



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

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## **DECISION AND RATE ORDER**

**EB-2015-0110**

### **WELLINGTON NORTH POWER INC.**

**Application for electricity distribution rates and other charges  
beginning May 1, 2016**

**BEFORE: Christine Long**  
Presiding Member

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**March 31, 2016**

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## 1 INTRODUCTION AND SUMMARY

Wellington North Power Inc. (Wellington North) is the electricity distributor that serves approximately 3,700 customers in the urban areas of the former town of Mount Forest, the former village of Arthur and the former village of Holstein. Wellington North filed an application with the Ontario Energy Board (OEB) to change the rates it charges to its customers for electricity distribution, to be effective May 1, 2016 (the Application). Under the OEB Act, distributors must apply to the OEB to change the rates that they charge customers. In early March, Wellington North filed a settlement proposal which represents a full settlement on all issues.

The OEB accepts the settlement proposal as filed, for the reasons provided in this Decision.

The bill impacts arising from this Decision for Wellington North result in a monthly increase of \$2.94 or 1.8% for a residential customer consuming 800 kWh.

## 2 THE PROCESS

In reaching its findings, the OEB was aided by the participation of two parties, known as intervenors, who each represented different groups of customers affected by the application:

- Energy Probe Research Foundation (Energy Probe)
- Vulnerable Energy Consumers Coalition (VECC)

The intervenors and OEB staff submitted written questions which Wellington North responded to. A settlement proceeding was held on February 11, 2016. Parties submitted a proposed settlement of all issues on March 4, 2016. OEB staff provided its submission on the proposal on March 11, 2016.

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## 3 DECISION ON THE ISSUES

This Decision and Rate Order determines Wellington North's rates for 2016.

### 3.1 Settlement Proposal

The parties in the proceeding met on February 11, 2016 to determine whether they could agree on the revenue requirement and the rates for Wellington North for 2016. The parties to the settlement proposal were able to settle all issues.

Pursuant to the OEB's Procedural Order No. 2, in early March, Wellington North filed a settlement proposal agreed to by the parties.

OEB staff filed a submission indicating its overall support of the settlement proposal. OEB staff indicated that it reviewed the settlement proposal in the context of the objectives of the Renewed Regulatory Framework for Electricity (RRFE), other applicable OEB policies, relevant OEB decisions, and the OEB's statutory obligations. The RRFE is a rate-setting option developed for distributors in the Report of the Board - Renewed Regulatory Framework for Electricity Distributors: A Performance-Based Approach, issued on October 18, 2012. OEB staff submitted that the outcomes arising from the OEB's approval of the settlement proposal would adequately reflect the public interest and would result in just and reasonable rates for Wellington North's customers.

#### Findings

The OEB accepts the cost consequences of the settlement agreement and OEB staff's analysis in support of its submission that the settlement proposal reflects the public interest. The OEB has also reviewed the information provided in the proposed Tariff of Rates and Charges, and is satisfied that the Tariff of Rates and Charges filed by Wellington North accurately reflects the settlement proposal.

#### 3.1.1 Advanced Capital Module

As part of the settlement proposal, the parties agreed to Wellington North's request for approval of an Advanced Capital Module (ACM) to replace a municipal substation (MS) in 2018. An ACM is available to distributors for material projects forecasted for the Price Cap Incentive Rate-Setting (Price Cap IR) years between cost of service applications. The review and approval process for the incremental capital is done during the preceding cost of service application.

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OEB staff submitted that Wellington North's 2018 MS replacement project meets the requirements for an ACM and the need for the rebuilding of MS3 has been justified. OEB staff also submitted that Wellington North had properly calculated the Maximum Eligible Incremental Capital as per the OEB's revised policy.<sup>1</sup>

## Findings

As part of the overall settlement, the OEB approves the ACM and notes that the review and approval process of the costs and for the establishment of the rate riders intended to recover approved project costs will be part of the Price Cap IR application process.

As outlined in the OEB's Report<sup>2</sup>, if the cost of the project is 30% or more above what was documented Wellington North's Distribution System Plan (DSP), i.e. \$1.7M<sup>3</sup>, the distributor should treat the project as a new Incremental Capital Module and re-file the business case in the applicable IR year. If costs exceed the amounts documented in Wellington North's DSP by less than 30%, Wellington North should provide evidence on the need for the increased costs. If the in-service date is delayed, Wellington North should inform the OEB in the earliest possible IR application and confirm which IR application it expects to seek to commence funding for the project.

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<sup>1</sup> EB-2014-0219, Report of the OEB: New Policy Options for the Funding of Capital Investments: Supplementary Report, January 22, 2016

<sup>2</sup> EB-2014-0219, Report of the Board: New Policy Options for the Funding of Capital Investments: The Advanced Capital Module, September 18, 2014

<sup>3</sup> EB-2015-0110 Settlement Proposal, March 4, 2016, p.18

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## 4 IMPLEMENTATION

New rates are to be effective May 1, 2016.

On November 19, 2015, the OEB issued a decision approving three regulatory charges recovered from electricity customers.<sup>4</sup> The charges include the Rural or Remote Electricity Rate Protection (RRRP), Wholesale Market Service (WMS) and the Ontario Electricity Support Program (OESP) charges.

The Tariff of Rates and Charges flowing from this Decision and Rate Order reflects the new charges established by that Decision and Order as well as the OESP credits to be provided to enrolled low income customers.

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<sup>4</sup> EB-2015-0294, Decision and Order, November 19, 2015

## 5 ORDER

### THE ONTARIO ENERGY BOARD ORDERS THAT:

1. The Tariff of Rates and Charges set out in Schedule A of this Order will become final effective May 1, 2016, and will apply to electricity consumed or estimated to have been consumed on and after May 1, 2016. Wellington North Power Inc. shall notify its customers of the rate changes no later than the delivery of the first bill reflecting the new rates.
2. Wellington North Power Inc. shall establish the deferral accounts set out in Schedule B, effective January 1, 2016.
3. Energy Probe and VECC shall submit their cost claims no later than 7 days from the date of issuance of this Decision and Rate Order.
4. Wellington North Power Inc. shall file with the OEB and forward to Energy Probe and VECC any objections to the claimed costs within 17 days from the date of issuance of this Decision and Rate Order.
5. Energy Probe and VECC shall file with the OEB and forward to Wellington North Power Inc. any responses to any objections for cost claims within 24 days from the date of issuance of this Decision and Rate Order.
6. Wellington North Power Inc. shall pay the OEB's costs incidental to this proceeding upon receipt of the OEB's invoice.

All filings to the Board must quote the file number, EB-2015-0110, be made through the Board's web portal at <https://www.pes.ontarioenergyboard.ca/eservice/>, and consist of two paper copies and one electronic copy in searchable / unrestricted PDF format. 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.

With respect to distribution lists for all electronic correspondence and materials related to this proceeding, parties must include the Case Manager, Jane Scott at [jane.scott@ontarioenergyboard.ca](mailto:jane.scott@ontarioenergyboard.ca) and Board Counsel, Michael Miller at [michael.miller@ontarioenergyboard.ca](mailto:michael.miller@ontarioenergyboard.ca).

**DATED** at Toronto, March 31, 2016

**ONTARIO ENERGY BOARD**

*Original Signed By*

Kirsten Walli  
Board Secretary

**SCHEDULE A**  
**DECISION AND RATE ORDER**  
**WELLINGTON NORTH POWER INC.**  
**EB-2015-0110**  
**TARIFF OF RATES AND CHARGES**  
**MARCH 31, 2016**

# Wellington North Power 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-2015-0110

#### RESIDENTIAL SERVICE CLASSIFICATION

This classification refers to the supply of electrical energy to Customers residing in residential dwelling units. Energy is generally supplied as single phase, 3-wire, 60-Hertz, having a nominal voltage of 120/240 Volts. 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

Monthly Service Charge	\$	23.97
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Rate Rider for Disposition of Group Two Accounts (2016) - effective until April 30, 2017	\$	0.34
Distribution Volumetric Rate	\$/kWh	0.0153
Low Voltage Service Rate	\$/kWh	0.0029
Rate Rider for Disposition of Deferral / Variance Accounts (2016) - effective until April 30, 2017	\$/kWh	0.0003
Rate Rider for Disposition of Global Adjustment Account (2016) - effective until April 30, 2017	\$/kWh	0.0021
Applicable only for Non-RPP Customers		
Rate Rider for Recovery of LRAM Variance Account - effective until April 30, 2017	\$/kWh	0.0001
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0067
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

# Wellington North Power 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-2015-0110

## 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 account-holder’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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**Wellington North Power 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-2015-0110

**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)

# Wellington North Power 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-2015-0110

#### GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification applies to customers in General Service buildings with a connected load less than 50 kW, and Town Houses and Condominiums that require centralized bulk metering. General Service buildings are defined as buildings that are used for purposes other than single-family dwellings. 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

Monthly Service Charge	\$	41.71
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Distribution Volumetric Rate	\$/kWh	0.0179
Low Voltage Service Rate	\$/kWh	0.0025
Rate Rider for Disposition of Deferral / Variance Accounts (2016) - effective until April 30, 2017	\$/kWh	0.0002
Rate Rider for Disposition of Global Adjustment Account (2016) - effective until April 30, 2017	\$/kWh	0.0021
Applicable only for Non-RPP Customers		
Rate Rider for Disposition of Group Two Accounts (2016) - effective until April 30, 2017	\$/kWh	0.0005
Rate Rider for Disposition LRAM Variance Account - effective until April 30, 2017	\$/kWh	0.0006
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0062
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

# Wellington North Power 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-2015-0110

#### **GENERAL SERVICE 50 TO 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 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.

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

Monthly Service Charge	\$	275.90
Distribution Volumetric Rate	\$/kW	2.6315
Low Voltage Service Rate	\$/kW	0.9952
Rate Rider for Disposition of Deferral / Variance Accounts (2016) - effective until April 30, 2017	\$/kW	0.0623
Rate Rider for Disposition of Global Adjustment Account (2016) - effective until April 30, 2017 Applicable only for Non-RPP Customers	\$/kW	0.6793
Rate Rider for Disposition of Group Two Accounts (2016) - effective until April 30, 2017	\$/kW	0.1577
Rate Rider for Disposition of LRAM Variance Account - effective until April 30, 2017	\$/kW	0.0004
Retail Transmission Rate - Network Service Rate	\$/kW	2.5509
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.5344

#### **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

# Wellington North Power 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-2015-0110

#### **GENERAL SERVICE 1,000 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, 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.

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

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

Monthly Service Charge	\$	2,254.94
Distribution Volumetric Rate	\$/kW	3.0505
Low Voltage Service Rate	\$/kW	1.0911
Rate Rider for Disposition of Deferral / Variance Accounts (2016) - effective until April 30, 2017	\$/kW	0.0898
Rate Rider for Disposition of Global Adjustment Account (2016) - effective until April 30, 2017 Applicable only for non-RPP Customers	\$/kW	0.9787
Rate Rider for Disposition of Group Two Accounts (2016) - effective until April 30, 2017	\$/kW	0.2272
Rate Rider for Disposition of LRAM Variance Account - effective until April 30, 2017	\$/kW	0.0087
Retail Transmission Rate - Network Service Rate	\$/kW	2.7094
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.6821

#### **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



# Wellington North Power Inc.

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date May 1, 2016

This schedule supersedes and replaces all previously  
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EB-2015-0110

#### UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification applies to an account 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, decorative street lighting, billboards, 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.

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

#### MONTHLY RATES AND CHARGES - Delivery Component

Monthly Service Charge	\$	28.33
Distribution Volumetric Rate	\$/kWh	0.0156
Low Voltage Service Rate	\$/kWh	0.0025
Rate Rider for Disposition of Deferral / Variance Accounts (2016) - effective until April 30, 2017	\$/kWh	0.0002
Rate Rider for Disposition of Global Adjustment Account (2016) - effective until April 30, 2017 Applicable only for non-RPP Customers	\$/kWh	0.0000
Rate Rider for Disposition of Group Two Accounts (2016) - effective until April 30, 2017	\$/kWh	0.0005
Rate Rider for Disposition of LRAM Variance Account - effective until April 30, 2017	\$/kWh	(0.0005)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0062
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

# Wellington North Power 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-2015-0110

#### **SENTINEL LIGHTING SERVICE CLASSIFICATION**

This classification refers to accounts for unmetered lighting loads supplied to sentinel lights. 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**

Monthly Service Charge (per connection)	\$	7.38
Distribution Volumetric Rate	\$/kW	27.3041
Low Voltage Service Rate	\$/kW	0.7856
Rate Rider for Disposition of Deferral / Variance Accounts (2016) - effective until April 30, 2017	\$/kW	0.0686
Rate Rider for Disposition of Global Adjustment Account (2016) - effective until April 30, 2017	\$/kW	0.7449
Applicable only for Non-RPP Customers		
Rate Rider for Disposition of LRAM Variance Account - effective until April 30, 2017	\$/kW	(1.0082)
Retail Transmission Rate - Network Service Rate	\$/kW	1.9334
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.2111

#### **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

# Wellington North Power 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-2015-0110

#### **STREET LIGHTING SERVICE CLASSIFICATION**

This classification refers to accounts for roadway lighting with a Municipality, Regional Municipality, and Ministry of Transportation. 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**

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

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

Monthly Service Charge (per connection)	\$	1.60
Distribution Volumetric Rate	\$/kW	1.7664
Low Voltage Service Rate	\$/kW	0.7695
Rate Rider for Disposition of Deferral / Variance Accounts (2016) - effective until April 30, 2017	\$/kW	0.0699
Rate Rider for Disposition of Global Adjustment Account (2016) - effective until April 30, 2017 Applicable only for non-RPP Customers	\$/kW	0.7615
Rate Rider for Disposition of Group Two Accounts (2016) - effective until April 30, 2017	\$/kW	0.1768
Rate Rider for Disposition of LRAM Variance Account - effective until April 30, 2017	\$/kW	(0.1947)
Retail Transmission Rate - Network Service Rate	\$/kW	1.9237
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.1863

#### **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

**Wellington North Power Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2016**

**This schedule supersedes and replaces all previously  
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EB-2015-0110

**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**

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**MONTHLY RATES AND CHARGES - Delivery Component**

Monthly Service Charge	\$	15.69
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**Wellington North Power Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2016**

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EB-2015-0110

**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****APPLICATION**

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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**

Notification charge	\$	15.00
Account History	\$	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
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00

**Non-Payment of Account**

Late payment – per month	%	1.50
Late payment – per annum	%	19.56
Collection of account charge – no disconnection - during regular business hours	\$	30.00
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

**Other**

Interval meter load management tool charge \$/month	\$	50.00
Service call – customer owned equipment	\$	30.00
Service Call – customer-owned equipment – after regular hours	\$	165.00
Temporary service – install & remove – overhead – no transformer	\$	500.00
Specific charge for access to the power poles - \$/pole/year (with the exception of wireless attachments)	\$	22.35

# Wellington North Power 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-2015-0110

#### **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.

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It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to 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	1.0656
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0549

**SCHEDULE B**  
**DECISION AND RATE ORDER**  
**WELLINGTON NORTH POWER INC.**  
**EB-2015-0110**  
**ACCOUNTING ORDERS**  
**MARCH 31, 2016**

## **Accounting Order – Other Pension and Employment Benefits (OPEBs)**

Wellington North Power Inc. (Wellington North) shall establish the following deferral account effective January 1, 2016:

- Account 1508 Other Regulatory Assets, Subaccount – OPEB Forecast Cash versus Forecast Accrual Differential Deferral Account

Wellington North shall establish the OPEB Forecast Cash versus Forecast Accrual Differential Deferral Account for the purpose of recording the difference in revenue requirement each year between both the capitalized and OM&A components of OPEBs accounted for using a forecasted cash basis, as reflected in rates and the capitalized and OM&A components of OPEBs accounted for using a forecasted accrual basis.

If the Ontario Energy Board (OEB) determines that distributors must only include in rates OPEBs accounted for using a forecasted cash basis, Wellington North will seek to discontinue this account without seeking disposition of the amounts recorded in this account. If the OEB determines that distributors may recover OPEBs in rates using a forecasted accrual accounting methodology, Wellington North will seek disposition of this account to recover the amounts so recorded in its next cost of service rate application.

Wellington North is to propose a disposition period over which the account should be recovered depending on the quantum in the account and the potential rate impacts at the time.

Carrying charges will not apply to this account.

### **Sample Journal Entry**

Assumptions:

- OPEB costs (accrual basis) = \$12,568
- OPEB costs (cash basis) = \$568
- OPEB costs split between operating and capital on a 90/10 ratio.
- Assume capital items depreciated over 40 years and half year rule applies in year of acquisition.
- Assume OPEB costs incurred evenly throughout the fiscal period.



**The sample accounting entries for the Deferral Account is provided below:**

A: To record the excess of OPEBs accounted for using a forecasted accrual basis over OPEBs accounted for using a forecasted cash basis.

DR	1508 Other Regulatory Assets, Subaccount – OPEB Forecast Cash versus Forecast Accrual Differential Deferral Account	\$12,000
CR	Capital costs (various accounts)	\$1,200
CR	OM&A expenses (various accounts)	\$10,800

B: To reverse depreciation recorded on capital portion of OPEB costs:

DR	Accumulated Depreciation	\$15
CR	Depreciation Expense	\$15

## Accounting Order – Second Line Feeder Project

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Wellington North Power Inc. (Wellington North) is to establish a new variance account effective January 1, 2016:

- 1508 Other Regulatory Assets, Subaccount – Second Line Feeder Project Variance Account

Wellington North shall establish the Second Line Feeder Project Variance Account for the purpose of recording the revenue requirement impact of three items:

- a) The revenue requirement impact of the net differences in costs of the capital contributions paid to Hydro One Network Inc. (Hydro One) for the construction of the Second Line Feeder to Mount Forest and the amount built into rates (i.e. revenue requirement impact of the difference between \$913,000 and actual customer contributions).
- b) The revenue requirement impact of the net differences in costs of the construction required to be done by Wellington North to integrate the Second Line Feeder Project into the existing distribution system, and the amount built into rates (i.e. revenue requirement impact of the difference between \$460,000 and the actual costs for Wellington North Highway 6 Pole Line and Primary Metering Equipment Meter costs).
- c) The revenue requirement impact of either of the above two projects not being completed in 2016.

The costs that are included in the 2016 Cost of Service rate application are as follows:

Item	Estimated Cost (000)
Customer Contribution to Hydro One 2nd Feeder	\$881
Customer Contribution re. Hydro One Study	\$32
Wellington North Highway 6 Pole Line	\$380
Primary Metering Equipment (PME) Meter	\$80
<b>Total</b>	<b>\$1,373</b>

This variance account is to include the following:

- 1) To record the revenue requirement impact of differences in Capital Contributions paid to Hydro One to complete the Second Line Feeder Project and the amount built into rates:

*Accounting Entry:*

*Debit/Credit* - Account 4080

*Credit/Debit* - Account 1508, Other Regulatory Asset – Sub-account Second Line Feeder

- 2) To record revenue requirement impact of the differences in in pole line project costs Wellington North incurs to integrate the Second Line Feeder Project into the existing distribution system:

*Accounting Entry:*

*Debit/Credit* – Account 4080

*Credit/Debit* - Account 1508, Other Regulatory Asset – Sub-account Second Line Feeder

The account is symmetrical and will reflect both cost over-runs and lower project costs in both the Hydro One and Wellington North components of the project.

The balance in the variance account is to be reviewed at Wellington North's next Cost of Service Filing.

Carrying charges will be applied at the Ontario Energy Board's Prescribed Interest Rate.