

EB-2014-0187

**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 Brantford Power Inc. for an order approving just and reasonable rates and other charges for electricity distribution to be effective January 1, 2015.

**BEFORE:** Marika Hare

**Presiding Member** 

Allison Duff Member

# DECISION and RATE ORDER December 4, 2014

Brantford Power Inc. ("Brantford Power") filed an application with the Ontario Energy Board (the "Board") on August 15, 2014 under section 78 of the *Ontario Energy Board Act*, seeking approval for changes to the rates that Brantford Power charges for electricity distribution, effective January 1, 2015 (the "Application").

Brantford Power last appeared before the Board with a cost of service application for the 2013 rate year in the EB-2012-0109 proceeding. To adjust its 2015 rates, Brantford Power 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

requirements<sup>1</sup> for filings by rate-regulated electricity distributors ("distributors") applying for annual rate adjustments under Price Cap IR.

The Board conducted a written hearing and Board staff participated in the proceeding. The Vulnerable Energy Consumers Coalition ("VECC") applied for and was granted intervenor status and cost eligibility with respect to the request to recover an amount related to the Lost Revenue Adjustment Mechanism ("LRAM") and to clear its Lost Revenue Adjustment Mechanism Variance Account ("LRAMVA"). No letters of comment were received

While the entire record in this proceeding has been considered by the Board, this decision will make reference only to such evidence as is necessary to provide context to the Board's findings. 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;
- Review and Disposition of Group 1 Deferral and Variance Account Balances;
- Review and Recovery of LRAM;
- Review and Disposition of LRAMVA; and
- Disposition of Account 1582.

# **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 option<sup>2</sup>, distribution rates are adjusted by an inflation factor, less the sum of a productivity factor and a stretch factor. Based on its established method<sup>3</sup>, the Board has set the inflation factor for 2015 rates at 1.6% and the productivity factor

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<sup>&</sup>lt;sup>1</sup> 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) (the "2015 Filing Requirements")

<sup>&</sup>lt;sup>2</sup> Report on Rate Setting Parameters and Benchmarking under the Renewed Regulatory Framework for Ontario's Electricity Distributors (December 4, 2013)

<sup>&</sup>lt;sup>3</sup> As outlined in the Report cited at footnote 2 above.

remains 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. The Board assigned Brantford Power a stretch factor of 0.3%, based on the updated benchmarking study for use for rates effective in 2015<sup>4</sup>.

As a result, the net price cap index adjustment for Brantford Power is 1.30% (i.e. 1.6 % - (0% + 0.3 %)). The price cap index adjustment applies to distribution rates (fixed and variable charges) uniformly across all customer classes. The price cap index adjustment does not apply to the components of delivery rates set out in the list below:

- Rate Riders;
- Rate Adders;
- Low Voltage Service Charges;
- Retail Transmission Service Rates;
- Wholesale Market Service Rate;
- Rural or Remote Electricity Rate Protection Charge;
- Standard Supply Service Administrative Charge;
- Transformation and Primary Metering Allowances;
- Loss Factors:
- Specific Service Charges;
- MicroFit Charge; and
- Retail Service Charges.

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

As of the date of this Decision and Rate Order, the Board has not issued a decision on the Rural or Remote Electricity Rate Protection ("RRRP") charge for 2015. In the event that a new charge is established for 2015, the RRRP rate order will supersede this Decision and Rate Order with respect to the RRRP charge currently set at \$0.0013/kWh.

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

#### **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 guidelines<sup>5</sup> 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 and the revenues generated under existing RTSRs.

Given the timing of rates decisions, distributors whose rates are set as of January 1 typically derive their RTSRs using the previous year's Uniform Transmission Rates because updated ones are not yet available. As with past years, the Board has not yet adjusted Uniform Transmission Rates for 2015. The Board will therefore approve the RTSRs as adjusted in this Application so that they reflect the current applicable rates. The differences arising from the new 2015 rates, once approved, will be captured in Accounts 1584 and 1586 for future disposition.

# Review and Disposition of Group 1 Deferral and Variance Account Balances

The Board's policy on deferral and variance accounts<sup>6</sup> 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.

Brantford Power's 2013 actual year-end total balance for Group 1 accounts including interest projected to December 31, 2014 is a credit of \$470,709. This results in a total

<sup>&</sup>lt;sup>5</sup> Guideline G-2008-0001 - Electricity Distribution Retail Transmission Service Rates, revision 4.0 (June 28, 2012)

<sup>&</sup>lt;sup>6</sup> Report of the Board on Electricity Distributors' <u>Deferral and Variance Account Review Initiative</u> (July 31, 2009)

credit claim of \$0.0005 per kWh, which does not exceed the preset disposition threshold. However, the balance of the 1589 – Global Adjustment Account is a debit of \$1,472,922. Given the dollar amounts involved, Brantford Power has elected to dispose of the Group 1 account balances, under section 3.2.3 of the 2015 Filing Requirements.

The balances proposed for disposition match the amounts reported by Brantford Power as part of the Board's *Reporting and Record-Keeping Requirements*. The Board approves the disposition of a credit balance of \$470,709 as of December 31, 2013, including interest as of December 31, 2014 for Group 1 accounts. These balances are to be disposed over a one-year period from January 1, 2015 to December 31, 2015.

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	Principal Balance (\$)	Interest Balance (\$)	Total Claim (\$)
Account Name	Number	Α	В	C = A + B
LV Variance Account	1550	\$0.00	\$0.00	\$0.00
Smart Meter Entity Variance Charge	1551	\$27,893.00	\$693.00	\$28,586
RSVA - Wholesale Market Service Charge	1580	(\$714,713.00)	(\$40,896.00)	(\$755,609.00)
RSVA - Retail Transmission Network Charge	1584	\$239,346.00	\$6,808.00	\$246,154.00
RSVA - Retail Transmission Connection Charge	1586	(\$52,044.00)	(\$1,384.00)	(\$53,428.00)
RSVA - Power	1588	(\$1,484,561.00)	(\$53,310.00)	(\$1,537,871.00)
RSVA - Global Adjustment	1589	\$1,426,993.00	\$45,929.00	\$1,472,922.00
Recovery of Regulatory Asset Balances	1590	\$0.00	\$0.00	\$0.00
Disposition and Recovery of Regulatory Balances (2010)	1595	\$0.00	\$1,148.00	\$1,148.00
Disposition and Recovery of Regulatory Balances (2011)	1595	\$0.00	\$1,055.00	\$1,055.00
Disposition and Recovery of Regulatory Balances (2012)	1595	\$0.00	\$126,334.00	\$126,334.00
Total Group 1 Excluding Global Adjustment – Account 1589		(\$1,984,079.00)	\$40,448.00	(\$1,943,631.00)
Total Group 1		(\$557,086.00)	\$86,377.00	(\$470,709.00)

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. Brantford Power should ensure these adjustments are included in the reporting period ending March 31, 2015 (Quarter 1).

Disposition of Deferral and Variance Accounts for Class A Customers and Wholesale Market Participants

As indicated in the 2015 Filing Requirements, distributors must establish separate rate riders to recover the balances in the retail settlement variance accounts from Market Participants in order that they not be allocated any balances related to charges for which the Market Participants settle directly with the Independent Electricity System Operator (e.g. wholesale energy, wholesale market services).

The Board determined that a distributor who serves Class A customers per Ontario Regulation 429/04 must propose an appropriate allocation for the recovery of the global adjustment variance balance based on its settlement process with the Independent Electricity System Operator.

Brantford Power has allocated the retail settlement variance accounts amounts consistent with other Board decisions. These amounts are approved by the Board for disposition.

# **Review and Recovery of LRAM**

The Board outlined its expectation related to lost revenues for activities undertaken prior to the issuance of the CDM Guidelines. The Board stated that it expects that LRAM for pre-2011 CDM activities should be completed with the 2012 rate applications. Exceptions would be made for persisting historical CDM impacts realized after 2010 for distributors without the opportunity to provide an updated load forecast as part of a cost of service application.

Board staff submitted that Brantford Power's requested LRAM amount is consistent with the Board's 2012 CDM Guidelines. Brantford Power's LRAM amount relates to persisting historical CDM impacts realized in 2012 related to 2006 to 2010 CDM programs. Brantford Power's most recent updated load forecast was part of its 2013 cost of service application (EB-2012-0109). Prior to this, Brantford Power last had a load forecast approved by the Board as part of its 2008 cost of service application (EB-2007-0698). As part of Brantford Power's 2012 IRM application (EB-2011-0147), it requested and received approval of persisting historical CDM impacts in 2006 to 2010 related to 2005 to 2010 CDM programs. In the decision on the EB-2011-0147 proceeding, the Board found that:

"Although the [2008] CDM Guidelines state that lost revenues are only accruable until new rates (based on a new revenue requirement and load forecast) are set by the Board, as savings would be assumed to be incorporated in the load forecast at that time, the Board has acknowledged (PowerStream decision EB-2011-0005 and PUC decision EB-2011-0101) that the 2004 Normalized Average Consumption based load forecast underpinning Brantford's cost of service rates does not include the impact of Brantford's CDM programs."

### The Board further found that:

"...with the exception of 2008, Brantford was under IRM during the subject time period and did not otherwise receive compensation for lost revenues from these programs."

Based on this historical context, and the fact that Brantford Power remained under IRM in 2012, Board staff supported the recovery of the requested LRAM amount related to the persisting lost revenues in 2012 from 2006 to 2010 CDM in the amount of \$116,047.82.

VECC submitted that Brantford Power's request for the Board to approve \$116,047.82 associated with 2006 to 2010 lost revenues in 2012 is appropriate. VECC stated these savings are consistent with the Board's Guidelines, occurred prior to the updated load forecast in 2013; the revenues have not been claimed in previous applications; and the calculation is appropriately based on Brantford Power's 2012 OPA CDM Final results.

With respect to the persisting effects of 2006 to 2010 CDM programs in 2013, Brantford Power noted that although it had an updated load forecast approved as part of its 2013 cost of service application, it still feels it is appropriate to recover the persisting lost revenues in 2013 from the 2006 to 2010 CDM programs because the rates in place during all of 2013 were based on the load forecast approved in Brantford Power's 2008 cost of service application. Brantford Power submitted that while it is not requesting the disposition in this Application of the lost revenues in 2013, for 2006 to 2012 OPA CDM Programs, it intends to do so in a future application.

VECC submitted that in the absence of the OPA's 2013 Final CDM Report, the recovery of lost revenues in 2013 for 2006 to 2012 OPA CDM Programs is premature and should be deferred for consideration in a future application.

The Board approves the LRAM claim as submitted. The recovery of lost revenues in 2012 from the 2006 to 2010 CDM programs occurring in 2012 claims shall be over a one year period from January 1 to December 31, 2015. Brantford Power's 2013 LRAM claim will be addressed in a subsequent application.

# Review and Disposition of LRAMVA

The Board's policy<sup>7</sup> established the LRAMVA to capture, at the customer rate-class level, the difference between actual results from authorized conservation and demand management activities and the reduction for forecast activities included in the distributor's last Board-approved load forecast.

Distributors must apply for the disposition of the balance in the LRAMVA as part of their cost of service applications. A distributor may apply for the disposition of the balance in the LRAMVA on an annual basis, as part of its IRM rate application, if the balance is deemed significant by the distributor.

Brantford Power requests disposition of its LRAMVA balance of a debit of \$107,734 consisting of lost revenues in 2011 and 2012 from conservation and demand management programs contributing towards Brantford Power's 2011-2014 reduction targets.

<sup>&</sup>lt;sup>7</sup> Guidelines for Electricity Distributor Conservation and Demand Management (April 26, 2012)

Board staff submitted that as Brantford Power was under IRM during 2012, it is therefore eligible for the full LRAMVA amount proposed. Board staff submitted that Brantford Power had properly followed the process outlined in the Board's 2012 CDM Guidelines for calculating its LRAMVA amount and supported the disposition of \$107,734 in Account 1568 – LRAMVA.

VECC submitted that lost revenues from Brantford Power's GS>50 kW and GS 50 to 4,999 kW customers' participation in the DR3 programs should not be included in the LRAMVA amount. VECC submitted that there is no evidence that the program was actually activated or that if it was, that the program had any effect on Brantford Power's actual 2011 or 2012 load or occurred at the same time as the customer's billing demand (kW). VECC also submitted that even if a demand response event was activated and it occurred at the same time as the customers' billing demand for the month, it is likely that the impact on distribution revenues is minimal with virtually zero impact on billing demand.

In its reply submission, Brantford Power stated the DR3 program is an OPA program. Brantford Power also submitted the CDM Guidelines clearly confirm that the OPA final program results are appropriate for use in calculating LRAMVA balances. Brantford Power submits that the Board should approve its full claim of \$107,734, including the impact of the DR3 program.

The Board approves the LRAMVA claim as submitted, including amounts associated with the DR3 program. Brantford Power availed itself of the OPA programs, and the results have been evaluated and verified by the OPA. The recovery of these claims shall be over a one year period.

# **Disposition of Account 1582**

In its Application, Brantford Power informed the Board of a clerical error that affected its 2013 cost of service (EB-2012-0109) EDDVAR model relating to Account 1582 RSVA. Brantford Power was not seeking recovery of the associated balance in this proceeding as Account 1582 was a Group 2 account, not eligible for disposition in an incentive rate making application. Brantford Power indicated its plans to propose disposition of this account, likely in its next cost of service application.

Board staff indicated that it would oppose recovery of the balance, expressing concerns with retroactive rate-making.

Brantford Power noted that it has not presented its full case and arguments to address the disposition of this amount, nor has it been permitted to do so, as the disposition is not an appropriate issue in an IRM application according to the Board's policies. Brantford Power respectfully submitted that it would be premature for the Board to preemptively reject any recovery of this balance on the basis of the Board Staff submission.

The Board notes Brantford Power's proposal and will deal with this matter in Brantford Power's next cost of service application, should Brantford Power seek redress of this issue at that time.

### **Rate Model**

With this Decision and Rate Order, the Board is providing Brantford Power with a rate model, applicable supporting models and a draft Tariff of Rates and Charges (Appendix A). The Board also reviewed the entries in the rate models 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. Brantford Power's new distribution rates shall be effective January 1, 2015.
- 2. Brantford Power shall review the draft Tariff of Rates and Charges set out in Appendix A and shall file with the Board, as applicable, a written confirmation of its completeness and accuracy, or provide a detailed explanation of any inaccuracies or missing information, within **7 days** of the date of issuance of this Decision and Rate Order.
- 3. If the Board does not receive a submission from Brantford Power to the effect that inaccuracies were found or information was missing pursuant to item 2 of this Decision and Rate Order, the draft Tariff of Rates and Charges set out in Appendix A of this Decision and Rate Order will become final, except for the stand-by rates

which remain interim. Brantford Power shall notify its customers of the rate changes no later than the delivery of the first bill reflecting the new rates.

- 4. If the Board receives a submission from Brantford Power to the effect that inaccuracies were found or information was missing pursuant to item 2 of this Decision and Rate Order, the Board will consider the submission of Brantford Power prior to issuing a final Tariff of Rates and Charges.
- 5. Brantford Power shall pay the Board's costs incidental to this proceeding upon receipt of the Board's invoice.

### **COST AWARDS**

The Board will issue a separate decision on cost awards once the following steps are completed:

- 1. Vulnerable Energy Consumers Coalition shall submit its claim no later than **7 days** from the date of issuance of the final Rate Order.
- 2. Brantford Power shall file with the Board and forward to Vulnerable Energy Consumers Coalition any objections to the claimed costs within **17 days** from the date of issuance of the final Rate Order.
- 3. Vulnerable Energy Consumers Coalition shall file with the Board and forward to Brantford Power] any responses to any objection for its cost claim within **24 days** from the date of issuance of the final Rate Order.
- 4. Brantford Power shall pay the Board's costs incidental to this proceeding upon receipt of the Board's invoice.

All filings to the Board must quote the file number, EB-2014-0187 and be made electronically through the Board's web portal at

https://www.pes.ontarioenergyboard.ca/eservice/ in searchable / unrestricted PDF format. Two paper copies must also be filed at the Board's address provided below. Filings must clearly state the sender's name, postal address and telephone number, fax number and e-mail address. Parties must use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at <a href="http://www.ontarioenergyboard.ca/OEB/Industry">http://www.ontarioenergyboard.ca/OEB/Industry</a>. If the web portal is not available

parties may email their documents to the address below. Those who do not have internet access are required to submit all filings on a CD in PDF format, along with two paper copies. Those who do not have computer access are required to file 7 paper copies.

All communications should be directed to the attention of the Board Secretary at the address below, and be received no later than 4:45 p.m. on the required date.

# <u>ADDRESS</u>

Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto ON M4P 1E4
Attention: Board Secretary

E-mail: <u>boardsec@ontarioenergyboard.ca</u>

Tel: 1-888-632-6273 (Toll free)

Fax: 416-440-7656

**DATED** at Toronto, December 4, 2014 **ONTARIO ENERGY BOARD** 

Original signed by

Kirsten Walli Board Secretary

# Appendix A

**To Decision and Rate Order** 

**Tariff of Rates and Charges** 

**Board File No: EB-2014-0187** 

DATED: December 4, 2014

# Effective and Implementation Date January 1, 2015

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

EB-2014-0187

# 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 distributor's Conditions of Service.

#### **APPLICATION**

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

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

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

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

# Effective and Implementation Date January 1, 2015

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

EB-2014-0187

# 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 distributor's Conditions of Service.

#### **APPLICATION**

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

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

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

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

Service Charge Rate Rider for Smart Metering Entity Charge – effective until October 31, 2018 Rate Rider for Disposition of Residual Historical Smart Meter Costs – effective until December 31, 2017 Rate Rider for Recovery of Stranded Meter Assets – effective until December 31, 2017	\$ \$ \$	25.99 0.79 2.90 4.41
Distribution Volumetric Rate	\$/kWh	0.0068
Rate Rider for Disposition of Deferral/Variance Accounts (2015) – effective until December 31, 2015	\$/kWh	(0.0021)
Rate Rider for Disposition of Global Adjustment Account (2015) – effective until December 31, 2015		,
Applicable only for Non-RPP Customers	\$/kWh	0.0033
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism (LRAM) - effective until December 31, 20	)15\$/kWh	0.0002
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2015)		
- effective until December, 31, 2015	\$/kWh	0.0002
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0078
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0051
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

# Effective and Implementation Date January 1, 2015

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

EB-2014-0187

# **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. Further servicing details are available in the distributor's Conditions of Service.

#### **APPLICATION**

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

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

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

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

Service Charge Distribution Volumetric Rate	\$ \$/kW	227.93 3.0064
Rate Rider for Disposition of Global Adjustment Account (2015) – effective until December 31, 2015 Applicable only for Non-RPP Customers	\$/kW	1.2015
Rate Rider for Disposition of Deferral/Variance Accounts (2015) – effective until December 31, 2015 Rate Rider for Disposition of Deferral/Variance Accounts (2015) for Wholesale Market Participants	\$/kW	(0.8294)
<ul> <li>effective until December 31, 2015</li> <li>Rate Rider for Disposition of Deferral/Variance Accounts (2015) for Class A Global Adjustment Customers</li> </ul>	\$/kW	0.1193
- effective until December 31, 2015	\$/kW	(0.8294)
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism (LRAM) - effective until December 31, 201 Rate Rider for Recovery of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2015)	5\$/kW	0.0150
- effective until December, 31, 2015	\$/kW	0.0325
Retail Transmission Rate – Network Service Rate	\$/kW	2.6704
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.7305
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

Effective and Implementation Date January 1, 2015

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

EB-2014-0187

# 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 boots, 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 distributor's Conditions of Service.

#### **APPLICATION**

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

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

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

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

Service Charge (per connection) Distribution Volumetric Rate Rate Rider for Disposition of Deferral/Variance Accounts (2015) – effective until December 31, 2015 Retail Transmission Rate – Network Service Rate Retail Transmission Rate – Line and Transformation Connection Service Rate		12.61 0.0075 (0.0021) 0.0078 0.0051
MONTHLY RATES AND CHARGES – Regulatory Component		
Wholesale Market Service Rate Rural or Remote Electricity Rate Protection Charge (RRRP Standard Supply Service – Administrative Charge (if applicable)	\$/kWh \$/kWh \$	0.0044 0.0013 0.25

Effective and Implementation Date January 1, 2015

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

EB-2014-0187

# STANDBY POWER SERVICE CLASSIFICATION

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

#### **APPLICATION**

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

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

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

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

#### MONTHLY RATES AND CHARGES - APPROVED ON AN INTERIM BASIS

Standby Charge – for a month where standby power is not provided. The charge is applied to the contracted amount (e.g. nameplate rating of generation facility).

\$/kW 1.6729

# Effective and Implementation Date January 1, 2015

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

EB-2014-0187

# SENTINEL LIGHTING SERVICE CLASSIFICATION

This classification refers to accounts that are an unmetered lighting load supplied to a sentinel light. Further servicing details are available in the distributor's Conditions of Service.

#### **APPLICATION**

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

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

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

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

#### **MONTHLY RATES AND CHARGES – Delivery Component**

Service Charge (per connection) Distribution Volumetric Rate Rate Rider for Disposition of Deferral/Variance Accounts (2015) – effective until December 31, 2015	\$ \$/kW \$/kW	3.98 19.0734 (0.6958)
Rate Rider for Disposition of Global Adjustment Account (2015) – effective until December 31, 2015 Applicable only for Non-RPP Customers Retail Transmission Rate – Network Service Rate	\$/kW \$/kW	1.0687 2.4936
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.6162
MONTHLY RATES AND CHARGES – Regulatory Component		
Wholesale Market Service Rate Rural or Remote Electricity Rate Protection Charge (RRRP) Standard Supply Service – Administrative Charge (if applicable)	\$/kWh \$/kWh \$	0.0044 0.0013 0.25

### Effective and Implementation Date January 1, 2015

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

EB-2014-0187

# 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 photocells. The consumption for these customers will be based on the calculated load times the required lighting times established in the approved OEB street lighting load shape template. Further servicing details are available in the distributor's Conditions of Service.

#### **APPLICATION**

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

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

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

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

Service Charge (per connection) Distribution Volumetric Rate	\$ \$/kW	0.68 2.8366
Rate Rider for Disposition of Deferral/Variance Accounts (2015) – effective until December 31, 2015 Rate Rider for Disposition of Global Adjustment Account (2015) – effective until December 31, 2015	\$/kW	(0.7414)
Applicable only for Non-RPP Customers	\$/kW	1.0664
Retail Transmission Rate – Network Service Rate	\$/kW	2.5692
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.5975
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

Effective and Implementation Date January 1, 2015

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

EB-2014-0187

# 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.

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

Effective and Implementation Date January 1, 2015

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

EB-2014-0187

# EMBEDDED DISTRIBUTOR SERVICE CLASSIFICATION

This classification applies to an electricity distributor licensed by the Board that is provided electricity by means of this distributor's facilities. Further servicing details are available in the distributor's Conditions of Service.

#### **APPLICATION**

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

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

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

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

Service Charge	\$	281.43
Distribution Volumetric Rate	\$/kW	1.6757
Rate Rider for Disposition of Deferral/Variance Accounts (2015) – effective until December 31, 2015	\$/kW	0.0683
Rate Rider for Disposition of Deferral/Variance Accounts (2015) for Wholesale Market Participants		
- effective until December 31, 2015	\$/kW	0.0683
Retail Transmission Rate – Network Service Rate	\$/kW	2.6704
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.7305

# **Effective and Implementation Date January 1, 2015**

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

EB-2014-0187

# **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, 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 Easement letter Credit reference/credit check (plus credit agency costs) Returned cheque charge (plus bank charges) Account set up charge/change of occupancy charge (plus credit agency costs if applicable) Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$ \$ \$ \$	15.00 15.00 15.00 30.00 30.00
Non-Payment of Account		
Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Collection of account charge – no disconnection	\$	30.00
Disconnect/Reconnect charge - At Meter – during regular hours	\$	65.00
Disconnect/Reconnect charge - At Meter – after regular hours	\$	185.00
Disconnect/Reconnect charge - At Pole - during regular hours	\$ \$ \$ \$	185.00
Disconnect/Reconnect charge - At Pole - after regular hours	\$	415.00
Install/Remove load control device - during regular hours	\$	65.00
Install/Remove load control device - after regular hours	\$	185.00
Other		
Temporary Service – Install & remove – overhead – no transformer	\$	500.00
Temporary Service – Install & remove – underground – no transformer	\$	300.00
Specific Charge for Access to the Power Poles – per pole/year	\$	22.35
Meter Removal Without Authorization	\$	60.00

# Effective and Implementation Date January 1, 2015

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

EB-2014-0187

# 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	r \$	100.00
Monthly Fixed Charge, per retailer	\$	20.00
Monthly Variable Charge, per customer, per retailer	\$/cust.	0.50
Distributor-consolidated billing monthly charge, per customer, per retailer	\$/cust.	0.30
Retailer-consolidated billing monthly credit, per customer, per retailer	\$/cust.	(0.30)
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	\$	0.25
Processing fee, per request, applied to the requesting party	\$	0.50
Request for customer information as outlined in Section 10.6.3 and Chapter 11 of the Retail		
Settlement Code directly to retailers and customers, if not delivered electronically through the		
Electronic Business Transaction (EBT) system, applied to the requesting party		
Up to twice a year	\$	no charge
More than twice a year, per request (plus incremental delivery costs)	\$	2.00

# **LOSS FACTORS**

If the distributor is not capable of prorating changed loss factors jointly with distribution rates, the revised loss factors will be implemented upon the first subsequent billing for each billing cycle.

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0349
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0246