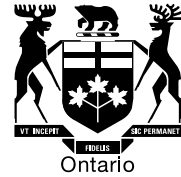


Ontario Energy Board
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BY E-MAIL

geoffs@nowinc.ca

February 5, 2015

Mr. Geoffrey Sutton
Northern Ontario Wires Inc.
153 Sixth Avenue
P.O. Box 640
Cochrane ON P0L 1C0

Dear Mr. Sutton:

**Re: Northern Ontario Wires Inc.
Application for Rates
Board File Number EB-2014-0100**

As outlined in the case management letter issued November 12, 2014, the Board's Vice President, Applications has been delegated authority under Section 6 of the *Ontario Energy Board Act, 1998* to make a decision on the 2015 Price Cap IR application filed by Northern Ontario Wires Inc. on October 31, 2014. All relevant information and updates to the application have now been provided.

Attached to this letter is a draft of the decision the delegated authority proposes to make based on the application and any subsequent updates or clarifications. Please review the decision and provide any comments. Please also review the accompanying draft Rate Order for accuracy and completeness. Any comments are to be provided no later than February 19, 2015.

The Vice President, Applications will consider your comments, if any, provided they have been received by the deadline, and issue a final decision and rate order in due course.

The rate generator model and resulting tariff sheets enclosed with this correspondence reflect retail transmission service rates based upon the best available information at the time of this letter. The language in the decision is written in expectation of approved applicable retail transmission service rates being available at the time the decision is finalized. Board staff will update your application with any applicable rates should more information become available prior to the issuance of the final decision in this proceeding. Staff will contact you if an update is made to the rate generator model.

Any questions relating to this letter or your application should be directed to Marc Abramovitz, Advisor at 416-440-7690 or marc.abramovitz@ontarioenergyboard.ca.

Yours truly,

Original signed by

Kirsten Walli
Board Secretary



EB-2014-0100

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 Northern
Ontario Wires Inc. for an order approving just and
reasonable rates and other charges for electricity distribution
to be effective May 1, 2015.

By Delegation, Before: Lynne Anderson

DECISION and RATE ORDER

[Date]

Northern Ontario Wires Inc. ("NOW Inc.") filed an application with the Ontario Energy Board (the "Board") on October 31, 2014 under section 78 of the *Ontario Energy Board Act*, seeking approval for changes to the rates that NOW Inc. charges for electricity distribution, effective May 1, 2015 (the "Application").

NOW Inc. last appeared before the Board with a cost of service application for the 2013 rate year in the EB-2012-0153 proceeding. To adjust its 2015 rates, NOW Inc. selected the Price Cap Incentive Rate-setting option (the "Price Cap IR") which provides for a mechanistic and formulaic adjustment to distribution rates and charges in the period between cost of service proceedings. The Application met the Board's filing requirements¹ for filings by rate-regulated electricity distributors ("distributors") applying for annual rate adjustments under Price Cap IR.

¹ Report of the Board: Renewed Regulatory Framework for Electricity Distributors: A Performance-Based Approach (October 18, 2012); and Filing Requirements for Electricity Distribution Rate Applications (July 25, 2014)

While the entire record in this proceeding has been considered by me, this decision will make reference only to such information as is necessary to provide context to my conclusions. The following issues are addressed in this Decision and Rate Order:

- Price Cap Index Adjustment;
- Rural or Remote Electricity Rate Protection Charge;
- Retail Transmission Service Rates; and
- Review and Disposition of Group 1 Deferral and Variance Account Balances.

Price Cap Index Adjustment

The Price Cap IR option is a streamlined regulatory process designed to provide distributors with sufficient revenue to cover cost increases due to inflation while providing an incentive structure to drive productivity improvements.

Under the Price Cap IR methodology², distribution rates are adjusted by an inflation factor, less the sum of a productivity factor and a stretch factor. Based on its established method³, the Board has set the inflation factor for 2015 rates at 1.6% and the productivity factor at zero percent. The Board also determined that the stretch factor can range from 0.0% to 0.6%, assigned based on a distributor's cost evaluation ranking. In this case, the Board assigned NOW Inc. a stretch factor of 0.0% based on the updated benchmarking study for use for rates effective in 2015⁴.

As a result, the net price cap index adjustment for NOW Inc. is 1.6% (i.e. 1.6 % - (0% + 0%)). 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 Electricity Rate Protection Charge;

² Report on Rate Setting Parameters and Benchmarking under the Renewed Regulatory Framework for Ontario's Electricity Distributors (December 4, 2013)

³ As outlined in the Report cited at footnote 2 above.

⁴ Report to the Ontario Energy Board – "Empirical Research in Support of Incentive Rate-Setting: 2013 Benchmarking Update." Pacific Economics Group LLC. July, 2014.

- 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

The Board has determined that the Rural or Remote Electricity Rate Protection (“RRRP”) benefit and charge for 2015 shall remain \$0.0013 per kWh⁵. The Tariff of Rates and Charges flowing from this Decision and Rate Order reflects this RRRP charge.

Retail Transmission Service Rates

Electricity distributors are charged for transmission costs at the wholesale level and then pass on these charges to their distribution customers through their Retail Transmission Service Rates (“RTSRs”). Variance accounts 1584 and 1586 are used to capture differences in the rate that a distributor pays for wholesale transmission service relative to the retail rate that the distributor is authorized to charge when billing its customers.

The Board has issued guidelines⁶ which outline the information that the Board requires electricity distributors to file in order to adjust their RTSRs for 2015. 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”) and the revenues generated under existing RTSRs. Similarly, partially embedded distributors, such as NOW Inc., must adjust their RTSRs to reflect any changes to the applicable RTSRs of their host distributor, which in this case is Hydro One Networks Inc.

The Board has adjusted the UTRs effective January 1, 2015⁷, as shown in the following table:

⁵ Decision with Reasons and Rate Order, EB-2014-0347

⁶ Guideline G-2008-0001 - Electricity Distribution Retail Transmission Service Rates, revision 4.0 (June 28, 2012)

⁷ 2015 Uniform Electricity Transmission Rate Order, EB-2014-0357

2015 Uniform Transmission Rates

Network Service Rate	\$3.78 per kW
<u>Connection Service Rates</u>	
Line Connection Service Rate	\$0.86 per kW
Transformation Connection Service Rate	\$2.00 per kW

The Board also approved new rates for Hydro One's Sub-Transmission class, including the applicable RTSRs⁸, as shown in the following table:

2015 Sub-Transmission RTSRs

Network Service Rate	\$xx per kW
<u>Connection Service Rates</u>	
Line Connection Service Rate	\$xx per kW
Transformation Connection Service Rate	\$xx per kW

I conclude that these 2015 UTRs and Sub-Transmission class RTSRs are to be incorporated into the filing module to adjust the RTSRs that NOW Inc. will charge its customers accordingly.

Review and Disposition of Group 1 Deferral and Variance Account Balances

The Board's policy on deferral and variance accounts⁹ 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, whether in the form of a 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. If the balances are below this threshold, the distributor may propose to dispose of balances.

NOW Inc.'s 2013 actual year-end total balance for Group 1 accounts including interest projected to April 30, 2015 is a credit of \$190,333. This amount results in a total credit claim of \$0.0016 per kWh, which exceeds the preset disposition threshold. NOW Inc. proposes to dispose of this credit amount over a one-year period.

⁸ Rate Order, EB-2013-0416, issued xxx

⁹ Report of the Board on Electricity Distributors' Deferral and Variance Account Review Initiative (July 31, 2009)

The balances proposed for disposition are the same as the amounts reported as part of the Board's *Reporting and Record-Keeping Requirements*. I approve the disposition of a credit balance of \$190,333 as of December 31, 2013, including interest projected to April 30, 2015 for Group 1 accounts. These balances are to be disposed over a one-year period from May 1, 2015 to April 30, 2016.

The table below identifies the principal and interest amounts which the Board approves for disposition.

Group 1 Deferral and Variance Account Balances

Account Name	Account Number	Principal Balance (\$) A	Interest Balance (\$) B	Total Claim (\$) C = A + B
LV Variance Account	1550	70,400	1,530	71,930
Smart Meter Entity Variance Charge	1551	4,951	72	5,023
RSVA - Wholesale Market Service Charge	1580	(237,363)	(5,855)	(243,218)
RSVA - Retail Transmission Network Charge	1584	(135,752)	(2,420)	(138,172)
RSVA - Retail Transmission Connection Charge	1586	(60,960)	(2,394)	(63,354)
RSVA - Power	1588	49,076	2,247	51,323
RSVA - Global Adjustment	1589	128,756	5,055	133,811
Disposition and Recovery of Regulatory Balances (2009)	1595	7,052	(12,093)	(5,041)
Disposition and Recovery of Regulatory Balances (2011)	1595	(24,617)	(2,399)	(27,016)
Disposition and Recovery of Regulatory Balances (2012)	1595	28,361	(3,980)	24,381
Total Group 1 Excluding Global Adjustment – Account 1589		(298,852)	(25,292)	(324,144)
Total Group 1		(170,096)	(20,237)	(190,333)

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. Such transfer shall be pursuant to the requirements specified in Article 220, Account Descriptions, of the *Accounting Procedures Handbook for Electricity Distributors*, effective January 1, 2012. The date of the transfer must be the same as the effective date for the associated rates, which is, generally, the start of the rate year. NOW Inc. should ensure these adjustments are included in the reporting period ending June 30, 2015 (Quarter 2).

Rate Model

With this Decision and Rate Order are a rate model, applicable supporting models and a Tariff of Rates and Charges (Appendix A). Entries in the rate model(s) were reviewed to ensure that they were in accordance with the 2014 Board-approved Tariff of Rates and Charges. The rate model was adjusted, where applicable, to correct any discrepancies.

THE BOARD ORDERS THAT:

1. The Tariff of Rates and Charges set out in Appendix A of this Decision and Rate Order is approved effective May 1, 2015 for electricity consumed or estimated to have been consumed on and after such date. Northern Ontario Wires Inc. shall notify its customers of the rate changes no later than the delivery of the first bill reflecting the new rates.

DATED at Toronto, [Date]
ONTARIO ENERGY BOARD

Kirsten Walli
Board Secretary

Appendix A

To Decision and Rate Order

Tariff of Rates and Charges

Board File No: EB-2014-0100

DATED: [Date]

DRAFT

Northern Ontario Wires Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2015

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

EB-2014-0100

RESIDENTIAL SERVICE CLASSIFICATION

This classification refers to an account taking electricity at 750 volts or less where the electricity is used exclusively in a separately metered living accommodation. Customers shall be residing in single-dwelling units that consist of a detached house or one unit of a semi-detached, duplex, triplex or quadruplex house, with a residential zoning. Separately metered dwellings within a town house complex or apartment building also qualify as residential customers. Further servicing details are available in the utility'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	\$	21.03
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Distribution Volumetric Rate	\$/kWh	0.0160
Low Voltage Service Rate	\$/kWh	0.0013
Rate Rider for Disposition of Deferral/Variance Accounts (2015) - effective until April 30, 2016	\$/kWh	(0.0027)
Rate Rider for Disposition of Global Adjustment Account (2015) - effective until April 30, 2016 Applicable only for Non RPP Customers	\$/kWh	0.0019
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0052
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0022

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Northern Ontario Wires Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2015

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

EB-2014-0100

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification refers to a non residential account taking electricity at 750 volts or less whose monthly average peak demand is less than, or is forecast to be less than, 50 kW. Further servicing details are available in the utility'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	\$	27.69
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Distribution Volumetric Rate	\$/kWh	0.0155
Low Voltage Service Rate	\$/kWh	0.0012
Rate Rider for Disposition of Deferral/Variance Accounts (2015) - effective until April 30, 2016	\$/kWh	(0.0028)
Rate Rider for Disposition of Global Adjustment Account (2015) - effective until April 30, 2016 Applicable only for Non RPP Customers	\$/kWh	0.0019
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0049
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0021

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Northern Ontario Wires Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2015

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

EB-2014-0100

GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION

This classification refers to a non residential account whose monthly average peak demand is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 5,000 kW. Further servicing details are available in the utility'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.

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	187.66
Distribution Volumetric Rate	\$/kW	0.8988
Low Voltage Service Rate	\$/kW	0.4340
Rate Rider for Disposition of Deferral/Variance Accounts (2015) - effective until April 30, 2016	\$/kW	(0.7943)
Rate Rider for Disposition of Global Adjustment Account (2015) - effective until April 30, 2016 Applicable only for Non RPP Customers	\$/kW	0.5514
Retail Transmission Rate - Network Service Rate	\$/kW	1.9695
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	0.8033

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Northern Ontario Wires Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2015

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

EB-2014-0100

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification refers to an account taking electricity at 750 volts or less whose monthly average peak 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 customer will provide detailed manufacturer information/documentation with regard to electrical demand/consumption of the proposed unmetered load. Further servicing details are available in the utility'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.

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	14.43
Distribution Volumetric Rate	\$/kWh	0.0158
Low Voltage Service Rate	\$/kWh	0.0012
Rate Rider for Disposition of Deferral/Variance Accounts (2015) - effective until April 30, 2016	\$/kWh	(0.0028)
Rate Rider for Disposition of Global Adjustment Account (2015) - effective until April 30, 2016 Applicable only for Non RPP Customers	\$/kWh	0.0019
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0049
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0021

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Northern Ontario Wires Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2015

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

EB-2014-0100

STREET LIGHTING SERVICE CLASSIFICATION

This classification refers to an account for roadway lighting with a Municipality, Regional Municipality, Ministry of Transportation and private roadway lighting operation, 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 utility'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)	\$	6.65
Distribution Volumetric Rate	\$/kW	7.8407
Low Voltage Service Rate	\$/kW	0.3351
Rate Rider for Disposition of Deferral/Variance Accounts (2015) - effective until April 30, 2016	\$/kW	(1.0181)
Rate Rider for Disposition of Global Adjustment Account (2015) - effective until April 30, 2016 Applicable only for Non RPP Customers	\$/kW	0.7154
Retail Transmission Rate - Network Service Rate	\$/kW	1.4854
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	0.6210

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Northern Ontario Wires Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date May 1, 2015

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

EB-2014-0100

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 utility'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

Service Charge	\$	5.40
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Northern Ontario Wires Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2015

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

EB-2014-0100

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

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
Returned cheque charge (plus bank charges)	\$	15.00
Statement of Account	\$	15.00
Account History	\$	15.00
Request for other billing information	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00

Non-Payment of Account

Late Payment – per month	%	1.5000
Late Payment – per annum	%	19.5600
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

Other

Specific Charge for Access to the Power Poles - \$/pole/year	\$	22.35
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Northern Ontario Wires Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2015

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

EB-2014-0100

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	1.0713
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0605