



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

DECISION AND RATE ORDER

EB-2015-0057

**CAMBRIDGE AND NORTH DUMFRIES
HYDRO INC.**

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

By Delegation, Before: Lynne Anderson

[dated]

1 INTRODUCTION AND SUMMARY

Cambridge and North Dumfries Hydro Inc. (CND) serves about 52,000 mostly residential and commercial electricity customers in the City of Cambridge and Township of North Dumfries. 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.

CND filed an application with the OEB on November 2, 2015, to seek approval for changes to its distribution rates to be effective May 1, 2016. The OEB has established three different rate-setting methods for distributors. CND 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. CND last appeared before the OEB with a cost of service application for 2014 in the EB-2013-0116 proceeding. In the other four years, there is a mechanistic adjustment to rates based on inflation and the OEB's assessment of a distributor's efficiency.

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

- Price Cap Incentive Rate-Setting
- Regulatory Charges
- Retail Transmission Service Rates
- Review and Disposition of Group 1 Deferral and Variance Accounts
- Residential Rate Design
- Request for Accounting Order to Establish a New Deferral Account
- Implementation and Order

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

CND also applied to change the composition of its distribution service rates. Currently, residential distribution rates include a fixed monthly charge and a variable usage charge. However, the OEB issued a new policy to change residential rates to a fully fixed rate structure, transitioning over a four-year period beginning in 2016.¹ Accordingly, the fixed monthly charge for 2016 has been adjusted upward in this Decision by more than the mechanistic adjustment alone and the variable-usage rate is

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

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 CND result in a monthly decrease of \$0.67 for a residential customer consuming 800 kWh.

The OEB approves the adjustments to CND'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, CND provided written evidence and a completed rate model to support its application on November 2, 2015. Questions were asked and answers were provided by CND through emails and phone calls. Based on this information, a decision was drafted and provided to CND on February 4, 2016. CND was given the opportunity to provide its comments on the draft for consideration prior to finalizing this Decision.

3 ORGANIZATION OF THE DECISION

The OEB has organized this Decision into sections, reflecting the issues that the OEB has considered in making its findings.² 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.

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

4 PRICE CAP INCENTIVE RATE-SETTING

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

The formula is an *inflation minus X-factor* rate adjustment, which is intended to incent innovation and efficiency. Based on its established formula,⁴ 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 most efficient distributor, based on the cost evaluation ranking, would be assigned the lowest stretch factor of 0.0%. Higher stretch factors are applied to distributors whose cost performance falls below that of comparable distributors to encourage them to pursue greater efficiencies.

Findings

In this case, the OEB assigned CND a stretch factor of 0.30% based on the updated benchmarking study for use for rates effective in 2016.⁶ As a result, the net price cap index adjustment for CND is 1.80% (i.e. 2.1% - (0% + 0.30%)).

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

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.

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

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 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.

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. While these changes have been in effect since January 1, 2016 for all distributors as a result of the generic order that was part of the OEB's separate decision on these matters, the Tariff of Rates and Charges flowing from this Decision and Rate Order has also been updated so as to reflect these new regulatory charges, as well as the OESP credits to be provided to enrolled low income customers.

⁷ Decision and Rate Order, EB-2015-0294

6 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, partially embedded distributors, such as CND, 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 RTSRs they propose to charge their customers.

Findings

The OEB has adjusted the UTRs effective January 1, 2016,⁸ as shown in the following table:

2016 Uniform Transmission Rates

Network Service Rate	\$3.66 per kW
<u>Connection Service Rates</u>	
Line Connection Service Rate	\$0.87 per kW
Transformation Connection Service Rate	\$2.02 per kW

The OEB also approved new rates for Hydro One's Sub-Transmission class, including the applicable RTSRs,⁹ as shown in the following table:

2016 Sub-Transmission RTSRs

Network Service Rate	\$3.34 per kW
<u>Connection Service Rates</u>	
Line Connection Service Rate	\$0.78 per kW
Transformation Connection Service Rate	\$1.77 per kW

⁸ 2016 Uniform Electricity Transmission Rate Order, EB-2015-0311

⁹ Rate Order, EB-2015-0079, issued January 14, 2016

The OEB concludes that these 2016 UTRs and Sub-Transmission class RTSRs are to be incorporated into the filing module to adjust the RTSRs that CND will charge its customers accordingly.

7 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 accounts¹⁰ 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.

CND's 2014 actual year-end total balance for Group 1 accounts including interest projected to April 30, 2016 is a debit of \$364,256. This amount results in a total debit claim of \$0.0003 per kWh, which does not exceed the preset disposition threshold. Consistent with section 3.2.5 of the *2016 Filing Requirements* and a letter issued by the OEB on July 25, 2014, CND has requested to dispose of the balances in the accounts despite the total net claim not meeting the threshold. Although the net balance in the accounts does not meet the threshold level, excluding the Global Adjustment account results in a Group 1 total credit balance of \$1,741,532, representing a significant refund to customers. The Global Adjustment account has a balance of \$2,105,788 which is similarly a significant charge to those customers who are subject to the Global Adjustment. CND proposes to dispose of these account balances over a one-year period. As a result of questions from OEB Staff, CND noted that the OEB had audited the 2012 account balances in 2013 and that the OEB disposed of balances as of December 31, 2013 in CND's 2015 rate application.

¹⁰ Report of the Board on Electricity Distributors' Deferral and Variance Account Review Initiative (July 31, 2009)

Findings

The 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 debit balance of \$364,256 as of December 31, 2014, including interest projected 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.

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	85,464	2,164	87,628
Smart Meter Entity Variance Charge	1551	-9,975	-572	-10,547
RSVA - Wholesale Market Service Charge	1580	-115,375	-3,855	-119,230
RSVA - Retail Transmission Network Charge	1584	134,628	6,076	140,704
RSVA - Retail Transmission Connection Charge	1586	168,288	8,072	176,360
RSVA - Power	1588	-1,994,963	-21,483	-2,016,446
RSVA - Global Adjustment	1589	2,123,602	-17,814	2,105,788
Disposition and Recovery of Regulatory Balances (2010)	1595	-70,137	70,137	0
Total Group 1 Excluding Global Adjustment - Account 1589		-1,802,070	85,930	-1,741,532
Total Group 1		321,532	36,970	364,256

The balance of each Group 1 account approved for disposition shall be transferred to the applicable principal and interest carrying charge sub-accounts of Account 1595. Such transfer shall be pursuant to the requirements specified in Article 220, Account

Descriptions, of the *Accounting Procedures Handbook for Electricity Distributors*, effective January 1, 2012. The date of the transfer must be the same as the effective date for the associated rates, which is, generally, the start of the rate year. CND should ensure these adjustments are included in the reporting period ending June 30, 2016 (Quarter 2).

8 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 sets out that distribution rates for residential customers will transition to a fully fixed rate structure from the current combination of fixed and variable charges over four years. Starting in 2016, the fixed rate will increase gradually, and the usage rate will decline.

The 2016 rate model has been revised to include the first year of the gradual transition to fully fixed rates and its impact to the monthly fixed charge that residential customers will pay. The OEB is requiring distributors to calculate and report on the rate impacts of the change so that strategies may be employed to smooth the transition for the customers most impacted, such as those that consume less electricity, if mitigation is required. In support of this, the OEB requires distributors to calculate the impact of this change to residential customers in general; it also requires applicants to calculate the combined impact of the fixed rate increase and any other changes in the cost of distribution service for those customers who are at the 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 four years specified in the OEB policy. Distributors may also propose other strategies to smooth out these increases as appropriate.

Adjustments to CND's rate model to implement the change in fixed rates result in an increase to the fixed charge prior to IRM adjustments of \$3.12; OEB staff has calculated the bill impacts of this Decision, including the fixed rate change, to be an increase of 2.8% for typical low consumption customers.

Findings

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

9 REQUEST FOR ACCOUNTING ORDER TO ESTABLISH A NEW DEFERRAL ACCOUNT

On April 15, 2015 the OEB announced that by the end of 2016, all electricity distributors in Ontario will be required to bill their customers on a monthly basis. With respect to the costs associated with the transition to monthly billing, the OEB noted that distributors can apply for a deferral account with evidence demonstrating that such an account would meet the eligibility requirements outlined in section 2.12.7 of the OEB's *Filing Requirements for Electricity Distribution Rate Applications*. Any deferral account would generally be for incremental administration costs. Prudently incurred capital expenditures would be included in rate base at the next cost of service application.

CND currently bills its customers on a bi-monthly basis and will incur both capital and Operating, Maintenance and Administration (OM&A) costs to transition customers to monthly billing.

CND has requested an accounting order to establish a deferral account to record incremental costs directly related to the implementation of monthly billing for disposition at the time of its next rebasing application. As a result of questions from OEB staff, CND provided an estimate that the recurring OM&A expenditures for the transition to monthly billing would be between \$250,000 to \$350,000 annually. CND noted that it has not yet prepared a detailed project plan for this initiative. CND did not have an estimate for factors that might offset these costs, such as an increase in electronic billing or a reduction in bad debt expense.

Findings

As per section 2.9.7 of the OEB's *Filing Requirements for Electricity Distribution Rate Applications* (the Filing Requirements), an applicant seeking approval for a new deferral account must demonstrate that the account meets the eligibility tests of causation, materiality and prudence.

The transition to monthly billing was mandated by the OEB to be implemented by December 31, 2016. At the time of CND's last cost of service application, some of CND's customers were billed bi-monthly, with no plans to change this during the rate term. Any incremental costs would therefore be beyond the base on which rates have been set.

With respect to materiality, the filing requirements establish a materiality threshold for a distributor with a distribution revenue requirement greater than \$10 million and less than

or equal to \$200 million of 0.5% of its distribution revenue requirement. In CND's last cost of service application this was \$139,830.

The OEB approves the account as requested by CND. The OEB recently approved a similar deferral account in proceeding EB-2014-0116. Furthermore, it is expected that costs recorded within the account will be material and outside of the base on which rates have been set. The approval of the deferral account only provides a regulatory mechanism to track costs. Whether the costs that CND will record in the account have been prudently incurred and may therefore be recoverable will be determined by the OEB at the time that CND seeks to dispose of the account balance. Review of the account would be in CND's next rebasing application, expected for 2019 rates.

The account will be used to record any incremental OM&A costs directly attributable to the transition to monthly billing. Costs to be recorded will be net of any associated cost reductions resulting from the transition, including efforts towards paperless billing, improvements in cashflow or reductions in bad debt.

IMPLEMENTATION AND ORDER

Rate Model

With this Decision and Rate Order are a rate model, applicable supporting models and a Tariff of Rates and Charges (Schedule A). Entries in the model were reviewed to ensure that they were in accordance with CND's EB-2013-0116 cost of service decision, the 2015 OEB-approved Tariff of Rates and Charges as well as the cost, revenue and consumption results from 2014 as reported by CND to the OEB. The rate model was adjusted, where applicable, to correct any discrepancies.

THE ONTARIO ENERGY BOARD ORDERS THAT

1. The Tariff of Rates and Charges set out in Schedule A of this Decision and Rate Order is approved effective May 1, 2016 for electricity consumed or estimated to have been consumed on and after such date. Cambridge and North Dumfries Hydro Inc. shall notify its customers of the rate changes no later than the delivery of the first bill reflecting the new rates.
2. Cambridge and North Dumfries Hydro shall establish Account 1508 Sub-account pursuant to the Accounting Order attached as Schedule C.

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, [date]

ONTARIO ENERGY BOARD

Kirsten Walli
Board Secretary

Schedule A

To Decision and Rate Order

Tariff of Rates and Charges

OEB File No: EB-2015-0057

DATED: [date]

Cambridge and North Dumfries Hydro Inc.

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-2015-0057

RESIDENTIAL SERVICE CLASSIFICATION

Residential refers to the supply of electrical energy to detached, semi-detached and row-housing units (freehold or condominium). This classification typically refers to an account taking electricity at 750 volts or less where 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. Separate metered dwellings within a town house complex, condominium, or apartment building also qualify as residential customers. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the 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	\$	14.52
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Distribution Volumetric Rate	\$/kWh	0.0137
Low Voltage Service Rate	\$/kWh	0.0001
Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until April 30, 2017	\$/kWh	0.0003
Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until April 30, 2017 Applicable only for Non-Wholesale Market Participants	\$/kWh	(0.0015)
Rate Rider for Disposition of Global Adjustment Account (2016) - effective until April 30, 2017 Applicable only for Non-RPP Customers	\$/kWh	0.0038
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0061
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0041

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

Cambridge and North Dumfries Hydro Inc.

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-2015-0057

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)
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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)
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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)
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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)
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Cambridge and North Dumfries Hydro Inc.

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-2015-0057

ONTARIO ELECTRICITY SUPPORT PROGRAM RECIPIENTS

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)

Cambridge and North Dumfries Hydro Inc.

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-2015-0057

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

General Service refers to the supply of electrical energy to business customers, to bulk-metered residential buildings and to combined residential and business or residential and agricultural buildings. Apartment buildings that are bulk metered will be billed at the appropriate General Service rate. This classification refers to a non-residential account taking electricity at 750 volts or less whose average monthly peak demand is less than, or is forecast to be less than, 50 kW. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the 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	\$	13.41
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Distribution Volumetric Rate	\$/kWh	0.0144
Low Voltage Service Rate	\$/kWh	0.0001
Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until April 30, 2017	\$/kWh	0.0003
Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until April 30, 2017 Applicable only for Non-Wholesale Market Participants	\$/kWh	(0.0015)
Rate Rider for Disposition of Global Adjustment Account (2016) - effective until April 30, 2017 Applicable only for Non-RPP Customers	\$/kWh	0.0038
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0054
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0038

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

Cambridge and North Dumfries Hydro Inc.

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-2015-0057

GENERAL SERVICE 50 TO 999 KW SERVICE CLASSIFICATION

General Service refers to the supply of electrical energy to business customers, to bulk-metered residential buildings and to combined residential and business or residential and agricultural buildings. Apartment buildings that are bulk metered will be billed at the appropriate General Service rate. This classification refers to a non-residential account whose average monthly peak demand is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 1,000 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	\$	112.76
Distribution Volumetric Rate	\$/kW	4.1044
Low Voltage Service Rate	\$/kW	0.0537
Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until April 30, 2017	\$/kW	0.0908
Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until April 30, 2017 Applicable only for Non-Wholesale Market Participants	\$/kW	(0.4874)
Rate Rider for Disposition of Global Adjustment Account (2016) - effective until April 30, 2017 Applicable only for Non-RPP Customers	\$/kW	0.7956
Retail Transmission Rate - Network Service Rate	\$/kW	3.4727
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.3128

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

Cambridge and North Dumfries Hydro Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2016

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EB-2015-0057

GENERAL SERVICE 1,000 TO 4,999 KW SERVICE CLASSIFICATION

General Service refers to the supply of electrical energy to business customers, to bulk-metered residential buildings and to combined residential and business or residential and agricultural buildings. Apartment buildings that are bulk metered will be billed at the appropriate General Service rate. This classification refers to a non-residential account whose average monthly peak demand is equal to or greater than, or is forecast to be equal to or greater than, 1,000 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	\$	1,022.07
Distribution Volumetric Rate	\$/kW	3.5576
Low Voltage Service Rate	\$/kW	0.0421
Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until April 30, 2017	\$/kW	0.1257
Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until April 30, 2017 Applicable only for Non-Wholesale Market Participants	\$/kW	(0.6647)
Rate Rider for Disposition of Global Adjustment Account (2016) - effective until April 30, 2017 Applicable only for Non-RPP Customers	\$/kW	1.6628
Retail Transmission Rate - Network Service Rate	\$/kW	2.6375
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.8150

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

Cambridge and North Dumfries Hydro Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2016

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EB-2015-0057

LARGE USE SERVICE CLASSIFICATION

General Service refers to the supply of electrical energy to business customers, to bulk-metered residential buildings and to combined residential and business or residential and agricultural buildings. Apartment buildings that are bulk metered will be billed at the appropriate General Service rate. This classification refers to an account whose average monthly peak demand is equal to or greater than, or is forecast to be equal to or greater 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	\$	8,755.91
Distribution Volumetric Rate	\$/kW	2.4315
Low Voltage Service Rate	\$/kW	0.0421
Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until April 30, 2017	\$/kW	0.1302
Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until April 30, 2017 Applicable only for Non-Wholesale Market Participants	\$/kW	(0.7018)
Rate Rider for Disposition of Global Adjustment Account (2016) - effective until April 30, 2017 Applicable only for Non-RPP Customers	\$/kW	0.0000
Retail Transmission Rate - Network Service Rate	\$/kW	2.4994
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.8475

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

Cambridge and North Dumfries Hydro Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2016

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EB-2015-0057

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification refers to an account taking electricity at 750 volts or less whose average monthly peak demand is less than, or is forecast to be less than, 50kW and the consumption is unmetered. Such connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The customer will provide detailed manufacturer information/documentation with regard to electrical demand/consumption of the proposed unmetered load. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the 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 (per connection)	\$	5.75
Distribution Volumetric Rate	\$/kWh	0.0123
Low Voltage Service Rate	\$/kWh	0.0001
Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until April 30, 2017	\$/kWh	0.0003
Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until April 30, 2017		
Applicable only for Non-Wholesale Market Participants	\$/kWh	(0.0015)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0054
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0038

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

Cambridge and North Dumfries Hydro Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2016

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EB-2015-0057

STREET LIGHTING SERVICE CLASSIFICATION

This classification refers to an account for roadway lighting with a Municipality, Regional Municipality, Ministry of Transportation and private roadway lighting operation, controlled by photo cells. The consumption for these customers will be based on the calculated connected load times the required lighting times 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 (per connection)	\$	2.50
Distribution Volumetric Rate	\$/kW	15.9642
Low Voltage Service Rate	\$/kW	0.0270
Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until April 30, 2017	\$/kW	0.0996
Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until April 30, 2017 Applicable only for Non-Wholesale Market Participants	\$/kW	(0.5413)
Rate Rider for Disposition of Global Adjustment Account (2016) - effective until April 30, 2017 Applicable only for Non-RPP Customers	\$/kW	1.3540
Retail Transmission Rate - Network Service Rate	\$/kW	1.7452
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.1622

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

Cambridge and North Dumfries Hydro Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2016

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EB-2015-0057

EMBEDDED DISTRIBUTOR SERVICE CLASSIFICATION

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

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the 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

Monthly Distribution Wheeling Service Rate - Waterloo North Hydro	\$/kW	1.8697
Monthly Distribution Wheeling Service Rate - Hydro One Networks	\$/kW	2.0071
Retail Transmission Rate - Network Service Rate	\$/kW	2.4994
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.8475

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

Cambridge and North Dumfries Hydro Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2016

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EB-2015-0057

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.

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	5.40
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Cambridge and North Dumfries Hydro Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2016

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EB-2015-0057

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.

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Customer Administration

Arrears certificate	\$	15.00
Statement of Account	\$	15.00
Pulling post dated cheques	\$	15.00
Duplicate invoices for previous billing	\$	15.00
Request for other billing information	\$	15.00
Easement letter	\$	15.00
Income tax letter	\$	15.00
Notification charge	\$	15.00
Account history	\$	15.00
Returned cheque (plus bank charges)	\$	15.00
Charge to certify cheque	\$	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
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00
Credit reference/credit check (plus credit agency costs)	\$	15.00

Non-Payment of Account

Late payment - per month	%	1.50
Late payment - per annum	%	19.56
Collection of account charge - no disconnection - during regular hours	\$	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

Specific charge for access to the power poles - \$/pole/year	\$	22.35
Service call - customer-owned equipment	\$	30.00
Service call - customer-owned equipment - after regular hours	\$	165.00

Cambridge and North Dumfries Hydro Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2016

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EB-2015-0057

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.

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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	1.0335
Total Loss Factor - Secondary Metered Customer > 5,000 kW	1.0145
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0235
Total Loss Factor - Primary Metered Customer > 5,000 kW	1.0045

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-2015-0057

DATED: [date]

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

- Rate riders
- Rate adders
- Low voltage service charges
- Retail transmission service rates
- Wholesale market service rate
- Rural or remote electricity rate protection charge
- Standard supply service – administrative charge
- Transformation and primary metering allowances
- Loss factors
- Specific service charges
- microFIT charge
- Retail service charges

Schedule C

To Decision and Rate Order

Accounting Order

OEB File No: EB-2015-0057

DATED: [date]

Accounting Order
Cambridge and North Dumfries Hydro Inc.
EB-2015-0057

**Account 1508 Other Regulatory Assets – Sub-account Transition to Monthly Billing
Deferral Account**

Cambridge and North Dumfries Hydro Inc. (CND) shall establish this new account, effective May 1, 2016, to record the incremental OM&A costs directly attributable to the transition and implementation of monthly billing. The amounts in this account must also reflect any associated cost reductions resulting from the transition, including efforts towards paperless billing, improvements in cashflow or reduction in bad debt. The OEB expects that CND will provide sufficient justification for both costs and savings when requesting disposition of this account.

This account will accrue interest based on the OEB's prescribed interest rates.

The amounts recorded in this account will be subject to a prudence review and recoverability will be determined by the OEB at the time that CND seeks to dispose of the account balance. Review of the account would be at CND's next rebasing application expected for 2019 rates.

The following are sample journal entries.

- A) Monthly journal entry to record the incremental costs net of any savings, as a result of the transition to monthly billing:

	<u>Debit</u>	<u>Credit</u>
Dr. Account 1508 Sub-account –Transition to monthly billing	x,xxx.xx	
Cr. OM&A Expenses		x,xxx.xx

- B) Monthly journal entry to record carrying charges on the balance in the account:

	<u>Debit</u>	<u>Credit</u>
Dr. Account 1508 Sub-account –Transition to monthly billing carrying charges	x,xxx.xx	
Cr. Account 4405 Interest and Dividend Income		x,xxx.xx

The journal entries would continue until CND's next rebasing, at which point the balances will be reviewed by the OEB and any approved amounts disposed to rates.