Hydro One Networks Inc.

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Henry Andre

Manager, Pricing Regulatory Affairs



BY COURIER

April 20, 2015

Ms. Kirsten Walli Board Secretary Ontario Energy Board Suite 2700, 2300 Yonge Street Toronto, ON M4P 1E4

Dear Ms. Walli:

EB-2013-0416 – Hydro One Networks 2015, 2016 and 2017 Distribution Rate Application

Hydro One Networks Inc. ("Hydro One") filed a revised Draft Rate Order ("DRO") with the Board and all intervenors on April 10, 2015. On April 17, 2015 the Board released its decision on the revised DRO addressing issues raised by OEB Staff and intervenors. This letter provides Hydro One's response to the Board's findings in their decision

In order to mitigate the impact of the foregone revenue rate rider on the total bill impacts of the Streetlight and Sentinel lights rate classes, Hydro One has reduced the foregone revenue rider for these rate classes so as to limit the total bill impact to 10%. The foregone revenue rider has been reduced from \$11.56/month to \$2.43/month for the Streetlight class, and from \$0.52/month to \$0.28/month for the Sentinel Lights class.

In order to limit the total bill impact to 10% for the Distributed Generation ("DGen") rate class it has been necessary to eliminate the proposed \$47.89/month foregone revenue rate rider, maintain the variable distribution rate at the current 2014 level of \$5.951/kW and reduce the 2015 monthly fixed charge from \$160.99/month to \$73.55/month.

The bill impact mitigation measures described above will result in \$1.3M in revenue not being collected over the May to December 2015 period. This amount will be included in the Bill Impact Mitigation variance account approved by the Board for future disposition.

An updated bill impact summary table including the foregone revenue rider is provided in Attachment 1. The detailed bill impact calculation sheets reflecting the changes described above and showing the total bill impact is now limited to 10% for a typical customer in the Streetlight, Sentinel Light and DGen rate classes are provided in Attachment 2.

A complete set of updated rate schedules is provided in Attachment 3, although only the rate schedules for the Streetlight, Sentinel Light and DGen rate class have been changed from what was submitted as part of the revised Draft Rate Order on April 10, 2015.

As directed by the Board, the Specific Charges for Cable and Telecom Companies have been declared interim and are shown in the attached rate schedules at their current level until this matter is resolved under EB-2015-0141. Hydro One will track the lost incremental revenue it would have received through the proposed increase to the Specific Charge for Cable and Telecom Companies Access to the Power Poles, in order that it may it may apply to recover that revenue if applicable.

Sincerely,

ORIGINAL SIGNED BY HENRY ANDRE

Henry Andre

Attach.

cc. EB-2013-0416/EB-2014-0247 Intervenors (electronic)

Bill Impact Summary by Rate Class (Including Foregone Revenue Rider)

Filed: 2015-04-20 EB-2013-0416 Attachment 1 Page 1 of 1

| Rate Class | Consumption Level | Monthly Consumption (kWh) | Monthly Peak (kW) | Change in DX Bill (\$) | Change in DX Bill (%) | Change in Total Bill (\$) | Change in Total Bill (%) |
|------------|----------------------|---------------------------------|----------------------|---------------------------|--------------------------|------------------------------|-----------------------------|
| | Low | 100 | | \$2.08 | 10.81% | \$1.88 | 5.58% |
| UR | Typical | 800 | | (\$1.82) | -4.85% | (\$3.75) | -2.60% |
| UR | High | 2,000 | | (\$8.52) | -12.35% | (\$13.39) | -4.03% |
| | Low | 100 | | \$3.47 | 12.60% | \$3.34 | 7.91% |
| R1 | Typical | 800 | | \$2.16 | 4.16% | \$0.69 | 0.43% |
| | High | 2,000 | | (\$0.08) | -0.09% | (\$3.85) | -1.07% |
| | Low | 100 | | \$8.71 | 23.56% | \$8.90 | 17.17% |
| R2 | Typical | 800 | | \$10.93 | 16.96% | \$11.48 | 6.67% |
| | High | 2,000 | | \$14.75 | 13.21% | \$15.91 | 4.20% |
| | Low | 50 | | \$6.79 | 24.29% | \$6.88 | 19.08% |
| Seasonal | Typical | 400 | | \$3.67 | 6.33% | \$3.55 | 3.15% |
| | High | 1,000 | | (\$1.66) | -1.51% | (\$2.15) | -0.88% |
| | Low | 1,000 | | \$6.14 | 7.56% | \$7.39 | 3.48% |
| GSe | Typical | 2,000 | | \$18.24 | 14.87% | \$20.85 | 5.44% |
| | High | 15,000 | | \$175.54 | 26.56% | \$214.40 | 7.57% |
| | Low | 1,000 | | \$24.43 | 79.58% | \$23.23 | 14.40% |
| UGe | Typical | 2,000 | | \$30.35 | 64.19% | \$27.63 | 9.00% |
| | High | 15,000 | | \$107.31 | 40.83% | \$92.05 | 3.84% |
| | Low | 15,000 | 60 | \$208.72 | 27.90% | \$215.08 | 7.54% |
| GSd | Typical | 35,000 | 120 | \$302.45 | 21.01% | \$300.23 | 4.81% |
| | High | 175,000 | 500 | \$896.09 | 15.39% | \$839.47 | 2.86% |
| | Low | 15,000 | 60 | \$145.21 | 32.77% | \$158.81 | 6.31% |
| UGd | Typical | 35,000 | 120 | \$180.58 | 21.15% | \$187.66 | 3.35% |
| | High | 175,000 | 500 | \$404.55 | 11.71% | \$354.85 | 1.33% |
| | Low | 100 | | \$5.83 | 65.54% | \$5.96 | 28.07% |
| St Lgt | Typical | 500 | | \$9.58 | 24.84% | \$9.92 | 10.00% |
| | High | 2,000 | | \$23.67 | 15.79% | \$24.76 | 5.99% |
| | Low | 20 | | \$1.21 | 34.08% | \$1.24 | 19.81% |
| Sen Lgt | Typical | 50 | | \$1.26 | 18.95% | \$1.30 | 10.00% |
| | High | 200 | | \$1.49 | 6.76% | \$1.59 | 3.41% |
| | Low | 300 | 10 | \$34.79 | 33.67% | \$42.45 | 26.51% |
| DGen | Typical | 2,000 | 20 | \$33.47 | 20.33% | \$44.08 | 10.00% |
| | High | 5,000 | 100 | \$22.83 | 3.49% | \$57.15 | 4.05% |
| | Low | 200,000 | 500 | \$1,271.41 | 100.13% | \$1,728.12 | 6.14% |
| ST | Typical | 500,000 | 1,000 | \$1,524.06 | 86.39% | \$2,305.04 | 3.43% |
| | High | 4,000,000 | 10,000 | \$6,071.76 | 56.93% | \$12,689.63 | 2.32% |

2015 Bill Impacts (Typical Consumption Level)

| Rate Class | St Lgt |
|--------------------------------------|--------|
| Monthly Consumption (kWh) | 500 |
| Peak (kW) | 0 |
| Loss factor | 1.092 |
| Commodity Threshold | 750 |
| Monthly Consumption (kWh) - Uplifted | 546 |
| Charge determinant | kWh |

| | | Current | Current | | Branssad | Droposed | | | % of Total Bill on |
|--|--------|-----------|-------------|--------|-----------------------|-------------------------|-------------|------------|-----------------------|
| | Volume | Rate (\$) | Charge (\$) | Volume | Proposed Rate (\$) | Proposed Charge (\$) | Change (\$) | Change (%) | |
| Energy First Tier (kWh) | 500 | 0.088 | 44.00 | 500 | 0.088 | 44.00 | 0.00 | | 40.33% |
| Energy Second Tier (kWh) | 0 | 0.103 | 0.00 | 0 | 0.103 | 0.00 | 0.00 | 0.00% | 0.00% |
| Sub-Total: Energy (RPP) | | | 44.00 | | | 44.00 | 0.00 | 0.00% | 40.33% |
| Service Charge | 1 | 1.47 | 1.47 | 1 | 3.82 | 3.82 | 2.35 | 159.86% | 3.50% |
| Smart Meter Adder | 1 | 0 | 0.00 | 1 | 0 | 0.00 | 0.00 | 0.00% | 0.00% |
| Fixed Foregone Revenue Rider | 1 | 0 | 0.00 | 1 | 2.43 | 2.43 | 2.43 | 0.00% | 2.23% |
| Fixed Deferral/Variance Account Rider | 1 | 0 | 0.00 | 1 | 0.11 | 0.11 | 0.11 | 0.00% | 0.10% |
| Distribution Volumetric Rate | 500 | 0.07288 | 36.44 | 500 | 0.0827 | 41.35 | 4.91 | 13.47% | 37.90% |
| Volumetric Deferral/Variance Account Rider | 500 | 0.00133 | 0.67 | 500 | 0.0009 | 0.45 | -0.22 | -32.33% | 0.41% |
| Sub-Total: Distribution (excluding pass through) | | | 38.58 | | | 48.16 | 9.58 | 24.84% | 44.14% |
| Line Losses on Cost of Power | 46 | 0.09 | 4.05 | 46 | 0.09 | 4.05 | 0.00 | 0.00% | 3.71% |
| Sub-Total: Distribution | | | 42.62 | | | 52.21 | 9.58 | 22.48% | 47.85% |
| Retail Transmission Rate – Network Service Rate | 546 | 0.00442 | 2.41 | 546 | 0.0039 | 2.13 | -0.28 | -11.76% | 1.95% |
| Retail Transmission Rate - Line and Transformation Connection \$ | 546 | 0.00297 | 1.62 | 546 | 0.0038 | 2.07 | 0.45 | 27.95% | 1.90% |
| Sub-Total: Retail Transmission | | | 4.03 | | | 4.20 | 0.17 | 4.19% | 3.85% |
| Sub-Total: Delivery | | | 46.66 | | | 56.41 | 9.75 | 20.90% | 51.71% |
| Wholesale Market Service Rate | 546 | 0.0044 | 2.40 | 546 | 0.0044 | 2.40 | 0.00 | 0.00% | 2.20% |
| Rural Rate Protection Charge | 546 | 0.0013 | 0.71 | 546 | 0.0013 | 0.71 | 0.00 | 0.00% | 0.65% |
| Standard Supply Service – Administration Charge (if applicable) | 1 | 0.25 | 0.25 | 1 | 0.25 | 0.25 | 0.00 | 0.00% | 0.23% |
| Sub-Total: Regulatory | | | 3.36 | | | 3.36 | 0.00 | 0.00% | 3.08% |
| Debt Retirement Charge (DRC) | 500 | 0.007 | 3.50 | 500 | 0.007 | 3.50 | 0.00 | 0.00% | 3.21% |
| Total Bill on Two-Tier RPP (before Taxes) | | | 97.52 | | | 107.27 | 9.75 | 10.00% | 98.33% |
| HST | | 0.13 | 12.68 | | 0.13 | 13.95 | 1.27 | 10.00% | 12.78% |
| Total Bill (including HST) | | | 110.20 | | | 121.22 | 11.02 | 10.00% | 111.11% |
| Ontario Clean Energy Benefit (OCEB) | | -0.10 | -11.02 | | -0.10 | -12.12 | -1.10 | 10.00% | -11.11% |
| Total Bill on Two-Tier RPP (including HSTand OCEB) | | | 99.18 | | | 109.10 | 9.92 | 10.00% | 100.00% |

2015 Bill Impacts (Typical Consumption Level)

| Rate Class | Sen Lgt |
|--------------------------------------|---------|
| Monthly Consumption (kWh) | 50 |
| Peak (kW) | 0 |
| Loss factor | 1.092 |
| Commodity Threshold | 750 |
| Monthly Consumption (kWh) - Uplifted | 54.6 |
| Charge determinant | kWh |

| | | 0 | 0 | | D | D | | | % of Total |
|--|----------|----------------------|------------------------|---------|-----------------------|-------------------------|-------------|------------|------------------------|
| | Volume | Current Rate (\$) | Current Charge (\$) | Volume | Proposed Rate (\$) | Proposed Charge (\$) | Change (\$) | Change (%) | Bill on RPP |
| Energy First Tier (kWh) | | 0.088 | 4.40 | | 0.088 | 4.40 | 0.00 | | |
| 87 7 | 50 0 | | 0.00 | 50 0 | 0.088 | | 0.00 | | |
| Energy Second Tier (kWh) | <u> </u> | 0.103 | 4.40 | U | 0.103 | 0.00 4.40 | 0.00 | | 0.00% 30.80% |
| Sub-Total: Energy (RPP) | 4 | 4.5 | _ | 1 | 0.00 | | | | |
| Service Charge | 1 | 1.5 | 1.50 | 1 | 2.32 | 2.32 | 0.82 | 54.67% | |
| Smart Meter Adder | 1 | 0 | 0.00 | ı | 0 | 0.00 | 0.00 | | 0.00% |
| Fixed Foregone Revenue Rider | 1 | 0 | 0.00 | 1 | 0.28 | 0.28 | 0.28 | | 1.98% |
| Fixed Deferral/Variance Account Rider | 1 | 0 | 0.00 | 1 | 0.08 | 0.08 | 0.08 | | 0.56% |
| Distribution Volumetric Rate | 50 | 0.09986 | 4.99 | 50 | 0.1034 | 5.17 | 0.18 | 0.0.70 | 36.19% |
| Volumetric Deferral/Variance Account Rider | 50 | 0.00318 | 0.16 | 50 | 0.0012 | 0.06 | -0.10 | | 0.42% |
| Sub-Total: Distribution (excluding pass through) | | | 6.65 | | | 7.91 | 1.26 | 18.95% | 55.38% |
| Line Losses on Cost of Power | 5 | 0.09 | 0.40 | 5 | 0.09 | 0.40 | 0.00 | 0.00% | 2.83% |
| Sub-Total: Distribution | | | 7.06 | | | 8.32 | 1.26 | 17.86% | 58.21% |
| Retail Transmission Rate – Network Service Rate | 55 | 0.00442 | 0.24 | 55 | 0.0039 | 0.21 | -0.03 | -11.76% | 1.49% |
| Retail Transmission Rate - Line and Transformation Connection \$ | 55 | 0.00297 | 0.16 | 55 | 0.0038 | 0.21 | 0.05 | 27.95% | 1.45% |
| Sub-Total: Retail Transmission | | | 0.40 | | | 0.42 | 0.02 | 4.19% | 2.94% |
| Sub-Total: Delivery | | | 7.46 | | | 8.74 | 1.28 | 17.12% | 61.15% |
| Wholesale Market Service Rate | 55 | 0.0044 | 0.24 | 55 | 0.0044 | 0.24 | 0.00 | 0.00% | 1.68% |
| Rural Rate Protection Charge | 55 | 0.0013 | 0.07 | 55 | 0.0013 | 0.07 | 0.00 | 0.00% | 0.50% |
| Standard Supply Service – Administration Charge (if applicable) | 1 | 0.25 | 0.25 | 1 | 0.25 | 0.25 | 0.00 | 0.00% | 1.75% |
| Sub-Total: Regulatory | | | 0.56 | | | 0.56 | 0.00 | 0.00% | 3.93% |
| Debt Retirement Charge (DRC) | 50 | 0.007 | 0.35 | 50 | 0.007 | 0.35 | 0.00 | 0.00% | 2.45% |
| Total Bill on Two-Tier RPP (before Taxes) | | | 12.77 | | | 14.05 | 1.28 | 10.00% | 98.33% |
| HST | | 0.13 | 1.66 | | 0.13 | 1.83 | 0.17 | 10.00% | 12.78% |
| Total Bill (including HST) | | | 14.43 | | | 15.87 | 1.44 | 10.00% | 111.11% |
| Ontario Clean Energy Benefit (OCEB) | | -0.10 | -1.44 | | -0.10 | -1.59 | -0.14 | 10.00% | -11.11% |
| Total Bill on Two-Tier RPP (including HSTand OCEB) | | | 12.99 | | | 14.29 | 1.30 | 10.00% | 100.00% |

2015 Bill Impacts (Typical Consumption Level)

| Rate Class | Dgen |
|--------------------------------------|-------|
| Monthly Consumption (kWh) | 2,000 |
| Peak (kW) | 20 |
| Loss factor | 1.061 |
| Load factor | 14% |
| Commodity Threshold | 0 |
| Monthly Consumption (kWh) - Uplifted | 2,122 |
| Charge determinant | kW |

| | | Current | Current | | Proposed | Proposed | | | % of Total |
|---|--------|-----------|-------------|--------|-----------|-------------|-------------|------------|------------|
| | Volume | Rate (\$) | Charge (\$) | Volume | Rate (\$) | Charge (\$) | Change (\$) | Change (%) | Bill |
| Energy First Tier (kWh) | 2,122 | 0.088 | 186.74 | 2,122 | 0.088 | 186.74 | 0.00 | 0.00% | 38.51% |
| Energy Second Tier (kWh) | 0 | 0.103 | 0.00 | 0 | 0.103 | 0.00 | 0.00 | 0.00% | 0.00% |
| Sub-Total: Energy (RPP) | | | 186.74 | | | 186.74 | 0.00 | 0.00% | 38.51% |
| Service Charge | 1 | 38.13 | 38.13 | 1 | 73.55 | 73.55 | 35.42 | 92.90% | 15.17% |
| Smart Meter Adder | 1 | 3.92 | 3.92 | 1 | 0 | 0.00 | -3.92 | -100.00% | 0.00% |
| Fixed Foregone Revenue Rider | 1 | 0 | 0.00 | 1 | 0 | 0.00 | 0.00 | 0.00% | 0.00% |
| Fixed Deferral/Variance Account Rider | 1 | 0 | 0.00 | | 4.62 | 4.62 | 4.62 | 0.00% | 0.95% |
| Distribution Volumetric Rate | 20 | 5.951 | 119.02 | 20 | 5.9510 | 119.02 | 0.00 | 0.00% | 24.54% |
| Volumetric Deferral/Variance Account Rider | 20 | 0.179 | 3.58 | 20 | 0.0461 | 0.92 | -2.66 | -74.25% | 0.19% |
| Sub-Total: Distribution | | | 164.65 | | | 198.12 | 33.47 | 20.33% | 40.85% |
| Retail Transmission Rate – Network Service Rate | 20 | 0.38 | 7.60 | 20 | 0.5457 | 10.91 | 3.31 | 43.61% | 2.25% |
| Retail Transmission Rate – Line and Transformation Connection S | 20 | 0.24 | 4.80 | 20 | 0.3517 | 7.03 | | | 1.45% |
| Sub-Total: Retail Transmission | | | 12.40 | | | 17.95 | 5.55 | 44.74% | 3.70% |
| Sub-Total: Delivery | | | 177.05 | | | 216.06 | 39.01 | 22.04% | 44.56% |
| Wholesale Market Service Rate | 2,122 | 0.0044 | 9.34 | 2,122 | 0.0044 | 9.34 | 0.00 | 0.00% | 1.93% |
| Rural Rate Protection Charge | 2,122 | 0.0013 | 2.76 | 2,122 | 0.0013 | 2.76 | 0.00 | 0.00% | 0.57% |
| Standard Supply Service – Administration Charge (if applicable) | 1 | 0.25 | | 1 | 0.25 | 0.25 | 0.00 | | 0.05% |
| Sub-Total: Regulatory | | | 12.35 | | | 12.35 | | | 2.55% |
| Debt Retirement Charge (DRC) | 2,000 | 0.007 | 14.00 | 2,000 | 0.007 | 14.00 | 0.00 | 0.00% | 2.89% |
| Total Bill (before Taxes) | | | 390.13 | | | 429.14 | 39.01 | 10.00% | 88.50% |
| HST | | 0.13 | 50.72 | | 0.13 | 55.79 | 5.07 | 10.00% | 11.50% |
| Total Bill (including HST) | | | 440.85 | | | 484.93 | 44.08 | 10.00% | 100.00% |
| Ontario Clean Energy Benefit (OCEB) | | 0.00 | 0.00 | | 0.00 | 0.00 | 0.00 | 0.00% | 0.00% |
| Total Bill (including HST and OCEB) | | | 440.85 | | | 484.93 | 44.08 | 10.00% | 100.00% |

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Hydro One Networks Inc. TARIFF OF RATES AND CHARGES

Effective Date January 1, 2015 and Implementation Date May 1, 2015

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

EB-2013-0416

RESIDENTIAL SERVICE CLASSIFICATIONS

A year-round residential customer classification applies to a customer's main place of abode and may include additional buildings served through the same meter, provided they are not rental income units. All of the following criteria must be met:

- 1. Occupant represents and warrants to Hydro One Networks Inc. that for so long as he/she has year-round residential rate status for the identified dwelling, he/she will not designate another property that he/she owns as a year-round residence for purposes of Hydro One rate classification.
- 2. Occupier must live in this residence for at least four (4) days of the week for eight (8) months of the year and the Occupier must not reside anywhere else for more than three (3) days a week during eight (8) months of the year.
- 3. The address of this residence must appear on documents such as the occupant's electric bill, driver's licence, credit card invoice, property tax bill, etc.
- 4. Occupants who are eligible to vote in Provincial or Federal elections must be enumerated for this purpose at the address of this residence.

Seasonal Residential customer classification is defined as any residential service that does not meet residential year-round criteria. It includes dwellings such as cottages, chalets and camps.

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

APPLICATION

Hydro One Networks' residential service area is sub-divided into three density zones according to the following:

- Urban Density Zone is defined as areas containing 3,000 or more customers with a line density of at least 60 customers per circuit kilometer.
- Medium Density Zone is defined as areas containing 100 or more customers with a line density of at least 15 customers per circuit kilometer.
- Low Density Zone is defined as areas other than Urban or Medium Density Zone.

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, it should be noted that 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.

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Hydro One Networks Inc.TARIFF OF RATES AND CHARGES

Effective Date January 1, 2015 and Implementation Date May 1, 2015

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

EB-2013-0416

RESIDENTIAL SERVICE CLASSIFICATIONS

YEAR-ROUND URBAN DENSITY - UR

| Rate Rider for Disposition of Global Adjustment Sub-Account – effective until December 31, 2015 Applicable only for Non-RPP Customers (see Note 13) | \$/kWh | (0.0015) |
|--|--|---|
| MONTHLY RATES AND CHARGES – Delivery Component Service Charge Rate Rider for Disposition of Deferral/Variance Accounts – effective until December 31, 2015 Rate Rider for Foregone Revenue – effective until December 31, 2015 Smart Metering Entity Charge Distribution Volumetric Rate Rate Rider for Disposition of Deferral/Variance Accounts – effective until December 31, 2015 Retail Transmission Rate – Network Service Rate (see Note 4) Retail Transmission Rate – Line and Transformation Connection Service Rate (see Note 5) | \$ \$ \$ \$ \$/kWh \$/kWh \$/kWh | 19.07 1.01 (0.80) 0.79 0.0208 (0.0002) 0.0070 0.0050 |
| MONTHLY RATES AND CHARGES – Regulatory Component Wholesale Market Service Rate (see Note 12) Rural Rate Protection Charge (see Note 12) Standard Supply Service – Administrative Charge (if applicable) | \$/kWh \$/kWh \$ | 0.0044 0.0013 0.25 |
| YEAR-ROUND MEDIUM DENSITY – R1 | | |
| MONTHLY RATES AND CHARGES – Electricity Component | | |
| Rate Rider for Disposition of Global Adjustment Sub-Account – effective until December 31, 2015 Applicable only for Non-RPP Customers (see Note 13) | \$/kWh | (0.0015) |
| MONTHLY RATES AND CHARGES – Delivery Component Service Charge Rate Rider for Disposition of Deferral/Variance Accounts – effective until December 31, 2015 Rate Rider for Foregone Revenue – effective until December 31, 2015 | \$ \$ \$ | 26.03 1.14 |
| Smart Metering Entity Charge Distribution Volumetric Rate Retail Transmission Rate – Network Service Rate (see Note 4) Retail Transmission Rate – Line and Transformation Connection Service Rate (see Note 5) | \$ \$/kWh \$/kWh \$/kWh | 0.56 0.79 0.0331 0.0066 0.0048 |

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Hydro One Networks Inc.TARIFF OF RATES AND CHARGES

Effective Date January 1, 2015 and Implementation Date May 1, 2015

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

EB-2013-0416

YEAR-ROUND LOW DENSITY - R2

MONTHLY RATES AND CHARGES – Electricity Component

| Rate Rider for Disposition of Global Adjustment Sub-Account – effective until December 31, 2015 Applicable only for Non-RPP Customers (see Note 13) | \$/kWh | (0.0015) |
|---|--------|----------|
| MONTHLY RATES AND CHARGES – Delivery Component | | |
| Service Charge* | \$ | 65.52 |
| Rate Rider for Disposition of Deferral/Variance Accounts – effective until December 31, 2015 | \$ | 1.85 |
| Rate Rider for Foregone Revenue – effective until December 31, 2015 | \$ | 5.55 |
| Smart Metering Entity Charge | \$ | 0.79 |
| Distribution Volumetric Rate | \$/kWh | 0.0424 |
| Rate Rider for Disposition of Deferral/Variance Accounts – effective until December 31, 2015 | \$/kWh | 0.0001 |
| Retail Transmission Rate – Network Service Rate (see Note 4) | \$/kWh | 0.0063 |
| Retail Transmission Rate – Line and Transformation Connection Service Rate (see Note 5) | \$/kWh | 0.0045 |

^{*} Under the Ontario Energy Board Act, 1998 and associated Regulations, every qualifying year-round customer with a principal residence is eligible to receive Rural or Remote Rate Protection (RRRP). The service charge shown for eligible R2 customers will be reduced by the applicable RRRP credit, currently at \$31.50.

MONTHLY RATES AND CHARGES – Regulatory Component

| Wholesale Market Service Rate (see Note 12) | \$/kWh | 0.0044 |
|---|--------|--------|
| Rural Rate Protection Charge (see Note 12) | \$/kWh | 0.0013 |
| Standard Supply Service – Administrative Charge (if applicable) | \$ | 0.25 |

SEASONAL

| Rate Rider for Disposition of Global Adjustment Sub-Account – effective until December 31, 2015 Applicable only for Non-RPP Customers (see Note 13) | \$/kWh | (0.0015) |
|--|--------|----------|
| MONTHLY RATES AND CHARGES – Delivery Component | | |
| Service Charge | \$ | 28.62 |
| Rate Rider for Disposition of Deferral/Variance Accounts – effective until December 31, 2015 | \$ | 1.16 |
| Rate Rider for Foregone Revenue – effective until December 31, 2015 | \$ | 1.08 |
| Smart Metering Entity Charge | \$ | 0.79 |
| Distribution Volumetric Rate | \$/kWh | 0.0764 |
| Rate Rider for Disposition of Deferral/Variance Accounts – effective until December 31, 2015 | \$/kWh | 0.0008 |
| Retail Transmission Rate – Network Service Rate (see Note 4) | \$/kWh | 0.0054 |
| Retail Transmission Rate – Line and Transformation Connection Service Rate (see Note 5) | \$/kWh | 0.0042 |
| MONTHLY RATES AND CHARGES – Regulatory Component | | |
| Wholesale Market Service Rate (see Note 12) | \$/kWh | 0.0044 |
| Rural Rate Protection Charge (see Note 12) | \$/kWh | 0.0013 |
| Standard Supply Service – Administrative Charge (if applicable) | \$ | 0.25 |

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Hydro One Networks Inc. TARIFF OF RATES AND CHARGES

Effective Date January 1, 2015 and Implementation Date May 1, 2015

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

EB-2013-0416

GENERAL SERVICE CLASSIFICATIONS

General Service classification applies to any service that does not fit the description of residential classes. It includes combination type services where a variety of uses are made of the service by the owner of one property, and all multiple services except residential. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

Hydro One Networks' General Service area is sub-divided into two density zones according to the following:

- Urban Density Zone is defined as areas containing 3,000 or more customers with a line density of at least 60 customers per circuit kilometer.
- Non-Urban Density Zone is defined as areas other than Urban Density Zone.

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, it should be noted that 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.

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Hydro One Networks Inc.TARIFF OF RATES AND CHARGES

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URBAN GENERAL SERVICE ENERGY BILLED - UGe

This classification applies to a non-residential account located in an Urban Density Zone whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW.

MONTHLY RATES AND CHARGES – Electricity Component

| Rate Rider for Disposition of Global Adjustment Sub-Account – effective until December 31, 2015 Applicable only for Non-RPP Customers (see Note 13) | \$/kWh | (0.0015) |
|---|--------|----------|
| MONTHLY RATES AND CHARGES – Delivery Component | | |
| Service Charge | \$ | 20.05 |
| Rate Rider for Disposition of Deferral/Variance Accounts – effective until December 31, 2015 | \$ | 0.97 |
| Rate Rider for Foregone Revenue – effective until December 31, 2015 | \$ | 11.61 |
| Smart Metering Entity Charge | \$ | 0.79 |
| Distribution Volumetric Rate | \$/kWh | 0.0228 |
| Rate Rider for Disposition of Deferral/Variance Accounts – effective until December 31, 2015 | \$/kWh | (0.0003) |
| Retail Transmission Rate – Network Service Rate (see Note 4) | \$/kWh | 0.0062 |
| Retail Transmission Rate – Line and Transformation Connection Service Rate (see Note 5) | \$/kWh | 0.0039 |
| MONTHLY RATES AND CHARGES – Regulatory Component | | |
| Wholesale Market Service Rate (see Note 12) | \$/kWh | 0.0044 |
| Rural Rate Protection Charge (see Note 12) | \$/kWh | 0.0013 |
| Standard Supply Service – Administrative Charge (if applicable) | \$ | 0.25 |
| | | |

GENERAL SERVICE ENERGY BILLED – GSe

This classification applies to a non-residential account not located in an Urban Density Zone whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW.

| Rate Rider for Disposition of Global Adjustment Sub-Account – effective until December 31, 2015 Applicable only for Non-RPP Customers (see Note 13) | \$/kWh | (0.0015) |
|--|----------|----------|
| MONTHLY RATES AND CHARGES – Delivery Component | | |
| Service Charge | \$ | 26.35 |
| Rate Rider for Disposition of Deferral/Variance Accounts – effective until December 31, 2015 | \$ \$ | 1.11 |
| Rate Rider for Foregone Revenue – effective until December 31, 2015 | \$ | 6.42 |
| Smart Metering Entity Charge | \$ | 0.79 |
| Distribution Volumetric Rate | \$/kWh | 0.0532 |
| Rate Rider for Disposition of Deferral/Variance Accounts – effective until December 31, 2015 | \$/kWh | 0.0003 |
| Retail Transmission Rate – Network Service Rate (see Note 4) | \$/kWh | 0.0057 |
| Retail Transmission Rate – Line and Transformation Connection Service Rate (see Note 5) | \$/kWh | 0.0037 |
| MONTHLY RATES AND CHARGES – Regulatory Component | | |
| Wholesale Market Service Rate (see Note 12) | \$/kWh | 0.0044 |
| Rural Rate Protection Charge (see Note 12) | \$/kWh | 0.0013 |
| Standard Supply Service – Administrative Charge (if applicable) | \$ | 0.25 |

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Hydro One Networks Inc.TARIFF OF RATES AND CHARGES

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URBAN GENERAL SERVICE DEMAND BILLED - UGd

This classification applies to a non residential account located in an Urban Density Zone whose average monthly maximum demand is equal to or greater than, or is forecast to be equal to or greater than, 50 kW. Hydro One establishes billing determinants for demand customers' Distribution charges at the greater of 100 per cent of kW and 90 per cent of kVA where kVA metering is installed. When a customer's power factor is known to be less than 90 per cent, a kVA meter or other equivalent electronic meter shall be used for measuring and billing.

| Rate Rider for Disposition of Global Adjustment Sub-Account – effective until December 31, 2015 Applicable only for Non-RPP Customers (see Note 13) | \$/kWh | (0.0015) |
|--|--------|----------|
| MONTHLY RATES AND CHARGES – Delivery Component | | |
| Service Charge | \$ | 78.74 |
| Rate Rider for Disposition of Deferral/Variance Accounts – effective until December 31, 2015 | \$ | 1.96 |
| Rate Rider for Foregone Revenue – effective until December 31, 2015 | \$ | 61.78 |
| Distribution Volumetric Rate | \$/kW | 7.6413 |
| Rate Rider for Disposition of Deferral/Variance Accounts – effective until December 31, 2015 | \$/kW | (0.1121) |
| Retail Transmission Rate – Network Service Rate (see Note 4) | \$/kW | 1.9227 |
| Retail Transmission Rate – Line and Transformation Connection Service Rate (see Note 5) | \$/kW | 1.2294 |
| MONTHLY RATES AND CHARGES – Regulatory Component | | |
| Wholesale Market Service Rate (see Note 12) | \$/kWh | 0.0044 |
| Rural Rate Protection Charge (see Note 12) | \$/kWh | 0.0013 |
| Standard Supply Service - Administrative Charge (if applicable) | \$ | 0.25 |

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GENERAL SERVICE DEMAND BILLED - GSd

This classification applies to a non-residential account not located in an Urban Density Zone whose average monthly maximum demand is equal to or greater than, or is forecast to be equal to or greater than, 50 kW. Hydro One establishes billing determinants for demand customers' Distribution charges at the greater of 100 per cent of kW and 90 per cent of kVA where kVA metering is installed. When a customer's power factor is known to be less than 90 per cent, a kVA meter or other equivalent electronic meter shall be used for measuring and billing.

| Rate Rider for Disposition of Global Adjustment Sub-Account – effective until December 31, 2015 Applicable only for Non-RPP Customers (see Note 13) | \$/kWh | (0.0015) |
|--|--------|----------|
| MONTHLY RATES AND CHARGES – Delivery Component | | |
| Service Charge | \$ | 74.99 |
| Rate Rider for Disposition of Deferral/Variance Accounts – effective until December 31, 2015 | \$ | 1.88 |
| Rate Rider for Foregone Revenue – effective until December 31, 2015 | \$ | 94.31 |
| Distribution Volumetric Rate | \$/kW | 13.1741 |
| Rate Rider for Disposition of Deferral/Variance Accounts – effective until December 31, 2015 | \$/kW | 0.0275 |
| Retail Transmission Rate – Network Service Rate (see Note 4) | \$/kW | 1.5383 |
| Retail Transmission Rate – Line and Transformation Connection Service Rate (see Note 5) | \$/kW | 0.9910 |
| MONTHLY RATES AND CHARGES – Regulatory Component | | |
| Wholesale Market Service Rate (see Note 12) | \$/kWh | 0.0044 |
| Rural Rate Protection Charge (see Note 12) | \$/kWh | 0.0013 |
| Standard Supply Service – Administrative Charge (if applicable) | \$ | 0.25 |

Hydro One Networks Inc.TARIFF OF RATES AND CHARGES

Effective Date January 1, 2015 and Implementation Date May 1, 2015

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DISTRIBUTED GENERATION – DGen

This classification applies to an embedded retail generation facility connected to the distribution system that is not classified as MicroFIT generation. Hydro One establishes billing determinants for demand customers' Distribution charges at the greater of 100 per cent of kW and 90 per cent of kVA where kVA metering is installed. When a customer's power factor is known to be less than 90 per cent, a kVA meter or other equivalent electronic meter shall be used for measuring and billing.

| Rate Rider for Disposition of Global Adjustment Sub-Account – effective until December 31, 2015 Applicable only for Non-RPP Customers (see Note 13) | \$/kWh | (0.0015) |
|--|--------|----------|
| MONTHLY RATES AND CHARGES – Delivery Component | | |
| Service Charge | \$ | 73.55 |
| Rate Rider for Disposition of Deferral/Variance Accounts – effective until December 31, 2015 | \$ | 4.62 |
| Distribution Volumetric Rate | \$/kW | 6.0488 |
| Rate Rider for Disposition of Deferral/Variance Accounts – effective until December 31, 2015 | \$/kW | 0.0461 |
| Retail Transmission Rate – Network Service Rate (see Note 4) | \$/kW | 0.5143 |
| Retail Transmission Rate – Line and Transformation Connection Service Rate (see Note 5) | \$/kW | 0.3315 |
| | | |
| MONTHLY RATES AND CHARGES – Regulatory Component | | |
| Wholesale Market Service Rate (see Note 12) | \$/kWh | 0.0044 |
| Rural Rate Protection Charge (see Note 12) | \$/kWh | 0.0013 |
| Standard Supply Service – Administrative Charge (if applicable) | \$ | 0.25 |

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This classification applies to either:

- Embedded supply to Local Distribution Companies (LDCs). "Embedded" meaning receiving supply via Hydro One Distribution assets, and where Hydro One is the host distributor to the embedded LDC. Situations where the LDC is supplied via Specific Facilities are included. OR
- Load which:
 - o is three-phase; and
 - is directly connected to and supplied from Hydro One Distribution assets between 44 kV and 13.8 kV inclusive; the meaning of "directly" includes Hydro One not owning the local transformation; and
 - is greater than 500 kW (monthly measured maximum demand averaged over the most recent calendar year or whose forecasted monthly average demand over twelve consecutive months is greater than 500 kW).

Hydro One establishes billing determinants for demand customers' Distribution charges at the greater of 100 per cent of kW and 90 per cent of kVA where kVA metering is installed. When a customer's power factor is known to be less than 90 per cent, a kVA meter or other equivalent electronic meter shall be used for measuring and billing.

| Rate Rider for Disposition of Global Adjustment Sub-Account – effective until December 31, 2015 | Ф/IA/A/Ib | (0.0045) |
|---|--------------------|------------------|
| Applicable only for Non-RPP Customers (see Note 13) | \$/kWh | (0.0015) |
| MONTHLY RATES AND CHARGES – Delivery Component | | |
| Service Charge | \$ | 433.07 |
| Rate Rider for Disposition of Deferral/Variance Accounts – effective until December 31, 2015 | \$ \$ \$ | 16.60 |
| Rate Rider for Foregone Revenue – effective until December 31, 2015 | | 682.35 |
| Meter Charge (for Hydro One ownership) (see Note 11) | \$ | 661.98 |
| Facility Charge for connection to Common ST Lines (44 kV to 13.8 kV) (see Notes 1, 8 and 14) | \$/kW | 1.0220 |
| Facility Charge for connection to Specific ST Lines (44 kV to 13.8 kV) (see Note 2) | \$/km | 899.6545 |
| Facility Charge for connection to Specific Primary Lines (12.5 kV to 4.16 kV) (see Note 2) | \$/km | 676.6333 |
| Facility Charge for connection to high-voltage (> 13.8 kV secondary) delivery High Voltage | ***** | |
| Distribution Station (see Notes 1 and 14) | \$/kW | 1.8631 |
| Facility Charge for connection to low-voltage (< 13.8 kV secondary) delivery High Voltage | 0"111 | |
| Distribution Station (see Notes 1 and 14) | \$/kW | 3.8813 |
| Facility Charge for connection to low-voltage (< 13.8 kV secondary) Low Voltage | 0/114/ | 0.0400 |
| Distribution Station (see Notes 3 and 14) | \$/kW | 2.0182 |
| Rate Rider for Disposition of Deferral/Variance Accounts (General) – effective until | • (1.) (1.) | 0.4700 |
| December 31, 2015 (see Notes 1, 9 and 14) | \$/kW | 0.4723 |
| Rate Rider for Disposition of Deferral/Variance Account (Wholesale Market Service Rate) | • (1.) (1.) | (0.0740) |
| - effective until December 31, 2015 (see Notes 1, 10 and 14) | \$/kW | (0.6713) |
| Retail Transmission Service Rates (see Notes 6 and 7) | \$/kW | 2 4424 |
| Retail Transmission Rate – Network Service Rate (see Note 4) Retail Transmission Rate – Line Connection Service Rate (see Note 5) | \$/kW | 3.4121 0.7879 |
| , | \$/kW | 1.8018 |
| Retail Transmission Rate – Transformation Connection Service Rate (see Note 5) | Φ/KVV | 1.6016 |
| MONTHLY DATEC AND CHARGES. Demiletem Comment | | |
| MONTHLY RATES AND CHARGES – Regulatory Component | * | |
| Wholesale Market Service Rate (see Note 12) | \$/kWh | 0.0044 |
| Rural Rate Protection Charge (see Note 12) | \$/kWh | 0.0013 |
| Standard Supply Service – Administrative Charge (if applicable) | \$ | 0.25 |

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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. The amount of electricity consumed by unmetered connections will be based on detailed information/documentation provided by the device's manufacturer and will be agreed to by Hydro One and the customer and may be subject to periodic monitoring of actual consumption. Eligible unmetered loads include cable TV amplifiers, bus shelters, telephone booths, traffic signals, railway crossings and other small fixed loads. 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.

| Rate Rider for Disposition of Global Adjustment Sub-Account – effective until December 31, 2015 Applicable only for Non-RPP Customers (see Note 13) | \$/kWh | (0.0015) |
|--|--------|----------|
| MONTHLY RATES AND CHARGES – Delivery Component | | |
| Service Charge | \$ | 36.79 |
| Rate Rider for Disposition of Deferral/Variance Accounts – effective until December 31, 2015 | \$ | 0.85 |
| Rate Rider for Foregone Revenue – effective until December 31, 2015 | \$ | 1.90 |
| Distribution Volumetric Rate | \$/kWh | 0.0308 |
| Retail Transmission Rate – Network Service Rate (see Note 4) | \$/kWh | 0.0046 |
| Retail Transmission Rate – Line and Transformation Connection Service Rate (see Note 5) | \$/kWh | 0.0031 |
| MONTHLY RATES AND CHARGES – Regulatory Component | | |
| Wholesale Market Service Rate (see Note 12) | \$/kWh | 0.0044 |
| Rural Rate Protection Charge (see Note 12) | \$/kWh | 0.0013 |
| Standard Supply Service – Administrative Charge (if applicable) | \$ | 0.25 |

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SENTINEL LIGHTING SERVICE CLASSIFICATION

This rate is applicable to all Hydro One Networks' customers who have separate service to a sentinel light. The energy consumption for sentinel lights is estimated based on Networks' profile for sentinel lighting load, which provides the amount of time each month that the sentinel lights are operating. 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, it should be noted that 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.

| Rate Rider for Disposition of Global Adjustment Sub-Account – effective until December 31, 2015 Applicable only for Non-RPP Customers (see Note 13) | \$/kWh | (0.0015) |
|--|--------|----------|
| MONTHLY RATES AND CHARGES – Delivery Component | | |
| Service Charge | \$ | 2.32 |
| Rate Rider for Disposition of Deferral/Variance Accounts – effective until December 31, 2015 | \$ | 0.08 |
| Rate Rider for Foregone Revenue – effective until December 31, 2015 | \$ | 0.28 |
| Distribution Volumetric Rate | \$/kWh | 0.1034 |
| Rate Rider for Disposition of Deferral/Variance Accounts – effective until December 31, 2015 | \$/kWh | 0.0012 |
| Retail Transmission Rate – Network Service Rate (see Note 4) | \$/kWh | 0.0039 |
| Retail Transmission Rate – Line and Transformation Connection Service Rate (see Note 5) | \$/kWh | 0.0038 |
| MONTHLY RATES AND CHARGES – Regulatory Component | | |
| Wholesale Market Service Rate (see Note 12) | \$/kWh | 0.0044 |
| Rural Rate Protection Charge (see Note 12) | \$/kWh | 0.0013 |
| Standard Supply Service – Administrative Charge (if applicable) | \$ | 0.25 |

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STREET LIGHTING SERVICE CLASSIFICATION

This rate is applicable to all Hydro One Networks' customers who have streetlights, which are devices owned by or operated for a road authority and/or municipal corporation. The energy consumption for street lights is estimated based on Networks' profile for street lighting load, which provides the amount of time each month that the street lights are operating. 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, it should be noted that 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.

| Rate Rider for Disposition of Global Adjustment Sub-Account – effective until December 31, 2015 Applicable only for Non-RPP Customers (see Note 13) | \$/kWh | (0.0015) |
|--|--------|----------|
| MONTHLY RATES AND CHARGES – Delivery Component | | |
| Service Charge | \$ | 3.82 |
| Rate Rider for Disposition of Deferral/Variance Accounts – effective until December 31, 2015 | \$ | 0.11 |
| Rate Rider for Foregone Revenue – effective until December 31, 2015 | \$ | 2.43 |
| Distribution Volumetric Rate | \$/kWh | 0.0827 |
| Rate Rider for Disposition of Deferral/Variance Accounts – effective until December 31, 2015 | \$/kWh | 0.0009 |
| Retail Transmission Rate – Network Service Rate (see Note 4) | \$/kWh | 0.0039 |
| Retail Transmission Rate – Line and Transformation Connection Service Rate (see Note 5) | \$/kWh | 0.0038 |
| MONTH V DATES AND SHADOES - Demiletonic Commonant | | |
| MONTHLY RATES AND CHARGES – Regulatory Component | * " | |
| Wholesale Market Service Rate (see Note 12) | \$/kWh | 0.0044 |
| Rural Rate Protection Charge (see Note 12) | \$/kWh | 0.0013 |
| Standard Supply Service – Administrative Charge (if applicable) | \$ | 0.25 |

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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

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ALLOWANCES

CUSTOMER-SUPPLIED TRANSFORMATION ALLOWANCE

Applicable to customers providing their own transformers and the primary voltage is under 50 kV

Demand Billed - per kW of billing demand/month

Energy Billed - per kWh of billing energy/month

\$\text{kW}\$ (0.60)
\$\text{kWh}\$ (0.0014)

TRANSFORMER LOSS ALLOWANCE

Applicable to non-ST customers requiring a billing adjustment for transformer losses as the result of being metered on the primary side of a transformer. The following uniform values shall be applied to measured demand and energy to calculate transformer losses for voltages up to and including 50 kV (as metered on the primary side).

| For installations up to and including bank capacity of 400 kVA | % | (1.5) |
|--|---|-------|
| For bank capacities over 400 kVA | % | (1.0) |

Applicable to ST customers requiring a billing adjustment for transformer losses as the result of being metered on the secondary side of a transformer. The uniform value of 1 % shall be added to measured demand and energy (as measured on the secondary side) to adjust for transformer losses.

Alternately, transformer losses may be determined from transformer test data, and measured demand and energy adjusted accordingly.

For services which are not demand metered, an assumed demand of 50% of the transformer capacity will be used to calculate the loss allowance. Where several transformers are involved, the bank capacity is assumed to be the arithmetic sum of all transformer capacities.

LOSS FACTORS

| Residential - UR Residential - R1 Residential - R2 Residential - Seasonal General Service - UGe General Service - GSe General Service - GSe General Service - UGd General Service - GSd Distributed Generation - DGen Unmetered Scattered Load Sentinel Lights Street Lights | 1.057 1.076 1.105 1.104 1.067 1.096 1.050 1.061 1.061 1.092 1.092 1.092 |
|--|--|
| Sub Transmission - ST Distribution Loss Factors Embedded Delivery Points (metering at station) Embedded Delivery Points (metering away from station) Total Loss Factors Embedded Delivery Points (metering at station) Embedded Delivery Points (metering away from station) | 1.000 1.028 1.006 1.034 |

Hydro One Networks Inc. TARIFF OF RATES AND CHARGES

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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 | | |
|--|-------------------------|-------------------|
| Arrears certificate | \$ | 15.00 |
| Easement charge for unregistered rights | \$ \$ \$ \$ \$ \$ \$ \$ | 15.00 |
| Returned cheque charge (plus bank charges) | \$ | 15.00 |
| Account set up charge | \$ | 30.00 |
| Special meter reads | \$ | 30.00 |
| Meter dispute charge plus Measurement Canada fees (if meter found correct) | \$ | 30.00 |
| Non-Payment of Account | | |
| Late Payment - per month | % | 1.50 |
| Late Payment - per annum | % | 19.56 |
| Collection of account charge - no disconnection/Load Limiter | \$ | 30.00 |
| Collection/Disconnect/Load Limiter/Reconnect trip (at meter) - during regular hours | \$ | 65.00 |
| Collection/Disconnect/Load Limiter/Reconnect trip (at meter) - after regular hours | \$ \$ \$ \$ \$ \$ | 185.00 |
| Collection/Disconnect/Load Limiter/Reconnect trip (at pole) - during regular hours | \$ | 185.00 |
| Collection/Disconnect/Load Limiter/Reconnect trip (at pole) - after regular hours | \$ | 415.00 |
| Temporary service install & remove | \$ | 500.00 |
| Specific Charge for Cable and Telecom Companies Access to the Power Poles - \$/pole/year | \$ | 22.35* |
| Specific Charge for LDCs Access to the Power Poles - \$/pole/year | \$ | see below |
| Specific Charge for Generator Access to the Power Poles - \$/pole/year | \$ | see below |
| Service Layout Fee – Basic | \$ | 630.00 |
| Service Layout Fee – Complex | \$ | 835.00 |
| Crossing Application – Pipeline | \$ | 2,510.00 |
| Crossing Application – Water | \$ | 3,190.00 |
| Crossing Application – Railroad | \$ | 6,060.00 |
| Line Staking - \$/meter | \$ | 4.90 |
| Central Metering – New Service < 45 kW | \$ | 120.00 |
| Conversion to Central Metering < 45 kW | \$ | 1,035.00 |
| Conversion to Central Metering > 45 kW | \$ | 915.00 |
| Tingle Voltage Test in excess of 4 hours – per hour (average 2 additional hours) | \$ | 140.00 |
| Standby Administration Charge – per month | Þ | 515.00 |
| Connection Impact Assessment (CIA) Charge – CAE Small DG & Net Metering | φ | 5,580.00 |
| Connection Impact Assessment (CIA) Charge – Greater than CAE Small DG & Net Metering Sentinel Lights Rental Rate – per month | Ф Ф | 11,985.00 8.97 |
| Sentinel Lights Pole Rental Rate – per month | ****************** | 6.97 4.15 |
| Joint Use for Municipality Streetlights | φ ¢ | 2.04 |
| Joint Ose for Michiopanty Otreetinghts | φ | 2.04 |

^{*} This charge was proposed to be \$37.05 but has been set at the 2014 currently approved level on an interim basis.

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Hydro One Networks Inc.TARIFF OF RATES AND CHARGES

Effective Date January 1, 2015 and Implementation Date May 1, 2015

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

| approved schedules of Rates, Charges and Loss Factors | | EB-2013-0416 |
|---|------------------------|---|
| Specific Charge for LDCs Access to the Power Poles (\$/pole/year) | | |
| LDC Rate for 10' of power space LDC Rate for 20' of power space LDC Rate for 25' of power space LDC Rate for 30' of power space LDC Rate for 35' of power space LDC Rate for 40' of power space LDC Rate for 40' of power space LDC Rate for 50' of power space LDC Rate for 60' of power space | \$\$\$\$\$\$\$\$\$\$\$ | 46.88 56.25 62.81 66.56 70.31 73.13 75.00 76.88 77.81 79.69 80.63 |
| Specific Charge for Generator Access to the Power Poles (\$/pole/year) | | |
| Generator Rate for 10' of power space Generator Rate for 15' of power space Generator Rate for 20' of power space Generator Rate for 25' of power space Generator Rate for 30' of power space Generator Rate for 35' of power space Generator Rate for 40' of power space Generator Rate for 45' of power space Generator Rate for 50' of power space | *** | 46.88 56.25 62.81 66.56 70.31 73.13 75.00 76.88 77.81 79.69 80.63 |

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Hydro One Networks Inc. TARIFF OF RATES AND CHARGES

Effective Date January 1, 2015 and Implementation Date May 1, 2015

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EB-2013-0416

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 |

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Hydro One Networks Inc. TARIFF OF RATES AND CHARGES

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EB-2013-0416

NOTES:

- (1) The basis of the charge is the customer's monthly maximum demand. For a customer with multiple delivery points served from the same Transformer Station or High Voltage Distribution Station, the aggregated demand will be the applicable billing determinant. Demand is not aggregated between stations.
- (2) The basis of the charge is kilometers of line, within the supplied LDC's service area, supplying solely that LDC.
- (3) The basis of the charge is the "non-coincident demand" at each delivery point of the customer supplied by the station. This is measured as the kW demand at the delivery point at the time in the month of maximum load on the delivery point. For a customer connected through two or more distribution stations, the total charge for the connection to the shared distribution stations is the sum of the relevant charges for each of the distribution stations.
- (4) The monthly billing determinant for the RTSR Network Service rate is:
 - for energy-only metered customers: the customer's metered energy consumption adjusted by the total loss factor as approved by the Board.
 - for interval-metered customers: the peak demand from 7 AM to 7 PM (local time) on IESO business days in the billing period. The rates shown are to be adjusted by the total loss factor as approved by the Board.
 - for non-interval-metered demand billed customers: the non-coincident peak demand in the billing period. The rates shown are to be adjusted by the total loss factor as approved by the Board.
- (5) (a) The monthly billing determinant for the RTSR Line and Transformation Connection Service rates is:
 - for energy-only metered customers: the customer's metered energy consumption adjusted by the total loss factor as approved by the Board.
 - for all demand billed customers: the non-coincident peak demand in the billing period. The rates shown are to be adjusted by the total loss factor as approved by the Board.
 - (b) For customers with load displacement generation above 1 MW, or 2 MW for renewable generation, installed after October 1998, RTSR connection is billed at the gross demand level.
- (6) Delivery point with respect to RTSR is defined as the low side of the Transformer Station that steps down voltage from above 50 kV to below 50 kV. For customer with multiple interval-metered delivery points served from the same Transformer Station, the aggregated demand at the said delivery points on the low side of the Transformer Station will be the applicable billing determinant.
- (7) The loss factors, and which connection service rates are applied, are determined based on the point at which the distribution utility or customer is metered for its connection to Hydro One Distribution's system. Hydro One Distribution's connection agreements with these distribution utilities and customers will establish the appropriate loss factors and connection rates to apply from Hydro One Distribution's tariff schedules.
- (8) The Common ST Lines rate also applies to the supply to Distributors which use lines in the 12.5 kV to 4.16 kV range from HVDSs or LVDSs.
- (9) Rate Rider for Disposition of Deferral/Variance Accounts (General) is charged based on appropriate billing kW.
- (10) Rate Rider for Disposition of Deferral/Variance Account (Wholesale Market Service Rate) applies to those customers who were charged Wholesale Market Service Charges by Hydro One Distribution.
- (11) The Meter charge is applied per metering facility at delivery points for which Hydro One owns the metering.
- (12) The Wholesale Market Service Rate and the Rural Rate Protection Charge are applied solely to non-Wholesale Market Participants. These rates pertain to the IESO's defined point of sale; consequently, appropriate loss factors as approved by the Board must be applied to the customers' metered energy.
- (13) The Global Adjustment rate rider applies to the non-LDC, non-RPP and Class B ST customers that were charged Wholesale Market Service Charges by Hydro One Distribution.
- (14) For customers with load displacement generation above 1MW, or 2 MW for renewable generation, installed after October1998, the ST volumetric charges are billed at the gross demand level.