



**Ontario Energy Board
Commission de l'énergie de l'Ontario**

DECISION AND RATE ORDER

EB-2015-0086

LAKELAND POWER DISTRIBUTION LTD.

Application for an order approving just and reasonable rates and other charges for electricity distribution to be effective January 1, 2016 and May 1st 2016.

BEFORE: Allison Duff
Presiding Member

Victoria Christie
Member

December 10, 2015

1 INTRODUCTION AND SUMMARY

Lakeland Power Distribution Ltd. (Lakeland Power) serves about 13,100 mostly residential and commercial electricity customers in municipalities of Bracebridge, Huntsville, Sundridge, Burk's Falls, Magnetawan and Parry Sound. 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.

Lakeland Power and Parry Sound Power Corporation amalgamated to form a consolidated entity on July 1, 2014 under the Lakeland Power distribution licence. At the time of the transaction, the Lakeland legacy service territory was on a May 1 rate year, while the Parry Sound service territory was on a January 1 rate year. The application was filed with the OEB on August 17, 2015, to seek approval for changes to the Lakeland legacy service territory to be effective May 1, 2016 and for the Parry Sound service territory effective January 1, 2016. The intention is to maintain distinct rate schedules for the two service territories until the rates are harmonized in the 2018 rate year.

The OEB has established three different rate-setting methods for distributors. Lakeland Power 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. Lakeland Power and Parry Sound Power last appeared before the OEB with cost of service applications for 2013 in the EB-2012-0145, and 2011 in the EB-2010-0140 proceedings respectively. 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 Lakeland Power's application. The following issues are addressed in this Decision and Rate Order.

- Price Cap Incentive Rate-setting
- Regulatory Charges
- Shared Tax Adjustments
- Retail Transmission Service Rates
- Review and Disposition of Group 1 Deferral and Variance Accounts
- Review and Disposition of Lost Revenue Adjustment Mechanism Variance Account Balance
- Residential Rate Design
- Return on Equity
- Implementation and Order

In accordance with the OEB-approved parameters for inflation and productivity for 2016, Lakeland Power applied for a rate increase of 1.80% for both service territories. 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 Schedule B.

Lakeland Power also applied to change the composition of its two 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 2016¹. Accordingly, the fixed monthly charges for 2016 have been adjusted upward in this Decision by more than the mechanistic adjustment alone and the variable-usage rates commensurately lower. The amount of revenue the distributor is expected to collect from residential customers will not be affected, only the proportion of revenue collected through variable and fixed charges.

The bill impacts arising from this Decision for the Lakeland legacy service territory and the Parry Sound service territory result in monthly decreases of \$1.92 and \$0.85 respectively 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.

The OEB approves the adjustments to Lakeland Power's application as calculated through this proceeding.

2 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, Lakeland Power provided written evidence and completed rate models to support its application on August 17, 2015. OEB staff and the Vulnerable Energy Consumers Coalition also participated in the proceeding. Questions were asked and answers were provided by Lakeland Power to clarify and correct the evidence. Finally

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

Lakeland Power, OEB staff and the Vulnerable Energy Consumers Coalition made submissions to the OEB regarding Lakeland Power's application and proposals.

3 ORGANIZATION OF THE DECISION

The OEB has organized this Decision into sections, reflecting the issues that the OEB has considered in making its findings². 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 implement the final rates that flow from this Decision.

4 PRICE CAP INDEX ADJUSTMENT

The Price Cap IR adjustment follows an OEB-approved formula that includes components for inflation and the OEB's expectations of efficiency and productivity gains³. 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 formula⁴, 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%⁵. The

² See list of issues in the Introduction, p.1

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

⁴ As outlined in the Report cited at footnote 3 above.

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

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

OEB assigns Lakeland Power a stretch factor of 0.30% based on the updated benchmarking study for use for rates effective in 2016⁶. As a result, the net price cap index adjustment for Lakeland Power 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 in both service territories; it does not apply to the rates and charges listed in Schedule B.

5 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 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 Ontario customers contribute to the OESP through the OESP charge.

⁶ As outlined in the Report cited at footnote 5 above.

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

Findings

The OEB has determined⁷ that the RRRP charge for 2016 shall be \$0.0013 per kWh; the WMS rate shall be \$0.0036 per kWh; and the OESP charge shall be \$0.0011 per kWh. The Tariff of Rates and Charges flowing from this Decision and Rate Order for both service territories reflect these new regulatory charges, as well as the OESP credits to be provided to enrolled low income customers.

6 SHARED TAX ADJUSTMENTS

The OEB approves an amount for taxes in a distributor's cost of service proceeding that is based on the tax rates in place at the time. Legislated changes in tax rates impact the amount of taxes that a distributor pays in the period between cost of service proceedings, but it does not alter the amount that ratepayers contribute towards the cost of taxes unless the rates are updated by an order of the OEB. The OEB has determined that a 50/50 sharing of the impact of legislated tax changes between shareholders and ratepayers is appropriate. The shared tax change amount will be assigned to customer rate classes in the same proportions as the OEB-approved distribution revenue by rate class from a distributor's last cost of service proceeding. In accordance with the OEB's rate design policy, the rate riders to dispose of these amounts will be calculated as a fixed monthly charge for residential customers.

The Lakeland legacy service territory incurred a total tax increase of \$58,828 resulting in a shared amount of \$29,414 to be charged to customers.

The Parry Sound service territory incurred a total tax increase of \$962, resulting in a shared amount of \$481. The Application included a proposal to transfer the \$481 tax sharing amount to Account 1595, for disposal at a future time.

OEB staff submitted it has no concerns with the evidence and proposals for both service territories.

⁷ Decision and Rate Order, EB-2015-0294

Findings

The OEB approves the disposition of the shared tax increase of \$29,414 to be applied to all customer classes according to their annualized consumption over a one-year period (i.e. May 1, 2016 to April 30, 2017) for the Lakeland legacy service territory. The rate riders will be calculated on a fixed monthly basis for residential customers, and on a volumetric basis for all remaining customer classes.

The OEB approves the request to record the Parry Sound service territory tax sharing amount of \$481 in variance Account 1595 for future disposition. The entry must be made by March 31, 2016.

7 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, fully embedded distributors, such as Lakeland Power, 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. The OEB 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.

8 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 accounts⁸ provides that, during the IR 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.

The Lakeland Legacy Service Territory

The Lakeland legacy service territory had a 2014 actual year-end total Group 1 account credit balance, including interest projected to April 30, 2016, of \$326,284, or \$0.0015 per kWh, which exceeds the preset disposition threshold. Lakeland Power proposes to dispose of this credit through refunds to customers over a one-year period.

In its submission, OEB staff noted that the principal amounts as of December 31, 2014 reconcile with the amounts reported as part of the *Reporting and Record-Keeping Requirements* and that Lakeland Power's proposal for a one-year disposition period is in accordance with the OEB's report. OEB staff submitted that the amounts should be disposed on a final basis.

Findings

The Lakeland legacy service territory balances proposed for disposition are the same as the amounts reported as part of the OEB's *Reporting and Record-Keeping Requirements*. The OEB approves the disposition of a credit balance of \$326,284 as of December 31, 2014, including interest to April 30, 2016 for Group 1 accounts. These balances are to be disposed through rate riders over a one-year period from May 1, 2016 to April 30, 2017.

⁸ Report of the Board on Electricity Distributors' Deferral and Variance Account Review Initiative (July 31, 2009)

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

Group 1 Deferral and Variance Account Balances

Account Name	Account Number	Principal Balance (\$) A	Interest Balance (\$) B	Total Claim (\$) C=A+B
LV Variance Account	1550	415,993	17,792	433,785
Smart Meter Entity Variance Charge	1551	5,194	72	5,266
RSVA - Wholesale Market Service Charge	1580	(1,214,969)	(41,236)	(1,256,205)
RSVA - Retail Transmission Network Charge	1584	(178,663)	(4,860)	(183,523)
RSVA - Retail Transmission Connection Charge	1586	(72,704)	(1,837)	(74,541)
RSVA - Power	1588	323,618	14,697	338,315
RSVA - Global Adjustment	1589	339,407	6,077	345,484
Disposition and Recovery of Regulatory Balances (2011)	1595	(59,452)	(14,693)	(74,145)
Disposition and Recovery of Regulatory Balances (2012)	1595	(25,239)	26,188	949
Disposition and Recovery of Regulatory Balances (2013)	1595	(384,292)	522,623	138,331
Total Group 1 Excluding Global Adjustment - Account 1589		(1,190,514)	518,746	(671,768)
Total Group 1		(851,107)	524,822	(326,284)

The balance of each Group 1 account approved for disposition shall be transferred to the applicable principal and interest carrying charge sub-accounts of Account 1595. Such transfer shall be pursuant to the requirements specified in Article 220, Account Descriptions, of the *Accounting Procedures Handbook for Electricity Distributors*, effective January 1, 2012. The date of the transfer must be the same as the effective date for the associated rates. Lakeland Power should ensure these adjustments are included in the reporting period ending June 30, 2016 (Quarter 2).

Parry Sound Service Territory

The Parry Sound service territory had 2014 actual year-end total Group 1 account credit balances of \$180,750, or \$0.0021 per kWh, excluding Accounts 1588 and 1589. With the exclusion, the pre-set disposition threshold was exceeded.

In 2015, the OEB did not dispose of any of the Group 1 balances for the Parry Sound service territory as there were concerns with Accounts 1588 and 1589. A detailed review of the two accounts was ordered. OEB staff indicated that the intent was not to dispose of any Group 1 accounts until the review was complete.

OEB staff submitted that no disposition of Group 1 accounts should take place in 2016 as the review has not yet been completed. In reply submission, Lakeland Power agreed with the OEB staff's submission.

Findings

The OEB does not approve the disposition of any Group 1 account balances for the Parry Sound service territory in 2016, given the review of Accounts 1588 and 1589 is not complete. The Account review will be considered in the 2017 IRM proceeding.

9 REVIEW AND DISPOSITION OF LOST REVENUE ADJUSTMENT MECHANISM VARIANCE ACCOUNT BALANCE

As part of the Ministry of Energy's conservation-first strategy, the OEB requires distributors to engage in and deliver conservation and demand management activities in an effort to reduce total energy consumption and reduce peak demand on the provincial

electricity system. The OEB policy⁹ established the Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) to capture the revenue implications for the distributor from the reduction in actual demand, as compared with the last OEB-approved load forecast, resulting from conservation and demand management activities. These differences are recorded for each of a distributor's customer classes.

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

Lakeland Power requested a disposition of its LRAMVA debit balance of \$19,167 for the Lakeland legacy service territory. The balance reflects the 2012 lost revenues associated with the conservation and demand management programs which contribute to Lakeland Power's 2011-2014 reduction targets. Lakeland Power corrected the LRAMVA in the Application to \$19,167 in response to OEB staff Interrogatory #1.

OEB staff submitted that 100% of Lakeland Power's 2012 net energy savings are eligible for recovery through the LRAMVA.

Findings

The OEB approves the disposition of the LRAMVA debit balance of \$19,167 for the Lakeland legacy service territory as it is significant and is consistent with the final 2014 evaluation report. The OEB approves a one-year disposition period.

10 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 electricity distributors will transition to a fully fixed monthly distribution service charge for residential customers over four years. Starting in 2016, the fixed rate will increase gradually, and the variable (usage) rate will decline.

The OEB is requiring distributors to calculate and report on the rate impacts of the change so that strategies may be employed, where needed, to smooth the transition for the customers most impacted, such as those that consume less electricity. 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

⁹ Guidelines for Electricity Distributor Conservation and Demand Management (April 26, 2012)

customers who are at the 10th 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 the four years specified in the OEB policy. Distributors may also propose other strategies to smooth out these increases as appropriate.

The Lakeland Power legacy service territory rate model shows that the change in fixed rates results in an increase to the fixed charge prior to IR adjustments of \$3.01 with a four-year phase in policy.

In the Parry Sound service territory, the annual changes required to transition to fully fixed rates over four years result in an increase above the \$4 threshold. A five-year phase in period was proposed, resulting in a fixed charge increase of \$3.55 prior to annual rate adjustments.

OEB staff supported the proposed four-year transition period for the Lakeland legacy service territory. OEB staff also supported the five-year transition period for the Parry Sound service territory as the monthly service charge would have to rise by more than \$4 per year under a four-year transition.

VECC submitted the OEB should approve a five-year implementation period for both the the Lakeland legacy and Parry Sound service territory customers in order to:

- Keep the initial fixed rate movement at or under \$4.00 for both territories;
- Maintain bill impacts at 10% or lower for customers at the lowest 10th percentile;
- Allow consistency in transition years to minimize confusion in the future rate harmonization process.

VECC also submitted that this should be done with the understanding that Lakeland Power file its next cost of service application in 2017 for 2018 rates. This would be consistent with the OEB's Lakeland Power's Mergers, Amalgamations, Acquisitions, and Divestitures (MAAD) decision which indicated 2018 was an acceptable timeframe to harmonize and rebase the rates of the amalgamated entity. Lakeland Power indicated it would not be opposed to extending the transition to five years for both service territories, but in doing so it might have to defer its next cost of service application filing with rate harmonization to the 2019 rate year..

VECC also submitted that the total bill impact evidence did not consider the impact of the new Ontario Electricity Support Program (OESP) which starts January 1, 2016 with a cost of about \$1 per month for the typical residential electricity consumer. VECC

requested that Lakeland Power provide an analysis of the impact in reply submission, yet the analysis was not provided.

Findings

The OEB finds that Lakeland Power's proposal for implementing the OEB's policy on distribution rate design for residential customers to be reasonable. The OEB approves the transition to fixed rates over four years for the Lakeland legacy service territory and over five years for the Parry Sound service territory. The OEB finds that each service territory has distinct rate schedules to which the OEB's policy regarding fixed rate transition applies. The Lakeland legacy service territory is able to transition within four years under \$4 which is appropriate and consistent with the province-wide policy.

The Parry Sound service territory will instead complete the transition over a five-year period. The OEB finds this reasonably balances the goals of timely implementation and minimising bill impacts for low-volume customers.

At this time, Lakeland Power's rate harmonization plans for the two service territories are unknown and may require a transition period. The fixed rate transition periods approved in this Decision for both service territories may be considered and altered in the context of the overall harmonization process in the next cost of service proceeding.

Consistent with the OEB's policy, Lakeland Power could apply for a deviation from the four-year transition period "if other rate changes being made as a result of other OEB decisions, which together with the policy change, could result in unusually large bill impacts".¹⁰ Given that the bill impact for individual customers will vary by consumption, the OEB established that bill increase for a residential customer at the distributor's 10th percentile should not exceed 10%.

The OEB has verified that the combined impact of the fixed rate increase and the other changes in the cost of distribution service associated with this Decision for customers at the 10th percentile of overall consumption is less than 10%. Changes to the bill resulting from the provincial government's decision to phase out the Ontario Clean Energy Benefit and the Debt Retirement Charge are not within the scope of the evaluation.

¹⁰ *Ibid* note 1 at p26

11 RETURN ON EQUITY

The OEB issued a letter to Lakeland Power regarding its regulatory return on equity (ROE) on October 16, 2015. The letter indicated, “OEB Audit and Performance Assessment staff concluded that Lakeland Power Distribution Ltd.’s regulatory ROE measured 12.50% in 2014 – 357 basis points above the target ROE that was the basis upon which its rates were established”. A regulatory ROE that is 57 basis points above the identified OEB threshold could trigger a regulatory review. According to OEB’s policy¹¹, a review would be prospective only, and could result in modifications, termination or the continuation of the distributor’s rate plan.

As per the letter the OEB will assess the appropriateness of granting Lakeland Power’s request for an incremental adjustment to its base rates for the 2016 rate year given the ROE in 2014.

OEB staff estimated the 57 basis points represented a cost to residential customers of \$0.20 per month. The value of the base rate increase to the Lakeland legacy service territory is about \$0.88 per customer and \$1.39 per customer for the Parry Sound service territory.

OEB staff submitted that it did not oppose the 2016 increase as 2014, the year in which Lakeland Power had an ROE of 12.50%, was the year of its merger. OEB staff indicated that the ability to keep savings for a period of time to offset the costs of a merger is a key policy of the OEB designed to encourage consolidations.

Findings

The OEB approves the proposed rate increase in 2016, despite Lakeland Power’s ROE in 2014. The merger was approved on March 27, 2014. The OEB has considered the *Report of the Board: Rate-Making Associated with Distributor Consolidation* which allows distributors to defer rebasing following consolidation and allows the net savings of a consolidation to accrue to a distributor’s shareholder(s) for an extended period. The OEB finds it appropriate to enable savings to offset the costs of a MAADs transaction, especially in 2014, the year of the merger.

¹¹ Report of the Board on 3rd Generation Incentive Regulation for Ontario’s Electricity Distributors (EB-2007-0673) and Report of the Board Renewed Regulatory Framework for Electricity Distributors: A Performance-Based Approach

11 IMPLEMENTATION AND ORDER

With this Decision and Rate Order, the OEB is providing Lakeland Power with rate models, applicable supporting models and a Tariff of Rates and Charges (Schedule A). The OEB also reviewed the entries in the rate model(s) to ensure that they were in accordance with Lakeland Power's EB-2012-0145 cost of service decision and Parry Sound EB-2010-0140, the 2015 OEB-approved Tariff of Rates and Charges as well as the cost, revenue and consumption results from 2014 as reported by Lakeland Power to the OEB. The rate model was adjusted, where applicable, to correct any discrepancies.

THE ONTARIO ENERGY BOARD ORDERS THAT:

1. Lakeland Power's new distribution rates for the Parry Sound service territory shall be effective January 1, 2016 and Lakeland Power's new distribution rates for the Lakeland legacy service territory shall be effective May 1, 2016.
2. The Tariff of Rates and Charges set out in Schedule A shall be deemed "draft" until the parties have complied with the subsequent procedural steps.
3. Lakeland Power shall review the Tariff of Rates and Charges set out in Schedule A and shall file with the OEB, as applicable, a written confirmation of its completeness and accuracy, or provide a detailed explanation of any inaccuracies or missing information, within **7 days** of the date of issuance of this Decision and Rate Order.
4. If the OEB does not receive a submission from Lakeland Power to the effect that inaccuracies were found or information was missing pursuant to item 3, the Tariff of Rates and Charges set out in Schedule A of this Decision and Rate Order will be considered final. Lakeland Power shall notify its customers of the rate changes no later than the delivery of the first bill reflecting the new rates.
5. If the OEB receives a submission from Lakeland Power to the effect that inaccuracies were found or information was missing pursuant to item 3 of this Decision and Rate Order, the OEB will consider the submission of Lakeland Power prior to issuing a revised Tariff of Rates and Charges which will be considered final.

COST AWARDS

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

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

All filings to the OEB must quote the file number, EB-2015-0086 and be made electronically through the OEB's web portal at <https://www.pes.ontarioenergyboard.ca/eservice/> in searchable / unrestricted PDF format. Two paper copies must also be filed at the OEB's address provided below. Filings must clearly state the sender's name, postal address and telephone number, fax number and e-mail address. Parties must use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at <http://www.ontarioenergyboard.ca/OEB/Industry> If the web portal is not available parties may email their documents to the address below. Those who do not have internet access are required to submit all filings on a CD in PDF format, along with two paper copies. Those who do not have computer access are required to file 7 paper copies.

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

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

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

Fax: 416-440-7656

DATED at Toronto, December 10, 2015

ONTARIO ENERGY BOARD

Original Signed By

Kirsten Walli
Board Secretary

Schedule A

To Decision and Rate Order

Tariff of Rates and Charges

OEB File No: EB-2015-0086

DATED: December 10, 2015

Lakeland Power Distribution Ltd.

For Former Lakeland Power Service Area

TARIFF OF RATES AND CHARGES

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

EB-2015-0086

RESIDENTIAL SERVICE CLASSIFICATION

This classification refers to the supply of electrical energy to residential customers residing in detached, semi detached, town house (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 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board approval, such as the Debt Retirement Charge, the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	23.66
Rate Rider for Application of Tax Change (2016) – effective until April 30, 2017	\$	0.17
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Distribution Volumetric Rate	\$/kWh	0.0113
Low Voltage Service Rate	\$/kWh	0.0034
Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until April 30, 2017	\$/kWh	(0.0036)
Rate Rider for Disposition of Global Adjustment Account (2016) - effective until April 30, 2017 Applicable only for Non-RPP Customers	\$/kWh	0.0035
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2016) - effective until April 30, 2017	\$/kWh	0.00004
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0057
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0045

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Lakeland Power Distribution Ltd.
For Former Lakeland Power Service Area
TARIFF OF RATES AND CHARGES
Effective and Implementation Date May 1, 2016
This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2015-0086

ONTARIO ELECTRICITY SUPPORT PROGRAM RECIPIENTS

In addition to the charges specified on page 1 of this tariff of rates and charges, the following credits are to be applied to eligible residential customers.

APPLICATION

The application of the charges are in accordance with the Distribution System Code (Section 9) and subsection 79.2(4) of the Ontario Energy Board Act, 1998.

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

In this class:

“Aboriginal person” includes a person who is a First Nations person, a Métis person or an Inuit person;

“account-holder” means a consumer who has an account with a distributor that falls within a residential-rate classification as specified in a rate order made by the Ontario Energy Board under section 78 of the Act, and who lives at the service address to which the account relates for at least six months in a year;

“electricity-intensive medical device” means an oxygen concentrator, a mechanical ventilator, or such other device as may be specified by the Ontario Energy Board;

“household” means the account-holder and any other people living at the accountholder’s service address for at least six months in a year, including people other than the account-holder’s spouse, children or other relatives;

“household income” means the combined annual after-tax income of all members of a household aged 16 or over;

MONTHLY RATES AND CHARGES

Class A

(a) account-holders with a household income of \$28,000 or less living in a household of one or two persons;

(b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of three persons;

(c) account-holders with a household income of between \$39,001 and \$48,000 living in a household of five persons;

and

(d) account-holders with a household income of between \$48,001 and \$52,000 living in a household of seven or more persons;

but does not include account-holders in Class E.

OESP Credit

\$ (30.00)

Class B

(a) account-holders with a household income of \$28,000 or less living in a household of three persons;

(b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of four persons;

(c) account-holders with a household income of between \$39,001 and \$48,000 living in a household of six persons;

but does not include account-holders in Class F.

OESP Credit

\$ (34.00)

Class C

(a) account-holders with a household income of \$28,000 or less living in a household of four persons;

(b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of five persons;

(c) account-holders with a household income of between \$39,001 and \$48,000 living in a household of seven or more persons;

but does not include account-holders in Class G.

OESP Credit

\$ (38.00)

Lakeland Power Distribution Ltd. For Former Lakeland Power Service Area

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

EB-2015-0086

ONTARIO ELECTRICITY SUPPORT PROGRAM RECIPIENTS

Class D

(a) account-holders with a household income of \$28,000 or less living in a household of five persons; and

(b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of six persons;

but does not include account-holders in Class H.

OESP Credit \$ (42.00)

Class E

Class E comprises account-holders with a household income and household size described under Class A who also meet any of the following conditions:

(a) the dwelling to which the account relates is heated primarily by electricity;

(b) the account-holder or any member of the account-holder's household is an Aboriginal person; or

(c) the account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates.

OESP Credit \$ (45.00)

Class F

(a) account-holders with a household income of \$28,000 or less living in a household of six or more persons;

(b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of seven or more persons; or

(c) account-holders with a household income and household size described under Class B who also meet any of the following conditions:

i. the dwelling to which the account relates is heated primarily by electricity;

ii. the account-holder or any member of the account-holder's household is an Aboriginal person; or

iii. the account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates

OESP Credit \$ (50.00)

Class G

Class G comprises account-holders with a household income and household size described under Class C who also meet any of the following conditions:

(a) the dwelling to which the account relates is heated primarily by electricity;

(b) the account-holder or any member of the account-holder's household is an Aboriginal person; or

(c) the account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates.

OESP Credit \$ (55.00)

Class H

Class H comprises account-holders with a household income and household size described under Class D who also meet any of the following conditions:

(a) the dwelling to which the account relates is heated primarily by electricity;

(b) the account-holder or any member of the account-holder's household is an Aboriginal person ; or

(c) the account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates.

OESP Credit \$ (60.00)

Class I

Class I comprises account-holders with a household income and household size described under paragraphs (a) or (b) of Class F who also meet any of the following conditions:

(a) the dwelling to which the account relates is heated primarily by electricity;

(b) the account-holder or any member of the account-holder's household is an Aboriginal person; or

(c) the account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates.

OESP Credit \$ (75.00)

Lakeland Power Distribution Ltd.

For Former Lakeland Power Service Area

TARIFF OF RATES AND CHARGES

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

EB-2015-0086

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 is expected to be less than 50 kW. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board approval, such as the Debt Retirement Charge, the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	44.61
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Distribution Volumetric Rate	\$/kWh	0.0091
Low Voltage Service Rate	\$/kWh	0.0030
Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until April 30, 2017	\$/kWh	(0.0033)
Rate Rider for Disposition of Global Adjustment Account (2016) - effective until April 30, 2017		
Applicable only for Non-RPP Customers	\$/kWh	0.0035
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2016)		
- effective until April 30, 2017	\$/kWh	0.0003
Rate Rider for Application of Tax Change (2016) – effective until April 30, 2017	\$/kWh	0.0001
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0052
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0042

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Lakeland Power Distribution Ltd.

For Former Lakeland Power Service Area

TARIFF OF RATES AND CHARGES

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

EB-2015-0086

GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION

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

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board approval, such as the Debt Retirement Charge, the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	314.16
Distribution Volumetric Rate	\$/kW	2.8251
Low Voltage Service Rate	\$/kW	1.3870
Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until April 30, 2017	\$/kW	(1.1508)
Rate Rider for Disposition of Global Adjustment Account (2016) - effective until April 30, 2017 Applicable only for Non-RPP Customers	\$/kW	1.5036
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2016) - effective until April 30, 2017	\$/kW	0.00002
Rate Rider for Application of Tax Change (2016) – effective until April 30, 2017	\$/kW	0.0251
Retail Transmission Rate - Network Service Rate	\$/kW	2.2259
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.7638

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Lakeland Power Distribution Ltd. For Former Lakeland Power Service Area

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

EB-2015-0086

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 50 kW and is unmetered. A detailed calculation of the load will be calculated for billing purposes. 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board approval, such as the Debt Retirement Charge, the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	12.76
Distribution Volumetric Rate	\$/kWh	0.0058
Low Voltage Service Rate	\$/kWh	0.0030
Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until April 30, 2017	\$/kWh	(0.0041)
Rate Rider for Disposition of Global Adjustment Account (2016) - effective until April 30, 2017	\$/kWh	0.0035
Rate Rider for Application of Tax Change (2016) – effective until April 30, 2017	\$/kWh	0.0003
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0052
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0042

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Lakeland Power Distribution Ltd. For Former Lakeland Power Service Area

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2016

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

EB-2015-0086

SENTINEL LIGHTING SERVICE CLASSIFICATION

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

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board approval, such as the Debt Retirement Charge, the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	6.39
Distribution Volumetric Rate	\$/kW	22.1203
Low Voltage Service Rate	\$/kW	0.9526
Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until April 30, 2017	\$/kW	(1.2560)
Rate Rider for Application of Tax Change (2016) – effective until April 30, 2017	\$/kW	0.2763
Retail Transmission Rate - Network Service Rate	\$/kW	1.6633
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.2999

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Lakeland Power Distribution Ltd. For Former Lakeland Power Service Area

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

EB-2015-0086

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 Ontario Energy Board Street Lighting Load Shape Template. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board approval, such as the Debt Retirement Charge, the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	5.26
Distribution Volumetric Rate	\$/kW	16.1267
Low Voltage Service Rate	\$/kW	0.9330
Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until April 30, 2017	\$/kW	(1.1939)
Rate Rider for Disposition of Global Adjustment Account (2016) - effective until April 30, 2017	\$/kW	1.2971
Rate Rider for Application of Tax Change (2016) – effective until April 30, 2017	\$/kW	0.2723
Retail Transmission Rate - Network Service Rate	\$/kW	1.6213
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.2873

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Lakeland Power Distribution Ltd.
For Former Lakeland Power Service Area
TARIFF OF RATES AND CHARGES
Effective and Implementation Date May 1, 2016
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microFIT SERVICE CLASSIFICATION

This classification applies to an electricity generation facility contracted under the Independent Electricity System Operator'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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board approval, such as the Debt Retirement Charge, the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	5.40
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Lakeland Power Distribution Ltd.

For Former Lakeland Power Service Area

TARIFF OF RATES AND CHARGES

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

EB-2015-0086

ALLOWANCES

Transformer Allowance for Ownership - per kW of billing demand/month	\$/kW	(0.60)
Primary Metering Allowance for transformer losses - applied to measured demand and energy	%	(1.00)

SPECIFIC SERVICE CHARGES

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board approval, such as the Debt Retirement Charge, the Global Adjustment and the HST.

Customer Administration

Arrears certificate	\$	15.00
Statement of account	\$	15.00
Request for other billing information	\$	15.00
Income tax letter	\$	15.00
Returned cheque (plus bank charges)	\$	15.00
Legal letter charge	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Special meter reads	\$	30.00

Non-Payment of Account

Late payment - per month	%	1.50
Late payment - per annum	%	19.56
Collection of account charge - no disconnection	\$	30.00
Collection of account charge - no disconnection - after regular hours	\$	165.00
Disconnect/reconnect at meter - during regular hours	\$	65.00
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	\$	65.00
Install/remove load control device - after regular hours	\$	185.00

Other

Temporary service - install & remove - overhead - no transformer	\$	500.00
Specific charge for access to the power poles - \$/pole/year	\$	22.35

Lakeland Power Distribution Ltd.

For Former Lakeland Power Service Area

TARIFF OF RATES AND CHARGES

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

EB-2015-0086

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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy 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	1.0743
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0637

Lakeland Power Distribution Ltd.

For Former Parry Sound Service Area

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-2015-0086

RESIDENTIAL SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less where the electricity is used exclusively in a separate metered living accommodation. Customers shall be residing in single-dwelling units that consist of a detached house or one unit of a semi-detached, duplex, triplex or quadruplex house, with a residential zoning. Separately metered dwellings within a town house complex or apartment building also qualify as residential customers. All customers are single-phase. 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board approval, such as the Debt Retirement Charge, the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	26.52
Rate Rider for Recovery of Smart Meter Incremental Revenue Requirement - effective until the date of the next cost of service-based rate order	\$	4.11
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Distribution Volumetric Rate	\$/kWh	0.0146
Low Voltage Service Rate	\$/kWh	0.0011
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0043
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0033

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Lakeland Power Distribution Ltd.
For Former Parry Sound Service Area
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2016
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EB-2015-0086

ONTARIO ELECTRICITY SUPPORT PROGRAM RECIPIENTS

In addition to the charges specified on page 1 of this tariff of rates and charges, the following credits are to be applied to eligible residential customers.

APPLICATION

The application of the charges are in accordance with the Distribution System Code (Section 9) and subsection 79.2(4) of the Ontario Energy Board Act, 1998.

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

In this class:

“Aboriginal person” includes a person who is a First Nations person, a Métis person or an Inuit person;

“account-holder” means a consumer who has an account with a distributor that falls within a residential-rate classification as specified in a rate order made by the Ontario Energy Board under section 78 of the Act, and who lives at the service address to which the account relates for at least six months in a year;

“electricity-intensive medical device” means an oxygen concentrator, a mechanical ventilator, or such other device as may be specified by the Ontario Energy Board;

“household” means the account-holder and any other people living at the accountholder’s service address for at least six months in a year, including people other than the account-holder’s spouse, children or other relatives;

“household income” means the combined annual after-tax income of all members of a household aged 16 or over;

MONTHLY RATES AND CHARGES

Class A

(a) account-holders with a household income of \$28,000 or less living in a household of one or two persons;

(b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of three persons;

(c) account-holders with a household income of between \$39,001 and \$48,000 living in a household of five persons;

and

(d) account-holders with a household income of between \$48,001 and \$52,000 living in a household of seven or more persons;

but does not include account-holders in Class E.

OESP Credit \$ (30.00)

Class B

(a) account-holders with a household income of \$28,000 or less living in a household of three persons;

(b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of four persons;

(c) account-holders with a household income of between \$39,001 and \$48,000 living in a household of six persons;

but does not include account-holders in Class F.

OESP Credit \$ (34.00)

Class C

(a) account-holders with a household income of \$28,000 or less living in a household of four persons;

(b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of five persons;

(c) account-holders with a household income of between \$39,001 and \$48,000 living in a household of seven or more persons;

but does not include account-holders in Class G.

OESP Credit \$ (38.00)

Lakeland Power Distribution Ltd.

For Former Parry Sound Service Area

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2016

This schedule supersedes and replaces all previously
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EB-2015-0086

ONTARIO ELECTRICITY SUPPORT PROGRAM RECIPIENTS

Class D

(a) account-holders with a household income of \$28,000 or less living in a household of five persons; and

(b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of six persons;

but does not include account-holders in Class H.

OESP Credit \$ (42.00)

Class E

Class E comprises account-holders with a household income and household size described under Class A who also meet any of the following conditions:

(a) the dwelling to which the account relates is heated primarily by electricity;

(b) the account-holder or any member of the account-holder's household is an Aboriginal person; or

(c) the account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates.

OESP Credit \$ (45.00)

Class F

(a) account-holders with a household income of \$28,000 or less living in a household of six or more persons;

(b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of seven or more persons; or

(c) account-holders with a household income and household size described under Class B who also meet any of the following conditions:

i. the dwelling to which the account relates is heated primarily by electricity;

ii. the account-holder or any member of the account-holder's household is an Aboriginal person; or

iii. the account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates

OESP Credit \$ (50.00)

Class G

Class G comprises account-holders with a household income and household size described under Class C who also meet any of the following conditions:

(a) the dwelling to which the account relates is heated primarily by electricity;

(b) the account-holder or any member of the account-holder's household is an Aboriginal person; or

(c) the account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates.

OESP Credit \$ (55.00)

Class H

Class H comprises account-holders with a household income and household size described under Class D who also meet any of the following conditions:

(a) the dwelling to which the account relates is heated primarily by electricity;

(b) the account-holder or any member of the account-holder's household is an Aboriginal person ; or

(c) the account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates.

OESP Credit \$ (60.00)

Class I

Class I comprises account-holders with a household income and household size described under paragraphs (a) or (b) of Class F who also meet any of the following conditions:

(a) the dwelling to which the account relates is heated primarily by electricity;

(b) the account-holder or any member of the account-holder's household is an Aboriginal person; or

(c) the account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates.

OESP Credit \$ (75.00)

Lakeland Power Distribution Ltd.

For Former Parry Sound Service Area

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2016

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EB-2015-0086

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification applies to a non residential 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. 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board approval, such as the Debt Retirement Charge, the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	34.23
Rate Rider for Recovery of Smart Meter Incremental Revenue Requirement - effective until the date of the next cost of service-based rate order	\$	8.52
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Distribution Volumetric Rate	\$/kWh	0.0140
Low Voltage Service Rate	\$/kWh	0.0008
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0039
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0030

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Lakeland Power Distribution Ltd.
For Former Parry Sound Service Area
TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2016

**This schedule supersedes and replaces all previously
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EB-2015-0086

GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION

This classification applies to a non residential account whose average monthly maximum demand used for billing purposes is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 5,000 kW. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	197.28
Distribution Volumetric Rate	\$/kW	3.9614
Low Voltage Service Rate	\$/kW	0.4071
Retail Transmission Rate - Network Service Rate	\$/kW	1.5667
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.1697
Retail Transmission Rate - Network Service Rate - Interval Metered	\$/kW	1.8643
Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered	\$/kW	1.4188

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Lakeland Power Distribution Ltd.
For Former Parry Sound Service Area
TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2016

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EB-2015-0086

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. Such connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The level of the consumption will be agreed to by the distributor and the customer, based on detailed manufacturer information/ documentation with regard to electrical consumption of the unmetered load or periodic monitoring of actual consumption. 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board approval, such as the Debt Retirement Charge, the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	23.70
Distribution Volumetric Rate	\$/kWh	0.1383
Low Voltage Service Rate	\$/kWh	0.0010
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0039
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0030

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Lakeland Power Distribution Ltd.
For Former Parry Sound Service Area
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2016
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EB-2015-0086

SENTINEL LIGHTING SERVICE CLASSIFICATION

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

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board approval, such as the Debt Retirement Charge, the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	4.43
Distribution Volumetric Rate	\$/kW	17.1509
Low Voltage Service Rate	\$/kW	0.3916
Retail Transmission Rate - Network Service Rate	\$/kW	1.1879
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	0.9233

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Lakeland Power Distribution Ltd.

For Former Parry Sound Service Area

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2016

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STREET LIGHTING SERVICE CLASSIFICATION

This classification applies to an account for roadway lighting with a Municipality, Regional Municipality, Ministry of transportation and private roadway lighting, controlled by photo cells. The consumption for these customers will be based on the calculated connected load times the required lighting times established in the approved OEB street lighting load shape template. Further servicing details are available in the 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board approval, such as the Debt Retirement Charge, the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	2.82
Distribution Volumetric Rate	\$/kW	28.2350
Low Voltage Service Rate	\$/kW	0.3635
Retail Transmission Rate - Network Service Rate	\$/kW	1.1814
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	0.9042

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Lakeland Power Distribution Ltd.
For Former Parry Sound Service Area
TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2016

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EB-2015-0086

microFIT SERVICE CLASSIFICATION

This classification applies to an electricity generation facility contracted under the Independent Electricity System Operator'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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board approval, such as the Debt Retirement Charge, the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	5.40
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Lakeland Power Distribution Ltd.

For Former Parry Sound Service Area

TARIFF OF RATES AND CHARGES

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EB-2015-0086

ALLOWANCES

Transformer Allowance for Ownership - per kW of billing demand/month	\$/kW	(0.60)
Primary Metering Allowance for transformer losses - applied to measured demand and energy	%	(1.00)

SPECIFIC SERVICE CHARGES

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

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Customer Administration

Arrears certificate	\$	15.00
Account history	\$	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
Charge to certify cheque	\$	15.00
Legal letter charge	\$	15.00
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
Disconnect/reconnect at meter - during regular hours	\$	65.00
Disconnect/reconnect at pole - during regular hours	\$	185.00
Collection of account charge - no disconnection	\$	30.00
Install/remove load control device - during regular hours	\$	65.00

Other

Temporary service - install & remove - overhead - no transformer	\$	500.00
Temporary service - install & remove - underground - no transformer	\$	300.00
Temporary service - install & remove - overhead - with transformer	\$	1,000.00
Service call - customer-owned equipment	\$	30.00
Specific charge for access to the power poles - \$/pole/year	\$	22.35

Lakeland Power Distribution Ltd.
For Former Parry Sound Service Area
TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2016

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EB-2015-0086

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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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.

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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	1.0809
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0700

Schedule 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-2015-0086

DATED: December 10, 2015

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