

**Ontario Energy  
Board**

**Commission de l'énergie  
de l'Ontario**



**EB-2015-0081**

**IN THE MATTER OF AN APPLICATION BY**

**InnPower Corporation**

**FOR APPROVAL OF DISTRIBUTION RATES FOR 2016**

**DECISION AND RATE ORDER**

**[date]**

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**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 InnPower  
Corporation for an order approving just and reasonable  
rates and other charges for electricity distribution to be  
effective January 1, 2016.

**By Delegation, Before:** Lynne Anderson

**DECISION AND RATE ORDER**

[date]

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## 1.0 Introduction and Summary

InnPower Corporation (InnPower) serves about 16,000 mostly residential and commercial electricity customers in the Town of Innisfil and south Barrie. As a licenced and rate-regulated distributor in Ontario, the company must receive the Ontario Energy Board's approval for the rates it charges to distribute electricity to its customers.

InnPower filed an application with the OEB on August 17, 2015, to seek approval for changes to its distribution rates to be effective January 1, 2016. The OEB has established three different rate-setting methods for distributors. InnPower selected the Price Cap Incentive rate-setting (Price Cap IR) plan option to adjust its distribution rates. The Price Cap IR method has a five year term. In the first year, rates are set through a cost of service rebasing application. InnPower last appeared before the OEB with a cost of service application for 2013 in the EB-2012-0139 proceeding. In the other four years, there is a mechanistic adjustment to rates based on inflation and the OEB's assessment of a distributor's efficiency.

This is the OEB's Decision with respect to InnPower's application. The following issues are addressed in this Decision and Rate Order.

- Price Cap Index Adjustment
- Regulatory Charges
- Retail Transmission Service Rates
- Review and Disposition of Group 1 Deferral and Variance Accounts
- Residential Rate Design
- Implementation and Order

In accordance with the OEB-approved parameters for inflation and productivity for 2016, InnPower applied for a rate increase of 1.80%. The 1.80% applies to distribution rates (fixed and variable charges) uniformly across all customer classes; it does not apply to the rates and charges listed in Appendix B.

InnPower also applied to change the composition of its distribution service rates. Currently, residential distribution rates include a fixed monthly charge and a variable usage charge. However, the OEB issued a new policy to change residential rates to a fully fixed rate structure, transitioning over a four-year period beginning in 2016<sup>1</sup>. Accordingly, the proposed fixed monthly charge for 2016 has been adjusted in this Decision to be higher than it was in 2015 and the variable-usage rate is commensurately lower. The amount of revenue the distributor is expected to collect

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<sup>1</sup> Board Policy: A New Distribution Rate Design for Residential Electricity Customers, EB-2012-0410, April 2, 2015

from residential customers will not be affected, only the proportion of revenue collected through variable and fixed charges.

The proposed rate adjustments to InnPower's application arising from this Decision result in a monthly decrease of \$3.44 for a residential customer consuming 800 kWh. Government policy initiatives that remove the Debt Retirement Charge and the Ontario Clean Energy Benefit from residential electricity bills, effective January 1, 2016, will impact the total bill as well.

I approve the adjustments to InnPower's application as calculated through this proceeding.

## **2.0 The Process**

The OEB follows a standard, streamlined process for incentive rate-setting (IR) applications under a Price Cap IR plan.

Initially, the OEB prepares a rate model that includes information from past proceedings and annual reporting requirements. A distributor then reviews and updates the model to include with its application.

In this case, InnPower provided written evidence and a completed rate model to support its application on August 17, 2015. Questions were asked and answers were provided by InnPower through emails and phone calls. Based on this information, a decision was drafted and provided to InnPower on November 13, 2015. InnPower was given the opportunity to provide its comments on the draft for consideration prior to finalizing the Decision.

## **3.0 Organization of the Decision**

The OEB has organized this Decision into sections, reflecting the issues that the OEB has considered in making its findings<sup>2</sup>. Each section covers the OEB's reasons for approving or denying the proposals included in the application and affecting 2016 rates. The last section addresses the steps to be taken by InnPower and OEB staff in order to implement the final rates that flow from this Decision.

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<sup>2</sup> See list of issues in the Introduction, p.1

## 4.0 Price Cap Incentive Rate-setting

The Price Cap IR adjustment follows an OEB-approved formula that includes components for inflation and the OEB's expectations of efficiency and productivity gains<sup>3</sup>. The components in the formula are also approved by the OEB annually.

The formula is an *inflation minus X-factor* rate adjustment, which is intended to incent innovation and efficiency. Based on its established formula<sup>4</sup>, the OEB has set the inflation factor for 2016 rates at 2.1%.

The X-factors for individual distributors have two parts: a productivity element based on historical analysis of industry cost performance and a stretch factor that represents a distributor's efficiency relative to its expected costs. Subtracting the X-factor from inflation ensures that rates decline in real, constant-dollar terms, providing distributors an incentive to improve efficiency or else face the prospect of declining net income.

Based on industry conditions over the historical study period, the productivity factor has been set at zero percent. A stretch factor is assigned based on the distributor's total cost performance as benchmarked relative to other distributors in Ontario. For Price Cap IR applications, a range of stretch factors has been set from 0.0% to 0.6%<sup>5</sup>. The most efficient distributor, based on the cost evaluation ranking, would be assigned the lowest stretch factor of 0.0%. Higher stretch factors are applied to distributors whose cost performance falls below that of comparable distributors to encourage them to pursue greater efficiencies.

### Findings

In this case, the OEB assigned InnPower a stretch factor of 0.30% based on the updated benchmarking study for use for rates effective in 2016<sup>6</sup>. As a result, the net price cap index adjustment for InnPower is 1.80% (i.e. 2.1% - (0% + 0.30%)).

The 1.80% adjustment applies to distribution rates (fixed and variable charges) uniformly across all customer classes; it does not apply to the rates and charges listed in Appendix B.

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<sup>3</sup> Report on Rate Setting Parameters and Benchmarking under the Renewed Regulatory Framework for Ontario's Electricity Distributors (December 4, 2013)

<sup>4</sup> As outlined in the Report cited at footnote 3 above.

<sup>5</sup> Report to the Ontario Energy Board – "Empirical Research in Support of Incentive Rate-Setting: 2014 Benchmarking Update." Pacific Economics Group LLC. July, 2015.

<sup>6</sup> As outlined in the Report cited at footnote 5 above.

## 5.0 Regulatory Charges

There are a number of charges levied to consumers to cover the costs associated with various programs and wholesale market services.

The Rural or Remote Electricity Rate Protection (RRRP) program is designed to provide financial assistance to eligible customers located in rural or remote areas where the costs of providing electricity service to these customers greatly exceeds the costs of providing electricity to customers located elsewhere in the province of Ontario. The RRRP program cost is recovered from all other electricity customers in the province through a charge that is reviewed annually and approved by the OEB.

Wholesale market service (WMS) charges recover the cost of the services provided by the Independent Electricity System Operator (IESO) to operate the electricity system and administer the wholesale market. These charges may include costs associated with: operating reserve, system congestion and imports, and losses on the IESO-controlled grid. Individual electricity distributors recover the WMS charges from their customers through the WMS rate.

The Ontario Electricity Support Program (OESP) is a new regulatory charge that will be initiated in 2016. This program delivers on-bill rate assistance to low income electricity customers. All other Ontario customers contribute to the OESP through the OESP charge.

These regulatory charges are established annually by the OEB through a separate order.

### Findings

As of the date of this Decision and Rate Order, the OEB has not yet issued an order on the RRRP, WMS or OESP charges for 2016. The Tariff of Rates and Charges flowing from this Decision will reflect the currently-approved charges. When new charges are established for 2016, the OEB will issue a rate order, which will apply to InnPower's 2016 rates.

## 6.0 Retail Transmission Service Rates

Electricity distributors use Retail Transmission Service Rates (RTSRs) to pass along the cost of transmission service to their distribution customers. The RTSRs are adjusted annually to reflect the application of the current Uniform Transmission Rates ("UTR") to historical transmission deliveries and the revenues generated under existing RTSRs. The UTRs are established annually by a separate OEB order. Similarly, embedded distributors, such as InnPower, must adjust their RTSRs to reflect any changes to the



applicable RTSRs of their host distributor, which in this case is Hydro One Networks Inc. Distributors may apply to the OEB annually to approve the proposed UTRs and RTSRs they will charge their customers.

## Findings

Distributors whose rates are set as of January 1 typically calculate their RTSRs using the previous year's UTRs as the updates are not yet available. In this case, the OEB has not yet adjusted UTRs and Hydro One sub-transmission class rates for 2016. I will therefore approve the RTSRs as adjusted in this Application to reflect the current applicable rates. The differences arising from the new 2016 rates, once approved, will be captured in Accounts 1584 and 1586 for future disposition.

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

Group 1 Deferral and Variance Accounts track the differences between the costs that a distributor is billed for certain IESO and host distributor costs (including the cost of power) and the revenues that the distributor receives from its customers for these costs through its OEB-approved rates. The total net difference between these costs and revenues is disposed to customers through a temporary charge or credit known as a rate rider.

The OEB's policy on deferral and variance accounts<sup>7</sup> provides that, during the incentive rate-setting (IRM) plan term, the distributor's Group 1 account balances will be reviewed and disposed if the pre-set disposition threshold of \$0.001 per kWh, whether in the form of a debit or credit, is exceeded. It is the distributor's responsibility 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.

InnPower's 2014 actual year-end total balance for Group 1 accounts including interest projected to December 31, 2015 is a debit of \$603,069. This amount results in a total debit claim of \$0.0025 per kWh, which exceeds the preset disposition threshold. InnPower proposes to dispose of this debit amount over a one-year period.

InnPower's 2013 Group 1 and 2 deferral and variance account balances had been disposed of on a final basis in InnPower's 2013 cost of service proceeding EB-2012-0139. The amounts approved for disposition were a principal balance of \$242,341 and an interest balance of \$58,967. The entries for 2013 in InnPower's continuity table contained OEB-approved dispositions for principal and interest of \$248,860 and

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<sup>7</sup> Report of the Board on Electricity Distributors' Deferral and Variance Account Review Initiative (July 31, 2009)

\$57,758, respectively in Account 1595. InnPower did not include an explanation in its evidence for the nature and amounts of these adjustments. In response to a request from OEB staff to explain the discrepancies, InnPower explained that the amounts represented the amounts required to clear the balances in certain accounts, rather than the amounts approved for disposition. InnPower provided the following table to illustrate the differences:

Reconciliation of Group 1 and Group 2 Accounts to the Continuity Schedule			
2013 COS Filing			
Group 1 Accounts	Amount of Disposition		
	Principal	Interest	
1550 LV	- 46,364	1,672	
1580 WMSC	- 291,192	- 5,869	
1584 RTN	- 20,724	714	
1586 RTC	- 99,359	- 1,689	
1588 Power (excl GA)	- 248,519	- 5,052	
1589 GA	441,977	16,132	
1595 Recovery of Prior Years	- 7,183	- 87,009	
<b>Subtotal Group 1</b>	<b>- 271,364</b>	<b>- 81,101</b>	
Group 2 Accounts			
1508 -IFRS Transition	299,035	9,429	
1518 RCVA	32,409	- 1,072	
1548 RCVA-STR	71,664	13,974	
1582 RSVA One-Time	71,180	11,961	
2425 Other Deferred Credits	- 96,053	- 2,729	
1592 HST ITC's	- 50,177	-	
<b>Subtotal Group 2</b>	<b>328,058</b>	<b>31,563</b>	
<b>Total Group 1 &amp; 2</b>	<b>56,694</b>	<b>- 49,538</b>	
2013 Continuity Schedule			
Group 1 Accounts	Principal	Interest	Notes
1550 LV	- 46,364	1,672	
1580 WMSC	- 291,192	- 5,869	
1584 RTN	- 20,724	714	
1586 RTC	- 99,359	- 1,689	
1588 Power (excl GA)	- 248,519	- 5,052	
1589 GA	441,977	16,132	
1595 Recovery of Prior Years	- 7,183	- 86,921	B) Actual to clear account lower than disposition
Group 2 Accounts			
1518 RCVA	32,409	- 1,072	
1548 RCVA-STR	71,664	13,974	
1582 RSVA One-Time	71,180	11,961	
2425 Other Deferred Credits	- 102,572	- 1,608	C) Actual to clear accounts higher than disposition
1592 HST ITC's	- 50,177	-	
<b>Total Group 1 &amp; 2 = 1595 COS</b>	<b>- 248,860</b>	<b>- 57,758</b>	Totals of above moved to 1595 (2013 COS)
1508 -IFRS Transition	299,035	9,429	A) Balance being recovered but not moved to 1595

Notes:

A) The amount populated in the 1595 account for 2013 COS includes all accounts approved for disposition except for the 1508 which is continuing to accumulate costs and recovery in the 1508 accounts.

B) and C) The amounts moved to clear the accounts were different in the case of the 1595 (2010 recovery) and the 2425 account.

In response to a request from OEB staff, InnPower declined to provide corrections to these balances.

## Findings

I approve InnPower's Group 1 balances as submitted. They contain a balance in Account 1595 that is inconsistent with the amount approved on a final basis by the OEB for disposition in EB-2012-0139. However, in this case InnPower is proposing to return the difference to customers and I find that this is in the public interest. This approach is consistent with the OEB's decision in EB-2014-0043, which found that an out-of-period adjustment can be justified if it ensures a utility does not profit on account of its own errors<sup>8</sup>. In this case, it was not an error, but a difference between a forecast and actual

<sup>8</sup> EB-2014-0043, Decision and Order, Enbridge Gas Distribution Inc., April 10, 2014, p2

amount that is in the favour of customers; and InnPower requested that this difference be returned to customers.

The purpose of Account 1595 is to record the disposition of deferral and variance account balances for electricity distributors receiving approval to recover (or refund) account balances in rates as part of the regulatory process. Variances in customer numbers or amounts consumed during the disposition period may result in residual balances that may subsequently be refunded or recovered from a distributor's customers. Entries to Account 1595 must be based on the amount approved by the OEB and amounts collected from customers based on OEB approved rate riders.

The OEB approved a total balance for disposition in InnPower's 2013 cost of service proceeding of (\$301,308). The proposed adjustment would result in InnPower disposing of an amount that was not approved by the OEB for 2013 balances. InnPower has explained that the discrepancy is the result of differences between its financial accounting records and the information contained in the regulatory information provided to the OEB in its cost of service application.

While the difference of \$5,310 between the approved amount and the amount recorded in Account 1595 may appear to be immaterial, the OEB approved the amount to be disposed for 2013 balances on a final basis. Once approved on a final basis and disposed through rates, the issue of rate retroactivity must be considered and the important regulatory principles of certainty and finality of a final rate order.

Despite these factors, I approve the inclusion of the adjustment to InnPower's 2013 Account 1595 balance because InnPower's proposal is in the favour of its customers; I would not have approved this adjustment if it had resulted in additional amounts collected from customers. I approve the disposition of an adjusted debit balance of \$603,069 as of December 31, 2014, including interest as of December 31, 2015 for Group 1 accounts. These balances are to be disposed through rate riders over a one-year period from January 1, 2016 to December 31, 2016.

The following table identifies the principal and interest amounts which the OEB approves for disposition.

**Group 1 Deferral and Variance Account Balances**

<b>Account Name</b>	<b>Account Number</b>	<b>Principal Balance (\$) A</b>	<b>Interest Balance (\$) B</b>	<b>Total Claim (\$) C = A + B</b>
LV Variance Account	1550	101,817	1,907	103,724
Smart Meter Entity Variance Charge	1551	(4,677)	(83)	(4,760)
RSVA - Wholesale Market Service Charge	1580	6,164	2,148	8,312
RSVA - Retail Transmission Network Charge	1584	(96,692)	(1,891)	(98,583)
RSVA - Retail Transmission Connection Charge	1586	(157,935)	(3,006)	(160,941)
RSVA - Power	1588	183,234	8,154	191,388
RSVA - Global Adjustment	1589	443,215	2,567	445,782
Recovery of Regulatory Asset Balances	1590	0	0	0
Disposition and Recovery of Regulatory Balances (2009)	1595	(267)	622	355
Disposition and Recovery of Regulatory Balances (2012)	1595	61,748	(37,469)	24,279
Disposition and Recovery of Regulatory Balances (2013)	1595	148,981	(55,468)	93,513
Disposition and Recovery of Regulatory Balances (2014)	1595	1,254,861	(1,254,861)	0
<b>Total Group 1 Excluding Global Adjustment – Account 1589</b>		<b>1,497,234</b>	<b>(1,339,947)</b>	<b>157,287</b>
<b>Total Group 1</b>		<b>1,940,449</b>	<b>(1,337,380)</b>	<b>603,069</b>

## 8.0 Residential Rate Design

Currently, all residential distribution rates include a fixed monthly charge and a variable usage charge. The OEB's April 2, 2015 policy on electricity distribution rate design set out that distribution rates for residential customers will transition to a fully fixed rate structure from the current combination of fixed and variable charges over four years. Starting in 2016, the fixed rate will increase gradually, and the usage rate will decline.

The 2016 rate model has been revised to include the first year of the gradual transition to fully fixed rates and its impact to the monthly fixed charge that residential customers will pay. The OEB is requiring distributors to calculate and report on the rate impacts of the change so that strategies may be employed to smooth the transition for the customers most impacted, such as those that consume less electricity, if mitigation is required. In support of this, the OEB requires distributors to calculate the impact of this change to residential customers in general; it also requires applicants to calculate the combined impact of the fixed rate increase and any other changes in the cost of distribution service for those customers who are at the 10<sup>th</sup> percentile of overall consumption. Any increase of 10% or greater to these low-consumption customers' bills arising from changes made in this Decision, or an increase to the monthly fixed charge of greater than \$4 prior to incentive rate-setting adjustments, may result in the requirement for a longer transition period than four years specified in the OEB policy. Distributors may also propose other strategies to smooth out these increases as appropriate.

Adjustments to InnPower's rate model to implement the change in fixed rates results in an increase to the fixed charge prior to IRM adjustments of \$3.96; OEB staff have calculated the bill impacts of this Decision, including the fixed rate change, to be below 10% for typical low consumption customers.

### Findings

I find that the increases to the monthly fixed charge and to low consumption consumers are consistent with OEB policy and approve the increase as calculated in the final rate model.

## 9.0 Implementation and Order

### Rate Model

With this Decision and Rate Order are a rate model, applicable supporting models and a Tariff of Rates and Charges (Appendix A). Entries in the rate model(s) were reviewed to ensure that they were in accordance with InnPower's EB-2012-0139 cost of service decision, the 2015 OEB-approved Tariff of Rates and Charges as well as the cost, revenue and consumption results from 2014 as reported by InnPower to the OEB. The rate model was adjusted, where applicable, to correct any discrepancies.

### THE ONTARIO ENERGY BOARD ORDERS THAT

1. The Tariff of Rates and Charges set out in Appendix A of this Decision and Rate Order is approved effective January 1, 2016 for electricity consumed or estimated to have been consumed on and after such date. InnPower Corporation shall notify its customers of the rate changes no later than the delivery of the first bill reflecting the new rates.

### **ADDRESS**

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

E-mail: [boardsec@ontarioenergyboard.ca](mailto:boardsec@ontarioenergyboard.ca)

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

Fax: 416-440-7656

**DATED** at Toronto, [date]

**ONTARIO ENERGY BOARD**

Kirsten Walli  
Board Secretary

DRAFT

**Appendix A**  
**To Decision and Rate Order**  
**Tariff of Rates and Charges**  
**Board File No: EB-2015-0081**  
**DATED: [date]**



# InnPower Corporation

## TARIFF OF RATES AND CHARGES

**Effective and Implementation Date January 1, 2016**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2015-0081

### RESIDENTIAL SERVICE CLASSIFICATION

This classification refers to the supply of electrical energy to residential customers residing in detached, semi detached, townhouse (freehold or condominium) dwelling units, duplexes or triplexes. Supply will be limited up to a maximum of 200 amp @ 240/120 volt. Further servicing details are available in the utility's Conditions of Service.

### APPLICATION

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

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

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

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

### MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	24.85
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Rate Rider for Recovery of Incremental Capital - effective until December 31, 2016	\$	2.21
Distribution Volumetric Rate	\$/kWh	0.0139
Low Voltage Service Rate	\$/kWh	0.0022
Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until December 31, 2016	\$/kWh	0.0002
Rate Rider for Disposition of Global Adjustment Account (2016) - effective until December 31, 2016		
Applicable only for Non-RPP Customers	\$/kWh	0.0067
Rate Rider for Recovery of Incremental Capital - effective until December 31, 2016	\$/kWh	0.0020
Rate Rider for Disposition of Capital Gains - effective until December 31, 2016	\$/kWh	(0.0007)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0057
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0041

### 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

# InnPower Corporation

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date January 1, 2016

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

EB-2015-0081

## 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 peak demand is less than or expected to be less than 50kW. Further servicing details are available in the utility's Conditions of Service.

### APPLICATION

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

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

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

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

### MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	34.33
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Rate Rider for Recovery of Incremental Capital - effective until December 31, 2016	\$	3.65
Distribution Volumetric Rate	\$/kWh	0.0083
Low Voltage Service Rate	\$/kWh	0.0020
Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until December 31, 2016	\$/kWh	0.0002
Rate Rider for Disposition of Global Adjustment Account (2016) - effective until December 31, 2016		
Applicable only for Non-RPP Customers	\$/kWh	0.0067
Rate Rider for Recovery of Incremental Capital - effective until December 31, 2016	\$/kWh	0.0009
Rate Rider for Disposition of Capital Gains - effective until December 31, 2016	\$/kWh	(0.0003)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0052
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0039

### 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

# InnPower Corporation

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date January 1, 2016

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

EB-2015-0081

## GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION

This classification refers to a non-residential account whose monthly average peak demand is equal to or greater than, or expected to be equal to or greater than 50kW but less than 5000kW. Further servicing details are available in the utility's Conditions of Service.

### APPLICATION

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

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

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

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

### MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	151.60
Rate Rider for Recovery of Incremental Capital - effective until December 31, 2016	\$	16.12
Distribution Volumetric Rate	\$/kW	3.1132
Low Voltage Service Rate	\$/kW	0.7883
Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until December 31, 2016	\$/kW	0.0690
Rate Rider for Disposition of Global Adjustment Account (2016) - effective until December 31, 2016		
Applicable only for Non-RPP Customers	\$/kW	2.5505
Rate Rider for Recovery of Incremental Capital - effective until December 31, 2016	\$/kW	0.3311
Rate Rider for Disposition of Capital Gains - effective until December 31, 2016	\$/kW	(0.0622)
Retail Transmission Rate - Network Service Rate	\$/kW	2.1047
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.4837
Retail Transmission Rate - Network Service Rate - Interval Metered	\$/kW	2.0385
Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered	\$/kW	2.1757

### 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

**InnPower Corporation**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2016**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2015-0081

## UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification refers to a non-residential account taking electricity at 240/120 or 120 volts whose monthly peak demand is less than, or expected to be less than, 50kW and the consumption is unmetered. A detailed calculation of the load will be calculated for billing purposes. Further servicing details are available in the utility's Conditions of Service.

### APPLICATION

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

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

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

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

### MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	10.57
Rate Rider for Recovery of Incremental Capital - effective until December 31, 2016	\$	1.12
Distribution Volumetric Rate	\$/kWh	0.0177
Low Voltage Service Rate	\$/kWh	0.0020
Rate Rider for Recovery of Incremental Capital - effective until December 31, 2016	\$/kWh	0.0019
Rate Rider for Disposition of Capital Gains - effective until December 31, 2016	\$/kWh	(0.0006)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0052
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0039

### 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

# InnPower Corporation

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date January 1, 2016

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

EB-2015-0081

## 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 utility's Conditions of Service.

### APPLICATION

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

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### MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	11.20
Rate Rider for Recovery of Incremental Capital - effective until December 31, 2016	\$	1.19
Distribution Volumetric Rate	\$/kW	51.0173
Low Voltage Service Rate	\$/kW	0.6065
Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until December 31, 2016	\$/kW	0.0655
Rate Rider for Disposition of Global Adjustment Account (2016) - effective until December 31, 2016		
Applicable only for Non-RPP Customers	\$/kW	2.2176
Rate Rider for Recovery of Incremental Capital - effective until December 31, 2016	\$/kW	5.4252
Rate Rider for Disposition of Capital Gains - effective until December 31, 2016	\$/kW	(2.5361)
Retail Transmission Rate - Network Service Rate	\$/kW	1.5954
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.7004

### 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

# InnPower Corporation

## TARIFF OF RATES AND CHARGES

**Effective and Implementation Date January 1, 2016**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2015-0081

### STREET LIGHTING SERVICE CLASSIFICATION

This classification refers to accounts concerning roadway lighting for a Municipality, Regional Municipality, and/or the Ministry of Transportation. This lighting will be controlled by photocells. The consumption for these customers will be based on the calculated connected load times as established in the approved OEB Street Lighting Load Shape Template. Further servicing details are available in the utility's Conditions of Service.

### APPLICATION

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### MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	5.72
Rate Rider for Recovery of Incremental Capital - effective until December 31, 2016	\$	0.61
Distribution Volumetric Rate	\$/kW	39.5544
Low Voltage Service Rate	\$/kW	1.6331
Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until December 31, 2016	\$/kWh	0.0002
Rate Rider for Disposition of Global Adjustment Account (2016) - effective until December 31, 2016		
Applicable only for Non-RPP Customers	\$/kWh	0.0067
Rate Rider for Recovery of Incremental Capital - effective until December 31, 2016	\$/kW	4.2063
Rate Rider for Disposition of Capital Gains - effective until December 31, 2016	\$/kW	(1.3358)
Retail Transmission Rate - Network Service Rate	\$/kW	1.5873
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.1469

### 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

**InnPower Corporation**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2016**  
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EB-2015-0081

## **microFIT SERVICE CLASSIFICATION**

This classification applies to an electricity generation facility contracted under the Ontario Power Authority's microFIT program and connected to the distributor's distribution system.

### **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.

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

Service Charge	\$	5.40
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**InnPower Corporation**  
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EB-2015-0081

**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**

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**Customer Administration**

Arrears certificate	\$	15.00
Easement Letter	\$	15.00
Credit Reference/credit check (plus credit agency costs)	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Returned cheque (plus bank charges)	\$	15.00
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	\$	15.00
Collection of account charge - no disconnection - after regular hours	\$	165.00
Disconnect/Reconnect Charge - At Meter - During Regular Hours	\$	40.00
Disconnect/Reconnect at meter - after regular hours	\$	185.00
Disconnect/Reconnect at pole - during regular hours	\$	185.00
Disconnect/Reconnect at pole - after regular hours	\$	415.00
Install/Remove load control device - during regular hours	\$	40.00
Install/Remove load control device - after regular hours	\$	185.00

**Other**

Special meter reads	\$	30.00
Temporary Service - Install & Remove - Overhead - No Transformer	\$	500.00
Temporary service - Installation and Removal - Underground - No Transformer	\$	300.00
Temporary service - Installation and Removal - Overhead - With Transformer	\$	1,000.00
Specific Charge for Access to the Power Poles - \$/pole/year	\$	22.35



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EB-2015-0081

## RETAIL SERVICE CHARGES (if applicable)

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

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

Retail Service Charges refer to services provided by a distributor to retailers or customers related to the supply of competitive electricity.

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

## LOSS FACTORS

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

Total Loss Factor - Secondary Metered Customer < 5,000 kW	1.0723
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0616

**Appendix B**

**To Decision and Rate Order**

**List of Rates and Charges Not Affected by the Price Cap or Annual IR Index**

**OEB File No: EB-2015-0081**

**DATED: [date]**

The following rates and charges are not affected by the Price Cap or Annual IR Index:

- 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
- Retail service charges