014	\$/kWh	0.0012
Rural Rate Protection Charge – effective May 1, 2014	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Appendix A

Kitchener-Wilmot Hydro Inc.

TARIFF OF RATES AND CHARGES

Effective Date January 1, 2014
Implementation Date May 1, 2014

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

EB-2013-0147

GENERAL SERVICE LESS THAN 50 kW SERVICE CLASSIFICATION

This classification applies to a non residential account taking electricity at 750 volts or less whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

It should be noted that this schedule does not list any charges or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy Conservation and Renewable Energy Program, the Provincial Benefit and any applicable taxes.

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	25.76
Rate Rider for Disposition of Residual Historical Smart Meter Costs – effective until April 30, 2014	\$	8.42
Rate Rider for Recovery of Stranded Meter Assets – effective from May 1, 2014 until December 31, 2014	\$	12.63
Rate Rider for Recovery of Foregone Revenues (January 1 to April 30, 2014)		
– effective from May 1, 2014 until December 31, 2014	\$	(2.75)
Rate Rider for Smart Metering Entity Charge – effective until October 31, 2018	\$	0.79
Distribution Volumetric Rate	\$/kWh	0.0124
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery / Shared Savings Mechanism (SSM) Recovery (2010) – effective until April 30, 2014	\$/kWh	0.0001
Rate Rider for Application of Tax Change – effective until April 30, 2014	\$/kWh	(0.0003)
Rate Rider for Disposition of Deferral/Variance Accounts (2014)		
– effective from May 1, 2014 until December 31, 2014	\$/kWh	0.0001
Rate Rider for Disposition of Global Adjustment Sub-account (2014) - applicable to non-RPP customers only		
– effective from May 1, 2014 until December 31, 2014	\$/kWh	0.0008
Rate Rider for Disposition of Account 1576 – effective until December 31, 2014	\$/kWh	(0.0043)
Rate Rider for Disposition of Lost CWIP – effective from May 1, 2014 until December 31, 2014	\$/kWh	0.0006
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0062
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0013

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044
Rural Rate Protection Charge – effective until April 30, 2014	\$/kWh	0.0012
Rural Rate Protection Charge – effective May 1, 2014	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Appendix A

Kitchener-Wilmot Hydro Inc.

TARIFF OF RATES AND CHARGES

Effective Date January 1, 2014
Implementation Date May 1, 2014

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

EB-2013-0147

GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION

This classification applies to a non residential account whose average monthly maximum demand used for billing purposes is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 5,000 kW. Note that for the application of the Retail Transmission Rate – Network Service Rate and the Retail Transmission Rate – Line and Transformation Connection Service Rate the following sub-classifications apply:

- General Service 50 to 999 kW non-interval metered
- General Service 50 to 999 kW interval metered
- General Service 1,000 to 4,999 kW interval metered.

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 or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy Conservation and Renewable Energy Program, the Provincial Benefit and any applicable taxes.

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	170.00
Rate Rider for Recovery of Foregone Revenues (January 1 to April 30, 2014) – effective from May 1, 2014 until December 31, 2014	\$	1.60
Distribution Volumetric Rate	\$/kW	4.4200
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery / Shared Savings Mechanism (SSM) Recovery (2010) – effective until April 30, 2014	\$/kW	0.0172
Rate Rider for Application of Tax Change – effective until April 30, 2014	\$/kW	(0.0676)
Rate Rider for Disposition of Deferral/Variance Accounts (2014) – effective from May 1, 2014 until December 31, 2014	\$/kW	(0.1226)
Rate Rider for Disposition of Global Adjustment Sub-account (2014) - applicable to non-RPP customers only – effective from May 1, 2014 until December 31, 2014	\$/kW	2.1665
Rate Rider for Disposition of Global Adjustment Sub-account (2014) - applicable to non-RPP customers and non-Class A Consumers only – effective from May 1, 2014 until December 31, 2014	\$/kW	(0.3645)
Rate Rider for Disposition of Account 1576 – effective from May 1, 2014 until December 31, 2014	\$/kW	(1.0188)
Rate Rider for Disposition of Lost CWIP – effective from May 1, 2014 until December 31, 2014	\$/kW	0.1509
Retail Transmission Rate – Network Service Rate	\$/kW	3.2836
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.6851

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044
Rural Rate Protection Charge – effective until April 30, 2014	\$/kWh	0.0012
Rural Rate Protection Charge – effective May 1, 2014	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Appendix A

Kitchener-Wilmot Hydro Inc.

TARIFF OF RATES AND CHARGES

Effective Date January 1, 2014
Implementation Date May 1, 2014

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

EB-2013-0147

LARGE USE SERVICE CLASSIFICATION

This classification applies to an 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, 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 or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy Conservation and Renewable Energy Program, the Provincial Benefit and any applicable taxes.

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	15,948.21
Rate Rider for Recovery of Foregone Revenues (January 1 to April 30, 2014)		
– effective from May 1, 2014 until December 31, 2014	\$	928.03
Distribution Volumetric Rate	\$/kW	1.4600
Rate Rider for Application of Tax Change – effective until April 30, 2014	\$/kW	(0.0488)
Rate Rider for Disposition of Global Adjustment Sub-account (2014) - applicable to non-RPP customers only		
– effective from May 1, 2014 until December 31, 2014	\$/kW	(1.8800)
Rate Rider for Disposition of Deferral/Variance Accounts (2014)		
– effective from May 1, 2014 until December 31, 2014	\$/kW	(0.3635)
Rate Rider for Disposition of Account 1576 – effective from May 1, 2014 until December 31, 2014	\$/kW	(0.9570)
Rate Rider for Disposition of Lost CWIP – effective from May 1, 2014 until December 31, 2014	\$/kW	0.1418
Retail Transmission Rate – Network Service Rate – Interval Metered	\$/kW	3.0862
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	\$/kW	0.6441

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044
Rural Rate Protection Charge – effective until April 30, 2014	\$/kWh	0.0012
Rural Rate Protection Charge – effective May 1, 2014	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Appendix A

Kitchener-Wilmot Hydro Inc.

TARIFF OF RATES AND CHARGES

Effective Date January 1, 2014
Implementation Date May 1, 2014

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

EB-2013-0147

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. Such connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The level of the consumption will be agreed to by the distributor and the customer, based on detailed manufacturer information/ documentation with regard to electrical consumption of the unmetered load or periodic monitoring of actual consumption. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

It should be noted that this schedule does not list any charges or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy Conservation and Renewable Energy Program, the Provincial Benefit and any applicable taxes.

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge (per connection)	\$	6.89
Rate Rider for Recovery of Foregone Revenues (January 1 to April 30, 2014) – effective from May 1, 2014 until December 31, 2014	\$	(1.33)
Distribution Volumetric Rate	\$/kWh	0.0134
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery / Shared Savings Mechanism (SSM) Recovery (2010) – effective until April 30, 2014	\$/kWh	0.0045
Rate Rider for Application of Tax Change – effective until April 30, 2014	\$/kWh	(0.0005)
Rate Rider for Disposition of Deferral/Variance Accounts (2014) – effective from May 1, 2014 until December 31, 2014	\$/kWh	(0.0013)
Rate Rider for Disposition of Account 1576– effective from May 1, 2014 until December 31, 2014	\$/kWh	(0.0229)
Rate Rider for Disposition of Lost CWIP– effective from May 1, 2014 until December 31, 2014	\$/kWh	0.0034
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0062
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0013

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044
Rural Rate Protection Charge – effective until April 30, 2014	\$/kWh	0.0012
Rural Rate Protection Charge – effective May 1, 2014	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Appendix A

Kitchener-Wilmot Hydro Inc.

TARIFF OF RATES AND CHARGES

Effective Date January 1, 2014
Implementation Date May 1, 2014

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

EB-2013-0147

STREET LIGHTING SERVICE CLASSIFICATION

This classification applies to an account for roadway lighting with a Municipality, Regional Municipality, Ministry of Transportation and private roadway lighting, controlled by photo cells. The consumption for these customers will be based on the calculated connected load times the required lighting times established in the approved OEB street lighting load shape template. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

It should be noted that this schedule does not list any charges or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy Conservation and Renewable Energy Program, the Provincial Benefit and any applicable taxes.

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge (per connection)	\$	0.70
Rate Rider for Recovery of Foregone Revenues (January 1 to April 30, 2014)		
– effective from May 1, 2014 until December 31, 2014	\$	(0.10)
Distribution Volumetric Rate	\$/kW	4.6513
Rate Rider for Application of Tax Change – effective until April 30, 2014	\$/kW	(0.1278)
Rate Rider for Disposition of Deferral/Variance Accounts (2014)		
– effective from May 1, 2014 until December 31, 2014	\$/kW	(0.2461)
Rate Rider for Disposition of Global Adjustment Sub-account - applicable to non-RPP customers only		
– effective from May 1, 2014 until December 31, 2014	\$/kW	1.9339
Rate Rider for Disposition of Account 1576 Rate Rider		
– effective from May 1, 2014 until December 31, 2014	\$/kW	(0.4922)
Rate Rider for Disposition of Lost CWIP– effective from May 1, 2014 until December 31, 2014	\$/kW	0.0729
Retail Transmission Rate – Network Service Rate	\$/kW	1.9967
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.4169

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044
Rural Rate Protection Charge – effective until April 30, 2014	\$/kWh	0.0012
Rural Rate Protection Charge – effective May 1, 2014	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Appendix A

Kitchener-Wilmot Hydro Inc.

TARIFF OF RATES AND CHARGES

Effective Date January 1, 2014
Implementation Date May 1, 2014

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EB-2013-0147

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. 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 or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy Conservation and Renewable Energy Program, the Provincial Benefit and any applicable taxes.

MONTHLY RATES AND CHARGES

Monthly Distribution Wheeling Service Rate – Dedicated LV Line	\$/kW	2.1976
Rate Rider for Recovery of Foregone Revenues (January 1 to April 30, 2014)		
– effective from May 1, 2014 until December 31, 2014	\$	1,097.49
Rate Rider for Tax Change Dedicated LV Line – effective until April 30, 2014	\$/kW	(0.0187)
Rate Rider for Tax Change Shared LV Line – effective until April 30, 2014	\$/kW	(0.0018)
Rate Rider for Disposition of Deferral/Variance Accounts (2014)		
– effective from May 1, 2014 until December 31, 2014	\$/kW	1.6688
Rate Rider for Disposition of Account 1576 – effective from May 1, 2014 until December 31, 2014	\$/kW	(0.5086)
Rate Rider for Disposition of Lost CWIP – effective from May 1, 2014 until December 31, 2014	\$/kW	0.0753
Retail Transmission Rate – Network Service Rate	\$/kW	3.0960
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.6461

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EB-2013-0147

microFIT GENERATOR 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. 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 or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy Conservation and Renewable Energy Program, the Provincial Benefit and any applicable taxes.

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	5.40
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STANDBY POWER – INTERIM APPROVAL SERVICE CLASSIFICATION

This classification applies to an account with load displacement facilities that contracts with the distributor to provide emergency standby power when its load displacement facilities are not in operation. The level of the billing demand will be agreed to by the distributor and the customer, based on detailed manufacturer information/documentation such as name-plate rating of the load displacement facility. 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 or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy Conservation and Renewable Energy Program, the Provincial Benefit and any applicable taxes.

MONTHLY RATES AND CHARGES – Delivery Component – INTERIM APPROVAL

Standby Charge – for a month where standby power is not provided, the charge is based on the applicable General Service 50 to 4,999 kW or Large use Distribution Volumetric Charge applied to the contracted amount (e.g. nameplate rating of generation facility).

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Kitchener-Wilmot Hydro Inc.

TARIFF OF RATES AND CHARGES

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EB-2013-0147

ALLOWANCES

Transformer Allowance for Ownership - per kW of billing demand/month	\$/kW	(0.60)
Primary Metering Allowance for transformer losses – applied to measured demand and energy	%	(1.00)

SPECIFIC SERVICE CHARGES

APPLICATION

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

No charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or 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 or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy Conservation and Renewable Energy Program, the Provincial Benefit and any applicable taxes.

Customer Administration

Returned Cheque charge (plus bank charges)	\$	15.00
Account set up charge / change of occupancy charge (plus credit agency costs if applicable)	\$	20.00
Collection of Account Charge – No Disconnection	\$	30.00
Meter Dispute Charge plus Measurement Canada Fees (if meter found correct)	\$	30.00
Meter Removal without Authorization	\$	60.00
Service call – after regular hours	\$	105.00
Specific Charge for Access to the Power Poles – per pole/year	\$	22.35
Credit Reference/credit check (plus credit agency costs)	\$	15.00

Non-Payment of Account

Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
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	\$	95.00

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Kitchener-Wilmot Hydro Inc.

TARIFF OF RATES AND CHARGES

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EB-2013-0147

RETAIL SERVICE CHARGES (if applicable)

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.

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	1.0351
Total Loss Factor – Secondary Metered Customer > 5,000 kW	1.0154
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0226
Total Loss Factor – Primary Metered Customer > 5,000 kW	1.0053

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Appendix B

Appendix 2-V Revenue Reconciliation

Rate Class	Customers/ Connections	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	Customers			82,577	651,728,155		\$ 10.50	\$ 0.0162		\$ 20,962,698.11	\$ 20,970,768		\$ 20,970,768	\$ 8,070
GS < 50 kW	Customers			7,830	241,683,206		\$ 25.76	\$ 0.0124		\$ 5,417,281.35	\$ 5,423,987		\$ 5,423,987	\$ 6,706
GS > 50 to 4,999 kW	Customers			945	845,285,977	2,236,471	\$ 170.00		\$ 4.4200	\$ 11,813,001.82	\$ 11,181,144	\$ 631,891	\$ 11,813,035	\$ 33
Large Use	Customers			1		63,002	\$ 15,948.21		\$ 1.4600	\$ 283,361.44	\$ 245,621	\$ 37,801	\$ 283,422	\$ 61
Streetlighting	Connections			24,613		45,145	\$ 0.70		\$ 4.6513	\$ 416,732.14	\$ 415,846		\$ 415,846	-\$ 886
Unmetered Scattered Load	Connections			890	3,417,188		\$ 6.89	\$ 0.0134		\$ 119,375.52	\$ 119,375		\$ 119,375	-\$ 1
Embedded Distributor Class	Customers			1		44,674	\$ -		\$ 2.1976	\$ 98,175.58	\$ 98,174		\$ 98,174	-\$ 2
				-						\$ -			\$ -	\$ -
				-						\$ -			\$ -	\$ -
				-						\$ -			\$ -	\$ -
				-						\$ -			\$ -	\$ -
				-						\$ -			\$ -	\$ -
Total										\$ 39,110,625.97	\$ 38,454,915	\$ 669,692	\$ 39,124,607	\$ 13,981

Note

1 The class specific revenue requirements in column N must be the amounts used in the final rate design process. The total of column N should equate to the proposed base revenue requirement