

LakelandPower

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October 19, 2015

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

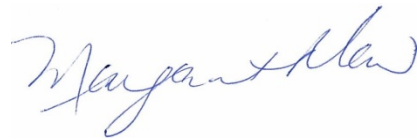
**Re: Lakeland Power Distribution Ltd. (LPDL)
2016 IRM Electricity Distribution Rate Application,
Responses to VECC Interrogatories
OEB File No. EB-2015-0086**

Dear Ms. K. Walli:

Please find accompanying this letter, two copies of Lakeland Power's (LPDL's) Responses to VECC Interrogatories. The PDF version has been submitted using RESS. Board staff and the intervenor have been copied on this filing.

Should there be any questions, please contact me at the number above.

Respectfully Submitted,



Margaret Maw
Chief Financial Officer
Lakeland Power Distribution Ltd.

EB-2015-0086

Lakeland Power Distribution Ltd.

Application for electricity distribution rates and other charges
effective January 1, 2016 and May 1, 2016.

VECC Interrogatories

VECC #1

Ref: Manager's Summary, Page 10

Preamble: The following paragraph appears on Page 10:

A four year phase in for former Lakeland Power customers equates to \$3.31 movement to fixed monthly charge in the first year, netted to \$.51 impact with reduction of variable portion plus adjustment mechanism.

- a) **Please reproduce the paragraph based on a five year phase in for former Lakeland Power.**
- b) **Please provide revised sheet 15 (Rev2Cost_GDPIPI) and sheet 18 (Bill Impacts) – Residential Customer, 300 kWh consumption level.**

VECC #1 – Response:

A five year phase in for former Lakeland Power customers equates to \$2.82 movement to fixed monthly charge in the first year, netted to \$.58 (\$2.82-\$2.24).impact with the reduction in the variable portion plus adjustment mechanism for a residential customer using 800 kWh per month. For a customer consuming 300 kWh per month, the 5 yr movement equates to \$2.82 per month with a netted impact of \$1.98 (\$2.82-\$0.84).

Please note that the model used below is the most recent version, it resulted in changes to the original results where a four year phase in equates to \$3.43 (rather than \$3.31) and a netted impact of \$0.63 (rather than \$0.51). While sheet 15 (Rev2Cost_GDPIPI) remains the same, sheet 18 (Bill Impacts) is changed.

Table 1: Lakeland Power – Sheet 15 with 4 Yr Transition

Price Escalator	2.10%	Productivity Factor	0.00%	# of Residential Customers	8,063	(last CoS Approved Billing Determinants)
Choose Stretch Factor Group	III	Price Cap Index	1.80%	Billed kWh	78,665,227	
Associated Stretch Factor Value	0.30%			Rate Design Transition Years Left	4	

Rate Class	Current MFC	MFC Adjustment from R/C Model	Current Volumetric Charge	DVR Adjustment from R/C Model	Price Cap Index to be Applied to MFC and DVR	Proposed MFC	Proposed Volumetric Charge
RESIDENTIAL SERVICE CLASSIFICATION	20.23		0.0148		1.80%	23.66	0.0113
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	43.82		0.0089		1.80%	44.61	0.0091
GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION	308.61		2.7751		1.80%	314.16	2.8251
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	12.53		0.0057		1.80%	12.76	0.0058
SENTINEL LIGHTING SERVICE CLASSIFICATION	6.28		21.7292		1.80%	6.39	22.1203
STREET LIGHTING SERVICE CLASSIFICATION	5.17		15.8416		1.80%	5.26	16.1267
microFIT SERVICE CLASSIFICATION	5.40					5.40	

Rate Design Transition	Revenue from Rates	Current F/V Split	Decoupling MFC Split	Incremental Fixed Charge (\$/month/year)	New F/V Split	Adjusted Rates ¹	Revenue at New F/V Split
Current Residential Fixed Rate (inclusive of R/C adj.)	20.23	1,957,374	62.7%	3.01	72.0%	23.24	2,248,609
Current Residential Variable Rate (inclusive of R/C adj.)	0.0148	1,164,245	37.3%		28.0%	0.0111	873,184
		3,121,619					3,121,793

Table 2: Lakeland Power Bill Impact – 4 yr Transition – 800 kWh Residential

Customer Class:	RESIDENTIAL SERVICE CLASSIFICATION	
RPP / Non-RPP:	RPP	
Consumption	800 kWh	
Demand	- kW	
Current Loss Factor	1.0743	
Proposed/Approved Loss Factor	1.0743	
Ontario Clean Energy Benefit Applied?	Yes	

	Current Board-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 20.23	1	\$ 20.23	\$ 23.66	1	\$ 23.66	\$ 3.43	16.96%
Distribution Volumetric Rate	\$ 0.0148	800	\$ 11.84	\$ 0.0113	800	\$ 9.04	-\$ 2.80	-23.65%
Fixed Rate Riders	\$ -	1	\$ -	\$ 0.17	1	\$ 0.17	\$ 0.17	
Volumetric Rate Riders	\$ -	800	\$ -	\$ 0.0001	800	\$ 0.08	\$ 0.08	
Sub-Total A (excluding pass through)			\$ 32.07			\$ 32.95	\$ 0.88	2.74%
Line Losses on Cost of Power	\$ 0.1021	59	\$ 6.07	\$ 0.1021	59	\$ 6.07	\$ -	0.00%
Total Deferral/Variance Account Rate Riders	\$ -	800	\$ -	-\$ 0.0036	800	-\$ 2.88	-\$ 2.88	
Low Voltage Service Charge	\$ 0.0034	800	\$ 2.72	\$ 0.0034	800	\$ 2.72	\$ -	0.00%
Smart Meter Entity Charge (if applicable)	\$ 0.7900	1	\$ 0.79	\$ 0.7900	1	\$ 0.79	\$ -	0.00%
Sub-Total B - Distribution (includes Sub-Total A)			\$ 41.65			\$ 39.65	-\$ 2.00	-4.80%
RTSR - Network	\$ 0.0059	859	\$ 5.07	\$ 0.0057	859	\$ 4.90	-\$ 0.17	-3.39%
RTSR - Connection and/or Line and Transformation Connection	\$ 0.0042	859	\$ 3.61	\$ 0.0045	859	\$ 3.87	\$ 0.26	7.14%
Sub-Total C - Delivery (including Sub-Total B)			\$ 50.33			\$ 48.42	-\$ 1.91	-3.80%
Wholesale Market Service Charge (WMSC)	\$ 0.0044	859	\$ 3.78	\$ 0.0044	859	\$ 3.78	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	\$ 0.0013	859	\$ 1.12	\$ 0.0013	859	\$ 1.12	\$ -	0.00%
Standard Supply Service Charge	\$ 0.2500	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
Debt Retirement Charge (DRC)	\$ 0.0070	800	\$ 5.60	\$ -	800	\$ -	-\$ 5.60	-100.00%
Ontario Electricity Support Program (OESP)				\$ -	859	\$ -	\$ -	
TOU - Off Peak	\$ 0.0800	512	\$ 40.96	\$ 0.0800	512	\$ 40.96	\$ -	0.00%
TOU - Mid Peak	\$ 0.1220	144	\$ 17.57	\$ 0.1220	144	\$ 17.57	\$ -	0.00%
TOU - On Peak	\$ 0.1610	144	\$ 23.18	\$ 0.1610	144	\$ 23.18	\$ -	0.00%
Total Bill on TOU (before Taxes)			\$ 142.79			\$ 135.28	-\$ 7.51	-5.26%
HST	13%		\$ 18.56	13%		\$ 17.59	-\$ 0.98	-5.26%
Total Bill (including HST)			\$ 161.36			\$ 152.86	-\$ 8.49	-5.26%
Ontario Clean Energy Benefit ¹			-\$ 16.14					
Total Bill on TOU			\$ 145.22			\$ 152.86	\$ 7.65	5.27%

Table 5: Lakeland Power Bill Impact – 5 yr Transition – 800 kWh Residential

Customer Class:	RESIDENTIAL SERVICE CLASSIFICATION	
RPP / Non-RPP:	RPP	
Consumption	800 kWh	
Demand	- kW	
Current Loss Factor	1.0743	
Proposed/Approved Loss Factor	1.0743	
Ontario Clean Energy Benefit Applied?	Yes	

	Current Board-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 20.23	1	\$ 20.23	\$ 23.05	1	\$ 23.05	\$ 2.82	13.94%
Distribution Volumetric Rate	\$ 0.0148	800	\$ 11.84	\$ 0.0120	800	\$ 9.60	-\$ 2.24	-18.92%
Fixed Rate Riders	\$ -	1	\$ -	\$ 0.17	1	\$ 0.17	\$ 0.17	
Volumetric Rate Riders	\$ -	800	\$ -	\$ 0.0001	800	\$ 0.08	\$ 0.08	
Sub-Total A (excluding pass through)			\$ 32.07			\$ 32.90	\$ 0.83	2.59%
Line Losses on Cost of Power	\$ 0.1021	59	\$ 6.07	\$ 0.1021	59	\$ 6.07	\$ -	0.00%
Total Deferral/Variance Account Rate Riders	\$ -	800	\$ -	-\$ 0.0036	800	-\$ 2.88	-\$ 2.88	
Low Voltage Service Charge	\$ 0.0034	800	\$ 2.72	\$ 0.0034	800	\$ 2.72	\$ -	0.00%
Smart Meter Entity Charge (if applicable)	\$ 0.7900	1	\$ 0.79	\$ 0.7900	1	\$ 0.79	\$ -	0.00%
Sub-Total B - Distribution (includes Sub-Total A)			\$ 41.65			\$ 39.60	-\$ 2.05	-4.92%
RTSR - Network	\$ 0.0059	859	\$ 5.07	\$ 0.0057	859	\$ 4.90	-\$ 0.17	-3.39%
RTSR - Connection and/or Line and Transformation Connection	\$ 0.0042	859	\$ 3.61	\$ 0.0045	859	\$ 3.87	\$ 0.26	7.14%
Sub-Total C - Delivery (including Sub-Total B)			\$ 50.33			\$ 48.37	-\$ 1.96	-3.90%
Wholesale Market Service Charge (WMSC)	\$ 0.0044	859	\$ 3.78	\$ 0.0044	859	\$ 3.78	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	\$ 0.0013	859	\$ 1.12	\$ 0.0013	859	\$ 1.12	\$ -	0.00%
Standard Supply Service Charge	\$ 0.2500	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
Debt Retirement Charge (DRC)	\$ 0.0070	800	\$ 5.60	\$ -	800	\$ -	\$ 5.60	-100.00%
Ontario Electricity Support Program (OESP)				\$ -	859	\$ -	\$ -	
TOU - Off Peak	\$ 0.0800	512	\$ 40.96	\$ 0.0800	512	\$ 40.96	\$ -	0.00%
TOU - Mid Peak	\$ 0.1220	144	\$ 17.57	\$ 0.1220	144	\$ 17.57	\$ -	0.00%
TOU - On Peak	\$ 0.1610	144	\$ 23.18	\$ 0.1610	144	\$ 23.18	\$ -	0.00%
Total Bill on TOU (before Taxes)			\$ 142.79			\$ 135.23	-\$ 7.56	-5.30%
HST		13%	\$ 18.56		13%	\$ 17.58	-\$ 0.98	-5.30%
Total Bill (including HST)			\$ 161.36			\$ 152.81	-\$ 8.55	-5.30%
Ontario Clean Enerav Benefit ¹			-\$ 16.14					
Total Bill on TOU			\$ 145.22			\$ 152.81	\$ 7.59	5.23%

Table 6: Lakeland Power Bill Impact – 5 yr Transition – 300 kWh Residential

Customer Class:	RESIDENTIAL SERVICE CLASSIFICATION	
RPP / Non-RPP:	RPP	
Consumption	300 kWh	
Demand	- kW	
Current Loss Factor	1.0743	
Proposed/Approved Loss Factor	1.0743	
Ontario Clean Energy Benefit Applied?	Yes	

	Current Board-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 20.23	1	\$ 20.23	\$ 23.05	1	\$ 23.05	\$ 2.82	13.94%
Distribution Volumetric Rate	\$ 0.0148	300	\$ 4.44	\$ 0.0120	300	\$ 3.60	\$ 0.84	-18.92%
Fixed Rate Riders	\$ -	1	\$ -	\$ 0.17	1	\$ 0.17	\$ 0.17	
Volumetric Rate Riders	\$ -	300	\$ -	\$ 0.0001	300	\$ 0.03	\$ 0.03	
Sub-Total A (excluding pass through)			\$ 24.67			\$ 26.85	\$ 2.18	8.84%
Line Losses on Cost of Power	\$ 0.1021	22	\$ 2.28	\$ 0.1021	22	\$ 2.28	\$ -	0.00%
Total Deferral/Variance Account Rate Riders	\$ -	300	\$ -	-\$ 0.0036	300	-\$ 1.08	-\$ 1.08	
Low Voltage Service Charge	\$ 0.0034	300	\$ 1.02	\$ 0.0034	300	\$ 1.02	\$ -	0.00%
Smart Meter Entity Charge (if applicable)	\$ 0.7900	1	\$ 0.79	\$ 0.7900	1	\$ 0.79	\$ -	0.00%
Sub-Total B - Distribution (includes Sub-Total A)			\$ 28.76			\$ 29.86	\$ 1.10	3.83%
RTSR - Network	\$ 0.0059	322	\$ 1.90	\$ 0.0057	322	\$ 1.84	-\$ 0.06	-3.39%
RTSR - Connection and/or Line and Transformation Connection	\$ 0.0042	322	\$ 1.35	\$ 0.0045	322	\$ 1.45	\$ 0.10	7.14%
Sub-Total C - Delivery (including Sub-Total B)			\$ 32.01			\$ 33.14	\$ 1.13	3.54%
Wholesale Market Service Charge (WMSC)	\$ 0.0044	322	\$ 1.42	\$ 0.0044	322	\$ 1.42	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	\$ 0.0013	322	\$ 0.42	\$ 0.0013	322	\$ 0.42	\$ -	0.00%
Standard Supply Service Charge	\$ 0.2500	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
Debt Retirement Charge (DRC)	\$ 0.0070	300	\$ 2.10	\$ -	300	\$ -	-\$ 2.10	-100.00%
Ontario Electricity Support Program (OESP)				\$ -	322	\$ -	\$ -	
TOU - Off Peak	\$ 0.0800	192	\$ 15.36	\$ 0.0800	192	\$ 15.36	\$ -	0.00%
TOU - Mid Peak	\$ 0.1220	54	\$ 6.59	\$ 0.1220	54	\$ 6.59	\$ -	0.00%
TOU - On Peak	\$ 0.1610	54	\$ 8.69	\$ 0.1610	54	\$ 8.69	\$ -	0.00%
Total Bill on TOU (before Taxes)			\$ 66.84			\$ 65.87	-\$ 0.97	-1.45%
HST		13%	\$ 8.69		13%	\$ 8.56	-\$ 0.13	-1.45%
Total Bill (including HST)			\$ 75.53			\$ 74.44	-\$ 1.09	-1.45%
Ontario Clean Enerav Benefit ¹			-\$ 7.55					
Total Bill on TOU			\$ 67.98			\$ 74.44	\$ 6.46	9.50%

VECC #2

Ref: Manager's Summary, Page 10

Preamble: The following paragraph appears on Page 10:

A five year phase in for former Parry Sound Power customers equates to \$3.89 movement to fixed monthly charge in the first year, netted to \$1.16 impact with reduction of variable portion plus adjustment mechanism.

- a) **Please reproduce the paragraph based on a four year phase in for former Parry Sound.**
- b) **Please provide revised sheet 15 (Rev2Cost_GDPIPI) and sheet 18 (Bill Impacts) – Residential Customer, 300 kWh consumption level.**

VECC #2 – Response:

A four year phase in for former Parry Sound Power customers equates to \$4.91 movement to fixed monthly charge in the first year, netted to \$1.47 (\$4.91-\$3.44) impact with the reduction in the variable portion plus adjustment mechanism for a residential customer using 800 kWh per month. For a customer consuming 300 kWh per month, the 4 yr movement equates to \$4.91 per month with a netted impact of \$3.62 (\$4.91-\$1.29).

Please note that the model used below is the most recent version, it resulted in changes to the original results where a five year phase in equates to \$4.02 (rather than \$3.89) and a netted impact of \$1.38 (rather than \$1.16). While sheet 15 (Rev2Cost_GDPIPI) remains the same, sheet 18 (Bill Impacts) is changed.

Table 7: Parry Sound Power – Sheet 15 with 5 Yr Transition

Price Escalator	2.10%	Productivity Factor	0.00%	# of Residential Customers	2,812	(last CoS Approved Billing Determinants)
Choose Stretch Factor Group	III	Price Cap Index	1.80%	Billed kWh	33,427,924	
Associated Stretch Factor Value	0.30%	Rate Design Transition Years Left	5			

Rate Class	Current MFC	MFC Adjustment from R/C Model	Current Volumetric Charge	DVR Adjustment from R/C Model	Price Cap Index to be Applied to MFC and DVR	Proposed MFC	Proposed Volumetric Charge
RESIDENTIAL SERVICE CLASSIFICATION	22.50		0.0179		1.80%	26.52	0.0146
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	33.62		0.0138		1.80%	34.23	0.0140
GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION	193.79		3.8914		1.80%	197.28	3.9614
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	23.28		0.1359		1.80%	23.70	0.1383
SENTINEL LIGHTING SERVICE CLASSIFICATION	4.35		16.8476		1.80%	4.43	17.1509
STREET LIGHTING SERVICE CLASSIFICATION	2.77		27.7358		1.80%	2.82	28.2350
microFIT SERVICE CLASSIFICATION	5.40					5.40	

Rate Design Transition	Revenue from Rates	Current F/V Split	Decoupling MFC Split	Incremental Fixed Charge (\$/month/year)	New F/V Split	Adjusted Rates ¹	Revenue at New F/V Split
Current Residential Fixed Rate (inclusive of R/C adj.)	22.50	759,240	55.9%	8.8%	3.55	64.7%	26.05
Current Residential Variable Rate (inclusive of R/C adj.)	0.0179	598,360	44.1%			35.3%	0.0143
		1,357,600					879,031
							478,019
							1,357,051

Table 8: Parry Sound Power Bill Impact – 5 yr Transition – 800 kWh Residential

Customer Class:	RESIDENTIAL SERVICE CLASSIFICATION	
RPP / Non-RPP:	RPP	
Consumption	800 kWh	
Demand	- kW	
Current Loss Factor	1.0700	
Proposed/Approved Loss Factor	1.0700	
Ontario Clean Energy Benefit Applied?	Yes	

	Current Board-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 22.50	1	\$ 22.50	\$ 26.52	1	\$ 26.52	\$ 4.02	17.87%
Distribution Volumetric Rate	\$ 0.0179	800	\$ 14.32	\$ 0.0146	800	\$ 11.68	-\$ 2.64	-18.44%
Fixed Rate Riders	\$ 4.11	1	\$ 4.11	\$ 4.12	1	\$ 4.12	\$ 0.01	0.24%
Volumetric Rate Riders	\$ -	800	\$ -	\$ -	800	\$ -	\$ -	
Sub-Total A (excluding pass through)			\$ 40.93			\$ 42.32	\$ 1.39	3.40%
Line Losses on Cost of Power	\$ 0.1021	56	\$ 5.72	\$ 0.1021	56	\$ 5.72	\$ -	0.00%
Total Deferral/Variance Account Rate Riders	\$ -	800	\$ -	-\$ 0.0032	800	-\$ 2.56	-\$ 2.56	
Low Voltage Service Charge	\$ 0.0011	800	\$ 0.88	\$ 0.0011	800	\$ 0.88	\$ -	0.00%
Smart Meter Entity Charge (if applicable)	\$ 0.7900	1	\$ 0.79	\$ 0.7900	1	\$ 0.79	\$ -	0.00%
Sub-Total B - Distribution (includes Sub-Total A)			\$ 48.32			\$ 47.15	-\$ 1.17	-2.42%
RTSR - Network	\$ 0.0061	856	\$ 5.22	\$ 0.0043	856	\$ 3.68	-\$ 1.54	-29.51%
RTSR - Connection and/or Line and Transformation Connection	\$ 0.0043	856	\$ 3.68	\$ 0.0033	856	\$ 2.82	-\$ 0.86	-23.26%
Sub-Total C - Delivery (including Sub-Total B)			\$ 57.22			\$ 53.66	-\$ 3.57	-6.23%
Wholesale Market Service Charge (WMSC)	\$ 0.0044	856	\$ 3.77	\$ 0.0044	856	\$ 3.77	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	\$ 0.0013	856	\$ 1.11	\$ 0.0013	856	\$ 1.11	\$ -	0.00%
Standard Supply Service Charge	\$ 0.2500	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
Debt Retirement Charge (DRC)	\$ 0.0070	800	\$ 5.60	\$ -	800	\$ -	-\$ 5.60	-100.00%
Ontario Electricity Support Program (OESP)				\$ -	856	\$ -	\$ -	
TOU - Off Peak	\$ 0.0800	512	\$ 40.96	\$ 0.0800	512	\$ 40.96	\$ -	0.00%
TOU - Mid Peak	\$ 0.1220	144	\$ 17.57	\$ 0.1220	144	\$ 17.57	\$ -	0.00%
TOU - On Peak	\$ 0.1610	144	\$ 23.18	\$ 0.1610	144	\$ 23.18	\$ -	0.00%
Total Bill on TOU (before Taxes)			\$ 149.66			\$ 140.50	-\$ 9.17	-6.12%
HST	13%		\$ 19.46	13%		\$ 18.26	-\$ 1.19	-6.12%
Total Bill (including HST)			\$ 169.12			\$ 158.76	-\$ 10.36	-6.12%
Ontario Clean Energy Benefit ¹			-\$ 16.91			\$ -	\$ -	
Total Bill on TOU			\$ 152.21			\$ 158.76	\$ 6.55	4.30%

Table 9: Parry Sound Power Bill Impact – 5 yr Transition – 300 kWh Residential

Customer Class:	RESIDENTIAL SERVICE CLASSIFICATION
RPP / Non-RPP:	RPP
Consumption	300 kWh
Demand	- kW
Current Loss Factor	1.0700
Proposed/Approved Loss Factor	1.0700
Ontario Clean Energy Benefit Applied?	Yes

	Current Board-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 22.50	1	\$ 22.50	\$ 26.52	1	\$ 26.52	\$ 4.02	17.87%
Distribution Volumetric Rate	\$ 0.0179	300	\$ 5.37	\$ 0.0146	300	\$ 4.38	-\$ 0.99	-18.44%
Fixed Rate Riders	\$ 4.11	1	\$ 4.11	\$ 4.12	1	\$ 4.12	\$ 0.01	0.24%
Volumetric Rate Riders	\$ -	300	\$ -	\$ -	300	\$ -	\$ -	-
Sub-Total A (excluding pass through)			\$ 31.98			\$ 35.02	\$ 3.04	9.51%
Line Losses on Cost of Power	\$ 0.1021	21	\$ 2.14	\$ 0.1021	21	\$ 2.14	\$ -	0.00%
Total Deferral/Variance Account Rate Riders	\$ -	300	\$ -	-\$ 0.0032	300	-\$ 0.96	-\$ 0.96	-
Low Voltage Service Charge	\$ 0.0011	300	\$ 0.33	\$ 0.0011	300	\$ 0.33	\$ -	0.00%
Smart Meter Entity Charge (if applicable)	\$ 0.7900	1	\$ 0.79	\$ 0.7900	1	\$ 0.79	\$ -	0.00%
Sub-Total B - Distribution (includes Sub-Total A)			\$ 35.24			\$ 37.32	\$ 2.08	5.90%
RTSR - Network	\$ 0.0061	321	\$ 1.96	\$ 0.0043	321	\$ 1.38	-\$ 0.58	-29.51%
RTSR - Connection and/or Line and Transformation Connection	\$ 0.0043	321	\$ 1.38	\$ 0.0033	321	\$ 1.06	-\$ 0.32	-23.26%
Sub-Total C - Delivery (including Sub-Total B)			\$ 38.58			\$ 39.76	\$ 1.18	3.06%
Wholesale Market Service Charge (WMSC)	\$ 0.0044	321	\$ 1.41	\$ 0.0044	321	\$ 1.41	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	\$ 0.0013	321	\$ 0.42	\$ 0.0013	321	\$ 0.42	\$ -	0.00%
Standard Supply Service Charge	\$ 0.2500	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
Debt Retirement Charge (DRC)	\$ 0.0070	300	\$ 2.10	\$ -	300	\$ -	-\$ 2.10	-100.00%
Ontario Electricity Support Program (OESP)				\$ -	321	\$ -	\$ -	-
TOU - Off Peak	\$ 0.0800	192	\$ 15.36	\$ 0.0800	192	\$ 15.36	\$ -	0.00%
TOU - Mid Peak	\$ 0.1220	54	\$ 6.59	\$ 0.1220	54	\$ 6.59	\$ -	0.00%
TOU - On Peak	\$ 0.1610	54	\$ 8.69	\$ 0.1610	54	\$ 8.69	\$ -	0.00%
Total Bill on TOU (before Taxes)			\$ 73.41			\$ 72.49	-\$ 0.92	-1.25%
HST		13%	\$ 9.54		13%	\$ 9.42	-\$ 0.12	-1.25%
Total Bill (including HST)			\$ 82.95			\$ 81.91	-\$ 1.04	-1.25%
Ontario Clean Energy Benefit ¹			-\$ 8.29			\$ -	\$ -	-
Total Bill on TOU			\$ 74.66			\$ 81.91	\$ 7.25	9.71%

Table 10: Parry Sound Power – Sheet 15 with 4 Yr Transition

Price Escalator	2.10%	Productivity Factor	0.00%	# of Residential Customers	2,812	(last CoS Approved Billing Determinants)
Choose Stretch Factor Group	III	Price Cap Index	1.80%	Billed kWh	33,427,924	
Associated Stretch Factor Value	0.30%			Rate Design Transition Years Left	4	

Rate Class	Current MFC	MFC Adjustment from R/C Model	Current Volumetric Charge	DVR Adjustment from R/C Model	Price Cap Index to be Applied to MFC and DVR	Proposed MFC	Proposed Volumetric Charge
RESIDENTIAL SERVICE CLASSIFICATION	22.50		0.0179		1.80%	27.41	0.0136
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	33.62		0.0138		1.80%	34.23	0.0140
GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION	193.79		3.8914		1.80%	197.28	3.9614
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	23.28		0.1359		1.80%	23.70	0.1383
SENTINEL LIGHTING SERVICE CLASSIFICATION	4.35		16.8476		1.80%	4.43	17.1509
STREET LIGHTING SERVICE CLASSIFICATION	2.77		27.7358		1.80%	2.82	28.2350
microFIT SERVICE CLASSIFICATION	5.40					5.40	

Rate Design Transition	Revenue from Rates	Current F/V Split	Decoupling MFC Split	Incremental Fixed Charge (\$/month/year)	New F/V Split	Adjusted Rates ¹	Revenue at New F/V Split
Current Residential Fixed Rate (inclusive of R/C adj.)	759,240	55.9%	11.0%	4.43	66.9%	26.93	908,726
Current Residential Variable Rate (inclusive of R/C adj.)	598,360	44.1%			33.1%	0.0134	447,934
	1,357,600						1,356,660

Table 11: Parry Sound Power Bill Impact – 4 yr Transition – 800 kWh Residential

Customer Class:	RESIDENTIAL SERVICE CLASSIFICATION	
RPP / Non-RPP:	RPP	
Consumption	800	kWh
Demand	-	kW
Current Loss Factor	1.0700	
Proposed/Approved Loss Factor	1.0700	
Ontario Clean Energy Benefit Applied?	Yes	

	Current Board-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 22.50	1	\$ 22.50	\$ 27.41	1	\$ 27.41	\$ 4.91	21.82%
Distribution Volumetric Rate	\$ 0.0179	800	\$ 14.32	\$ 0.0136	800	\$ 10.88	-\$ 3.44	-24.02%
Fixed Rate Riders	\$ 4.11	1	\$ 4.11	\$ 4.12	1	\$ 4.12	\$ 0.01	0.24%
Volumetric Rate Riders	\$ -	800	\$ -	\$ -	800	\$ -	\$ -	-
Sub-Total A (excluding pass through)			\$ 40.93			\$ 42.41	\$ 1.48	3.62%
Line Losses on Cost of Power	\$ 0.1021	56	\$ 5.72	\$ 0.1021	56	\$ 5.72	\$ -	0.00%
Total Deferral/Variance Account Rate Riders	\$ -	800	\$ -	-\$ 0.0032	800	\$ 2.56	\$ 2.56	-
Low Voltage Service Charge	\$ 0.0011	800	\$ 0.88	\$ 0.0011	800	\$ 0.88	\$ -	0.00%
Smart Meter Entity Charge (if applicable)	\$ 0.7900	1	\$ 0.79	\$ 0.7900	1	\$ 0.79	\$ -	0.00%
Sub-Total B - Distribution (includes Sub-Total A)			\$ 48.32			\$ 47.24	-\$ 1.08	-2.24%
RTSR - Network	\$ 0.0061	856	\$ 5.22	\$ 0.0043	856	\$ 3.68	-\$ 1.54	-29.51%
RTSR - Connection and/or Line and Transformation Connection	\$ 0.0043	856	\$ 3.68	\$ 0.0033	856	\$ 2.82	-\$ 0.86	-23.26%
Sub-Total C - Delivery (including Sub-Total B)			\$ 57.22			\$ 53.75	-\$ 3.48	-6.08%
Wholesale Market Service Charge (WMSC)	\$ 0.0044	856	\$ 3.77	\$ 0.0044	856	\$ 3.77	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	\$ 0.0013	856	\$ 1.11	\$ 0.0013	856	\$ 1.11	\$ -	0.00%
Standard Supply Service Charge	\$ 0.2500	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
Debt Retirement Charge (DRC)	\$ 0.0070	800	\$ 5.60	\$ -	800	\$ -	-\$ 5.60	-100.00%
Ontario Electricity Support Program (OESP)			\$ -	\$ -	856	\$ -	\$ -	-
TOU - Off Peak	\$ 0.0800	512	\$ 40.96	\$ 0.0800	512	\$ 40.96	\$ -	0.00%
TOU - Mid Peak	\$ 0.1220	144	\$ 17.57	\$ 0.1220	144	\$ 17.57	\$ -	0.00%
TOU - On Peak	\$ 0.1610	144	\$ 23.18	\$ 0.1610	144	\$ 23.18	\$ -	0.00%
Total Bill on TOU (before Taxes)			\$ 149.66			\$ 140.59	-\$ 9.08	-6.06%
HST	13%		\$ 19.46	13%		\$ 18.28	-\$ 1.18	-6.06%
Total Bill (including HST)			\$ 169.12			\$ 158.86	-\$ 10.26	-6.06%
Ontario Clean Energy Benefit ¹			-\$ 16.91			\$ -	\$ 16.91	100.00%
Total Bill on TOU			\$ 152.21			\$ 158.86	\$ 6.65	4.37%

Table 12: Parry Sound Power Bill Impact – 4 yr Transition – 300 kWh Residential

Customer Class:	RESIDENTIAL SERVICE CLASSIFICATION	
RPP / Non-RPP:	RPP	
Consumption	300	kWh
Demand	-	kW
Current Loss Factor	1.0700	
Proposed/Approved Loss Factor	1.0700	
Ontario Clean Energy Benefit Applied?	Yes	

	Current Board-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 22.50	1	\$ 22.50	\$ 27.41	1	\$ 27.41	\$ 4.91	21.82%
Distribution Volumetric Rate	\$ 0.0179	300	\$ 5.37	\$ 0.0136	300	\$ 4.08	-\$ 1.29	-24.02%
Fixed Rate Riders	\$ 4.11	1	\$ 4.11	\$ 4.12	1	\$ 4.12	\$ 0.01	0.24%
Volumetric Rate Riders	\$ -	300	\$ -	\$ -	300	\$ -	\$ -	-
Sub-Total A (excluding pass through)			\$ 31.98			\$ 35.61	\$ 3.63	11.35%
Line Losses on Cost of Power	\$ 0.1021	21	\$ 2.14	\$ 0.1021	21	\$ 2.14	\$ -	0.00%
Total Deferral/Variance Account Rate Riders	\$ -	300	\$ -	-\$ 0.0032	300	\$ 0.96	\$ 0.96	-
Low Voltage Service Charge	\$ 0.0011	300	\$ 0.33	\$ 0.0011	300	\$ 0.33	\$ -	0.00%
Smart Meter Entity Charge (if applicable)	\$ 0.7900	1	\$ 0.79	\$ 0.7900	1	\$ 0.79	\$ -	0.00%
Sub-Total B - Distribution (includes Sub-Total A)			\$ 35.24			\$ 37.91	\$ 2.67	7.58%
RTSR - Network	\$ 0.0061	321	\$ 1.96	\$ 0.0043	321	\$ 1.38	-\$ 0.58	-29.51%
RTSR - Connection and/or Line and Transformation Connection	\$ 0.0043	321	\$ 1.38	\$ 0.0033	321	\$ 1.06	-\$ 0.32	-23.26%
Sub-Total C - Delivery (including Sub-Total B)			\$ 38.58			\$ 40.35	\$ 1.77	4.59%
Wholesale Market Service Charge (WMSC)	\$ 0.0044	321	\$ 1.41	\$ 0.0044	321	\$ 1.41	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	\$ 0.0013	321	\$ 0.42	\$ 0.0013	321	\$ 0.42	\$ -	0.00%
Standard Supply Service Charge	\$ 0.2500	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
Debt Retirement Charge (DRC)	\$ 0.0070	300	\$ 2.10	\$ -	300	\$ -	-\$ 2.10	-100.00%
Ontario Electricity Support Program (OESP)			\$ -	\$ -	321	\$ -	\$ -	-
TOU - Off Peak	\$ 0.0800	192	\$ 15.36	\$ 0.0800	192	\$ 15.36	\$ -	0.00%
TOU - Mid Peak	\$ 0.1220	54	\$ 6.59	\$ 0.1220	54	\$ 6.59	\$ -	0.00%
TOU - On Peak	\$ 0.1610	54	\$ 8.69	\$ 0.1610	54	\$ 8.69	\$ -	0.00%
Total Bill on TOU (before Taxes)			\$ 73.41			\$ 73.08	-\$ 0.33	-0.45%
HST	13%		\$ 9.54	13%		\$ 9.50	-\$ 0.04	-0.45%
Total Bill (including HST)			\$ 82.95			\$ 82.58	-\$ 0.37	-0.45%
Ontario Clean Energy Benefit ¹			-\$ 8.29			\$ -	\$ 8.29	100.00%
Total Bill on TOU			\$ 74.66			\$ 82.58	\$ 7.92	10.61%

Table 13: Comparison by area and years of bill impacts

Lakeland Power Distribution Rate Class	Consumption	Fixed Movement 4 yrs	Bill Impact 4 yrs	Fixed Movement 5 yrs	Bill Impact 5 yrs
Residential (kWh)	800	\$ 3.43	\$ 0.63	\$ 2.82	\$ 0.58
Residential (kWh)	300	\$ 3.43	\$ 2.38	\$ 2.82	\$ 1.98
Parry Sound Power Distribution Rate Class					
Residential (kWh)	800	\$ 4.91	\$ 1.47	\$ 4.02	\$ 1.38
Residential (kWh)	300	\$ 4.91	\$ 3.62	\$ 4.02	\$ 3.03