

1 **SPECIFIC APPROVALS REQUESTED**

2 Horizon Utilities is requesting the following approvals in this Application:

- 3 • Approval to charge rates effective January 1, 2015, January 1, 2016, January 1, 2017,  
 4 January 1, 2018 and January 1, 2019 to recover Service Revenue Requirements as  
 5 identified in Table 1-24 below;

6 **Table 1-24 Service Revenue Requirement 2015-2019**

	2015	2016	2017	2018	2019
7 Service Revenue Requirement	\$ 118,433,942	\$ 124,145,010	\$ 127,299,380	\$ 129,586,516	\$ 133,635,798

- 8 • Approval to charge rates effective January 1, 2015, January 1, 2016, January 1, 2017,  
 9 January 1, 2018 and January 1, 2019 to recover a Base Revenue Requirement in each  
 10 of 2015 to 2019 as identified in Table 1-25 below;

11 **Table 1-25 Base Revenue Requirement 2015-2019**

	2015	2016	2017	2018	2019
12 Base Revenue Requirement	\$ 112,956,026	\$ 118,628,501	\$ 121,743,444	\$ 123,920,317	\$ 127,881,899
13 Revenue Deficiency	10,067,729	5,299,581	2,805,433	1,745,644	3,568,776

- 14 • Approval of the Tariff of proposed rates and charges as provided in Exhibit 8, Tab 3,  
 15 Schedule 3, 5, 7, 9, 11;
- 16 • Approval of the proposed loss factor of 1.0379 as provided in Exhibit 8, Tab 1, Schedule  
 17 9;
- 18 • Approval of revised low voltage rates as proposed and described in Exhibit 8, Tab 1,  
 19 Schedule 8;
- 20 • Approval to charge Retail Transmission Network Service and Retail Transmission-  
 21 Connection charges, as described in Exhibit 8, Tab 1, Schedule 3;
- 22 • Approval to continue the Specific Service Charges, Transformer Allowance, Wholesale  
 23 Market Service Rate and Rural Rate Protection Charge as approved in the OEB's  
 Decision and Order in Horizon Utilities' 2014 IRM Application (EB-2013-0137);

- 1 • Horizon Utilities is proposing to add a new Credit Card Charge of \$5.95 for every  
 2 transaction of \$275 or less in order to reflect the service fee charged by Paymentus  
 3 Corporation ("Paymentus), as this is a flow through charge that would be collected by  
 4 Horizon Utilities and remitted directly to Paymentus. The cost related to this service is  
 5 only borne by the customers using the service as described in Exhibit 8, Tab 1,  
 6 Schedule 7;
  
- 7 • Approval to charge the Variable Rate for LU(1) and LU(2) customers for their class for  
 8 Load Displacement;
  
- 9 • Approval to dispose of the Deferral and Variance Account Balances over a one-year  
 10 period as described and using the method of recovery set out in Exhibit 9 for the  
 11 accounts as provided in Table 1-26 below;
  
- 12 • Approval for the capitalization of Smart Meter and carrying costs accumulated in account  
 13 1555 as set out in Exhibit 9. This represents the final disposition of Smart Meter costs;

14 **Table 1-26 – Deferral and Variance Accounts**

Account Descriptions	Account Number	Disposition Period (Years)
<b>Group One Accounts</b>		
Low Voltage	1550	1
Smart Meter Entity Charge	1551	1
RSVA - Wholesale Market Service Charge	1580	1
RSVA - Retail Transmission Network Charge	1584	1
RSVA - Retail Transmission Connection Charge	1586	1
RSVA - Power	1588	1
RSVA - Power Global Adjustment	1589	1
Disposition and Recovery/Refund of Regulatory Balances	1595	1
<b>Group Two Accounts</b>		
Other Regulatory Assets - Deferred IFRS Transition Costs	1508	1
Other Regulatory Assets - Incremental Capital Charges	1508	1
Retail Cost Variance Account - Retail	1518	1
Renewable Generation Connection Funding Adder Deferral Account	1533	1
Retail Cost Variance Account - STR	1548	1
PILs & Tax Variance	1592	1
Other Regulatory Liabilities or Credits	2405	1

- 1 • Approval to dispose of LRAMVA amounts related to CDM activities in 2011 and 2012  
2 over a one-year period, using the method of recovery set out in Exhibit 9, Tab 5,  
3 Schedule 1, Table 9-21;
  
- 4 • Approval for the disposition of the differences arising as a result of accounting policy  
5 changes caused by the transition from the former CGAAP to MIFRS from January 1,  
6 2011 to December 31, 2014, as set out in Exhibit 9, Tab 3, Schedule 2, Table 9-17;
  
- 7 • Approval of a Smart Meter Disposition Rider to recover the revenue requirement  
8 associated with the investment in Smart Meters in the years 2012 through 2014 set out  
9 in Exhibit 9, Tab 7, Schedule 1;
  
- 10 • Approval for the capitalization of Smart Meter and carrying costs accumulated in account  
11 1555 as set out in Exhibit 9;
  
- 12 • Approval to leave stranded meters in rate base until they are fully depreciated as  
13 provided in Exhibit 2;
  
- 14 • Approval to recover costs of preparing the Application as presented in Exhibit 4, Tab 4,  
15 Schedule 6;
  
- 16 • Approval to establish a new Large Use customer class ("LU2"), for customers with  
17 demand over 15 MW as provided in Exhibit 7, Tab 1, Schedule 1; and
  
- 18 • In the event that the Board is unable to issue a Decision and Order in this proceeding  
19 before December 15, 2014 for implementation of rates as of January 1, 2015, Horizon  
20 Utilities requests that the Board issue an Interim Order approving its current distribution  
21 rates and other charges effective January 1, 2015; and
  
- 22 • In the event that the Board does not approve the establishment of the LU (2) class but  
23 instead maintains the current class structure of a single Large Use customer class, then,  
24 in this circumstance, Horizon Utilities requests that the Board approve the establishment  
25 of a symmetrical variance account for the Large Use customer class to mitigate against  
26 the risk that one of the members of that class, identified in Exhibit 10 to this Application,  
27 reduces or closes its Hamilton operations.