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

DECISION AND RATE ORDER EB-2016-0084

HYDRO OTTAWA LIMITED

Application for an order approving just and reasonable rates and other charges for electricity distribution to be effective January 1, 2017.

By Delegation, BEFORE: Theodore Antonopoulos

December 21, 2016

Table of Contents

1	INTRODUCTION AND SUMMARY	2
2	THE PROCESS	4
3	ORGANIZATION OF THE DECISION	5
4	BASE RATE ADJUSTMENT	6
5	LOW VOLTAGE CHARGES	7
6	RETAIL TRANSMISSION SERVICE RATES	8
7	DEFERRAL AND VARIANCE ACCOUNT BALANCES	9
	7.1 Group 1 Deferral and Variance Accounts	9
	7.2 Group 2 Pole Attachment Charge Revenues Variance Account	12
8	COST ALLOCATION	13
9	RESIDENTIAL RATE DESIGN	14
10	REGULATORY CHARGES	15
11	RETAIL SERVICE CHARGES	17
12	SPECIFIC SERVICE CHARGES	18
13	ORDER	19

1 INTRODUCTION AND SUMMARY

This is the Decision and Rate Order for Hydro Ottawa Limited's (Hydro Ottawa) Custom Incentive Rate-setting (Custom IR) – Year 2 update application for 2017 rates.

Hydro Ottawa is the electricity distributor that serves approximately 324,000 customers in the City of Ottawa and the Village of Casselman. The company is seeking the Ontario Energy Board's (OEB) approval for the rates it charges to distribute electricity to its customers, as is required of rate-regulated distributors in Ontario.

Distributors may choose one of three rate-setting methods. Commencing with 2016 rates, Hydro Ottawa selected the Custom IR option that has a five-year term. In Hydro Ottawa's case, the OEB accepted a partial settlement on December 22, 2015 (the approved settlement) that included a five year Custom IR framework which covers the years 2016 to 2020¹. As part of that proceeding, the OEB issued a final rate order establishing the rates for 2016. Rates for subsequent years are to be adjusted mechanistically through a custom price cap adjustment formula for Operations, Maintenance and Administration (OM&A) costs (involving an adjustment for inflation, and the OEB's assessment of the distributor's efficiency) and a pre-approved capital investment forecast for years two through five of the Custom IR term coupled with an asymmetrical variance account in the favour of ratepayers. This is referred to in section four of this decision as the Base Rate Adjustment.

On February 25, 2016, the OEB issued a Decision and Rate Order on the pole attachment charge, which was the one unsettled issue (Pole Attachment Decision).

The key components of the Custom IR framework are listed below:

- Capital spending and operating expenses have been set for a five-year period (2016 to 2020), pursuant to specific adjustments as described above
- an asymmetrical Earnings Sharing Mechanism (ESM) with no dead band
- an efficiency adjustment if Hydro Ottawa's efficiency ranking declines during the Custom IR term
- No adjustment to loss factors and the Working Capital Allowance for the term of the plan
- No adjustments to Cost of Capital for 2016 to 2018 rates inclusive and thereafter adjusted as per the approved settlement

¹ Decision and Rate Order, EB-2015-0004, December 22, 2015

 Annual updates to Low Voltage (LV) and Retail Transmission Service Rates (RTSRs)

As part of Hydro Ottawa's approved Custom IR, Hydro Ottawa will file applications annually to implement the OEB's approval of that framework for the years following the initial decision along with certain other adjustments that include pass-through costs (i.e. costs for which Hydro Ottawa does not charge a mark-up) such as those that are incurred by Hydro Ottawa for settling with the Independent Electricity System Operator (IESO) on behalf of its customers.

The following are addressed in this Decision and Rate Order.

- Base Rate Adjustment
- Low Voltage Charges
- Retail Transmission Service Rates
- Deferral and Variance Accounts
- Cost Allocation
- Residential Rate Design
- Retail Service Charges
- Specific Service Charges
- Regulatory Charges
- Implementation and Order

Hydro Ottawa also applied to change the composition of its distribution service rates. Residential distribution service rates currently include a fixed monthly charge and a variable usage charge. Last year, the OEB issued a policy to transition these rates to a fully fixed structure over a four-year period beginning in 2016.² Accordingly, the fixed monthly charge for 2017 has once again been adjusted upward in this Decision by more than the mechanistic adjustment alone. The variable usage rate is commensurately lower. This policy change does not affect the total revenue distributors collect from residential customers.

This Decision on Hydro Ottawa's Custom IR update application will result in a monthly increase of \$0.82 or 0.65% for a residential customer consuming 750 kWh. The OEB approves the adjustments made to Hydro Ottawa's application, and the associated rates calculated, as a result of this proceeding.

_

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

2 THE PROCESS

The OEB follows a streamlined process for Custom IR update applications. Applications of this nature may be decided by either a panel of Board Members or it may be delegated to OEB staff, depending on the complexity of the application.

After an initial review of the application, the OEB determined that the application is largely mechanistic in nature with respect to the adjustments contemplated with the exception of Hydro Ottawa's request to finalize its interim load displacement generation standby charges, to implement new reliability standby charges and to establish a deferral account for standby reliability which were subsequently withdrawn.

Therefore, pursuant to section 6 of the *Ontario Energy Board Act, 1998* (the Act) the OEB delegated to a member of OEB staff, its power under section 78 of the Act to determine this application. Pursuant to section 6(4) of the Act, the delegated authority determined that the review will proceed without holding a hearing.

Under this type of process, the application is reviewed by OEB staff to verify whether the requested adjustments are consistent with the approved Custom IR application. This includes but is not limited to updates or adjustments defined in the OEB's decision on the original Custom IR application.

On August 15, 2016, Hydro Ottawa submitted its Custom IR update application supported by written evidence and completed rate models. OEB staff reviewed the application and posed questions to Hydro Ottawa. Hydro Ottawa responded to questions from OEB staff to clarify and correct the evidence. Hydro Ottawa subsequently updated the applicable models.

In the case information letter issued on October 18, 2016, OEB staff indicated that a draft decision would be provided to give Hydro Ottawa an opportunity to provide its comments on the draft prior to finalizing this Decision. Given that the findings in this decision are approving Hydro Ottawa's application as updated following discussions with OEB staff, and in order to issue this Decision in time to implement January 1, 2017 rates, this Decision is issued as final with a provision for Hydro Ottawa to comment on the attached draft of Tariff of Rates and Charges as will be outlined below.

3 ORGANIZATION OF THE DECISION

The OEB has organized this Decision into sections to reflect the issues that were considered in making its findings. Each section outlines the OEB's reasons for approving the proposals included in the application and affecting 2017 rates. The last section addresses the steps to implement the final rates that flow from this Decision.

4 BASE RATE ADJUSTMENT

Hydro Ottawa's base rates are made up of a monthly fixed charge and a monthly variable charge. Both charges recover Hydro Ottawa's OM&A and capital costs.

As part of the approved settlement, the base for the five-year custom price cap adjustment formula for recoverable OM&A was set at \$83,105,564 for 2016. The 2017 and 2018 period would be increased by a 1.91% escalator on a compound basis. The escalator was determined by starting with a 2.07% inflation factor, adjusted by +0.14% growth factor, and further adjusted by a -0.3% productivity/stretch factor. The amount of incremental capital additions included in rates was preapproved at \$82M for 2017.

Findings

The OM&A and capital amounts included in Hydro Ottawa's 2017 revenue requirement and accordingly, its base rates, have been adjusted as per the approved settlement and are approved.

Hydro Ottawa did not report a balance in the Revenue Requirement Differential Variance Account related to Capital Additions or the Earnings Sharing Mechanism Variance Account as the 2016 calendar year (the first year of the Custom IR plan) is not yet complete. Hydro Ottawa's efficiency ranking as determined by the OEB for 2017 rates changed from Group III to Group IV. Hydro Ottawa did not report a balance in the Efficiency Adjustment Mechanism Deferral Account as the impact of this change will be reported in Hydro Ottawa's 2018 rate application.

5 LOW VOLTAGE CHARGES

As part of the approved settlement, Hydro Ottawa's Low Voltage (LV) rates are to be updated annually. Hydro Ottawa receives charges from Hydro One for a number of Shared Distribution Stations, Specific Lines and Shared Lines. Hydro Ottawa has used its 2016 LV forecast of \$470,000, excluding rate riders for LV, in the calculations of the LV charges for the customer classes and proposed to allocate the charges to the customer classes based on the class percentage of Retail Transmission Connection dollars (using 2017 proposed rates). The resulting LV charges are shown in the table below.

Table 1 - Proposed LV Charges

Class	Per	2016 LV Charge	2017 LV Charge
Residential	kWh	\$0.00007	\$0.00007
General Service < 50 kW	kWh	\$0.0006	\$0.00007
General Service 50 to 1,499 kW	kW	\$0.02526	\$0.02632
General Service 1,500 to 4,000 kW	kW	\$0.02700	\$0.02813
Large Use (> 5,000 kW)	kW	\$0.03040	\$0.03168
Unmetered Scattered Load	kWh	\$0.0006	\$0.00007
Sentinel Lights	kW	\$0.01877	\$0.01955
Street Lighting	kW	\$0.01916	\$0.01996

Findings

The updated LV charges included in Hydro Ottawa's 2017 application have been calculated and allocated in accordance with the approved methodology and are approved.

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 revised costs as calculated by the application of the current Uniform Transmission Rates (UTRs) to historical transmission deliveries. The UTRs are established annually by a separate OEB order. Distributors may apply to the OEB annually to approve the RTSRs they propose to charge their customers. Hydro Ottawa applied to update its RTSRs based on the OEB's guidance set out in the June 28, 2012 revision of the OEB's Guideline *G-2008-0001: Electricty Distribution Retail Transmission Service Rates, Revision 4.0.*

Findings

The OEB approves the RTSRs as adjusted in this application to reflect current applicable rates. As is typical for distributors whose rates are set as of January 1, these RTSRs are based on previous year's rates as the OEB has not yet adjusted UTRs for 2017. The differences between the previous and the new 2017 RTSRs, once approved, will be captured in Accounts 1584 and 1586 for future disposition.

7 DEFERRAL AND VARIANCE ACCOUNT BALANCES

7.1 Group 1 Deferral and Variance Accounts

Group 1 deferral and variance accounts (Group 1 accounts) track the differences between the costs that a distributor is billed for certain IESO and host distributor services (including the cost of power) and the associated revenues that the distributor receives from its customers for these services. 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 policy³ is to review and dispose of the distributor's Group 1 account balances if they exceed (as a debit or credit) the pre-set disposition threshold of \$0.001 per kWh during the IR plan term. The distributor must justify why any account balance in excess of the threshold should not be disposed. The distributor may dispose of balances below this threshold if its proposal to do so is justified.

Hydro Ottawa's 2015 actual year-end total balance for Group 1 accounts including interest projected to December 31, 2016 is a credit of \$22,470,921. This amount represents a total credit claim of \$0.003 per kWh, which exceeds the preset disposition threshold. Hydro Ottawa proposes to dispose of this credit amount over a one-year period. This amount includes the amounts allocated to the customers transitioning in or out of Class A in 2015. The amount allocated to these customers for the Global Adjustment variance is a credit of \$184,635 and for Capacity Based Recovery is a debit of \$24,630.

The Group 1 balance includes a total Global Adjustment (GA) account balance of a credit of \$7,079,222. Ontario electricity customers' costs for the commodity portion of their electricity service reflect the sum of two charges: the price of electricity established by the operation of the IESO administered wholesale market, and the GA. The GA charge consists of the difference between the market price and the rates paid to regulated and contracted generators, and conservation and demand management (demand response) program costs. The GA is established monthly and varies in accordance with market conditions.

Most customers pay the GA charge based on the amount of electricity they consume in a month (kWh); these customers are referred to as Class B. Customers who participate

_

³ Report of the Board on Electricity Distributors' Deferral and Variance Account Review Initiative (July 31, 2009)

in the Industrial Conservation Initiative, are referred to as Class A. The costs for the GA are recovered from Class A and Class B customers in different ways:

- Class A customers are assessed GA costs through a peak demand factor that is based on the percentage that their demand contributes to the top five Ontario system peaks. This factor determines a Class A customer's allocation for a yearlong billing period that starts in July every year. Distributors settle with Class A customers billed based on the actual GA costs resulting in no variance.
- Class B customers are billed GA based on an IESO published GA price. For Class B customers, distributors track any difference between the billed amounts and actual costs in the GA Variance Account for disposal, once audited.

Under the general principle of cost causality, customer groups that cause variances should be responsible for paying (or receiving credits) for their disposal. The movement from one class to another should not prevent identifiable customers from paying down/receiving a debit/credit balance.

Hydro Ottawa proposed the refund of the Global Adjustment variance account balance of \$7,079,222 as at December 31, 2015, including interest to December 31, 2016, as follows:

- Credit of \$6,894,257 for customers in Class B; to be disposed through a per kWh rate rider
- Customers entering or exiting Class A in 2015 are to be provided with a credit of \$184,965 through monthly billing adjustments over one year (subject to any CBR payments that may also be applicable as noted above).

The Group 1 balance also includes the recovery of Capacity Based Recovery (CBR) costs related to contracted Demand Response (DR) providers that were brought from the Demand Response 3 (DR3) program into the wholesale energy market. Hydro Ottawa paid CBR charges to the IESO in 2015 and recorded these to a dedicated subaccount . The disposition of this sub-account is impacted by whether or not a distributor had any customers who were part of Class A during the period from January 2015 to December 2015.

Findings

The OEB approves the disposition of a credit balance of \$22,470,921 as of December 31, 2015, including interest projected to December 31, 2016 for Group 1 accounts.

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

Table 2 - Deferral and Variance Account Balances

	Group 1 Account	Total	Principle	Interest
1550	LV Variance Account	\$185,593	\$182,301	\$3,292
1551	Smart Metering Entity Charge Variance Account	\$(196,587)	\$(193,675)	\$(2,912)
1580	RSVA - Wholesale Market Service Charge	\$(15,405,941)	\$(15,345,233)	\$(60,708)
1584	RSVA - Retail Transmission Network Charge	\$(66,031)	\$(66,469)	\$438
1586	RSVA - Retail Transmission Connection Charge	\$168,871	\$162,829	\$6,042
1588	RSVA - Power (excluding Global Adjustment)	\$(1,810,654)	\$(1,799,204)	\$(11,450)
1595	Disposition and Recovery/Refund of Regulatory Balances (2010)	\$(1,834)	\$(1,830)	\$(4)
1595	Disposition and Recovery/Refund of Regulatory Balances (2011)	\$(191,563)	\$(188,934)	\$(2,629)
1595	Disposition and Recovery/Refund of Regulatory Balances (2012)	\$(2,968)	\$(2,020)	\$(948)
1595	Disposition and Recovery/Refund of Regulatory Balances (2013)	\$113,359	\$111,120	\$2,239
1580	RSVA - WMS - Sub-account CBR Class B	\$1,816,056	\$1,790,495	\$25,561
	TOTAL - DVA Excluding Global Adjustment	\$(15,391,699))	\$(15,350,620)	\$(41,079)
1589	RSVA - Global Adjustment	\$(7,079,222)	\$(6,949,342)	\$(129,880)
	TOTAL Group 1 DVA's	\$(22,470,921)	\$(22,299,962)	\$(170,959)
	Group 2 Account			
1508	Other Regulatory Assets – SA Pole Attachments	\$226,530	225,388	\$1,142
	Total Group 1 & Group 2	\$(22,244,391)	\$(22,074,574)	\$(169,817)

The balance of accounts 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. Hydro Ottawa should ensure these adjustments are included in the reporting period ending March 31, 2017 (Quarter 1).

The OEB approves these balances to be disposed over a one year period from January 1, 2017 to December 31, 2017.

7.2 Group 2 Pole Attachment Charge Revenues Variance Account

Per the OEB's Decision issued on December 22, 2015 in relation to Hydro Ottawa's Custom IR Application, Hydro Ottawa was to establish Account 1508 Sub-Account Pole Attachment Charge Revenues Variance Account to collect the difference between the \$57 pole attachment rate that Hydro Ottawa's distribution revenue is based on and the final rate from the subsequent Pole Attachment Decision. In the Pole Attachment Decision, the pole attachment rate was established at \$53. As per the Pole Attachment Decision, Hydro Ottawa is to request clearance of this account in the 2017 rate application. By the end of 2016, an amount of \$226,530, principle and interest, will be recorded into this account. Hydro Ottawa proposed to clear this Group 2 account in this application over a one-year period.

Findings

The OEB notes that the amount in this account is not yet audited. While this amount could be disposed in line with the typical timing for the disposition of deferral and variance accounts (i.e. supported by audited financial statements), the OEB approves the disposition at this time and on a forecast basis given the expectation in the OEB's decision of a timely dispositon and the fact that the amount is below Hydro Ottawa's materiality threshold.

8 COST ALLOCATION

As part of the approved settlement, Hydro Ottawa's inputs into the Cost Allocation models and placement of rate classes within their revenue to cost ratio ranges were approved, with the modification that Sentinel Lights move within the OEB's approved range by 2020. As part of this application, Hydro Ottawa's proposed rates follow the approved movement of Sentinel Lights within OEB-approved ranges by 2020, as shown in the following table.

Table 3 – Proposed Revenue to Cost (R/C) Ranges

Class	2016 R/C	2017 Status Quo R/C	2017 Adjusted R/C	Policy Range %
Residential	102.90%	103.49%	103.29%	85 - 115
GS < 50 kW	118.45%	118.73%	118.51%	80 - 120
GS > 50 to 1,499 kW	87.43%	87.11%	87.11%	80 - 120
GS > 1,500 to 4,999 kW	103.24%	101.91%	101.72%	80 - 120
Large Use	88.09%	87.21%	87.21%	85 - 115
Streetlighting	80.00%	62.29%	80.00%	80 - 120
Sentinel Lighting	61.24%	58.94%	64.21%	80 - 120
Unmetered Scattered Load	119.92%	124.28%	118.89%	80 - 120
Standby Power	22.51%	21.95%	21.95%	

Findings

The OEB approves Hydro Ottawa's proposal to adjust the revenue to cost ratios.

9 RESIDENTIAL RATE DESIGN

All residential distribution rates currently include a fixed monthly charge and a variable usage charge. The OEB residential rate design policy⁴ stipulates that electricity distributors will transition residential customers to a fully fixed monthly distribution service charge over a four year period starting in 2016. This year's applications are once again required to adjust the distribution rates to increase the fixed charge and decrease the variable charge consistent with the policy.

The OEB expects the applicant to apply two tests to evaluate whether mitigation (generally a lengthening of the transition period) is required. The first test is to calculate the change in the monthly fixed charge, and to consider mitigation if it exceeds \$4. The second is to calculate the total bill impact of the proposals in the application for low volume residential customers (defined as those residential RPP customers whose consumption is at the 10th percentile for the class). Mitigation may be required if the bill impact related to the application exceeds 10% for these customers.

Hydro Ottawa's implementation of the transition results in an increase to the fixed charge prior to the price cap adjustment of \$3.06. The bill impacts arising from the proposals in this application, including the fixed rate change, are below 10% for low volume residential customers.

Findings

The OEB finds that the increases to the monthly fixed charge and to low consumption residential consumers are below the thresholds set in the OEB policy and approves the increase as proposed by the applicant and calculated in the final rate model.

⁴ EB-2012-0410 A New Distribution Rate Design for Residential Electricity Customers (April 2, 2015)

10 REGULATORY CHARGES

Customers are charged a number of fees 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 cost of providing electricity service, and therefore the rates, greatly exceeds those 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, as well as the costs of the IESO's Capacity Based Recovery (CBR) initiative. Individual electricity distributors recover the WMS charges from their customers through the WMS rate.

Distributors bill Class A customers their share of the actual CBR charge based on their contribution to peak demand. Accordingly, the WMS rate applied to these customers by distributors does not contain that portion of the WMS rate applicable to CBR.

The Ontario Electricity Support Program (OESP) is a program to deliver on-bill rate assistance to low income electricity customers. All Ontario customers contribute to the OESP through the OESP charge.

These four regulatory charges are components of the Regulatory Charge on customers' bills and are established annually by the OEB through a separate order.

Findings

The OEB has determined⁵ that the RRRP charge for 2017 shall be \$0.0021 per kWh. The WMS rate used by rate-regulated distributors to bill their Class A customers shall

⁵ Decision and Rate Order, EB-2016-0362, December 15, 2016

continue to be \$0.0032 per kWh. For Class B customers a CBR component of \$0.0004 per kWh is added to the WMS rate for a total of \$0.0036 per kWh. The OESP on-bill rate assistance credits to low income electricity customers remain unchanged; in addition, the OESP charge will remain the same at \$0.0011 per kWh⁶.

These changes are effective January 1, 2017 for all distributors as a result of the generic orders that were part of the OEB's separate decisions. The Tariff of Rates and Charges flowing from this Decision and Rate Order has been updated so as to reflect these new regulatory charges.

⁶ Decision and Rate Order, EB-2016-0376, December 21, 2016

11 RETAIL SERVICE CHARGES

As part of the approved settlement, the proposed retail service charges, over the 2016 - 2020 period were agreed upon. The 2017 charges are shown in the following table:

Table 4 – Retail Service Charges

	2016	2017
Monthly fixed charge	24.00	25.00
Standard Charge	117.00	122.00
Monthly variable charge	0.60	0.60
Distr consol billing charge	0.35	0.35
Rtlr consol billing credit	(0.35)	(0.35)
STR Process	0.60	0.60
STR Request	0.30	0.30

Findings

The OEB approves the 2017 Retail Service Charges as per the approved settlement.

12 SPECIFIC SERVICE CHARGES

In the approved settlement, the service charges shown in the table below will be increased as part of this Application. All other service charges will remain at the 2016 approved rates.

	2016	2017
Special Billing Service, per hour	\$ 95.00	\$ 97.00
Interval Meter - Field Reading	\$ 347.00	\$ 355.00
High Bill Investigation - If billing is correct	\$ 213.00	\$ 218.00
Temporary service install & remove - overhead - no transformer	\$ 797.00	\$ 813.00
Temporary service install & remove - underground - no transformer	\$ 1,156.00	\$ 1,180.00
Temporary service install & remove - overhead -with transformer	\$ 2,840.00	\$ 2,900.00
Standard Charge, Per Retailer	\$ 117.00	\$ 122.00
Monthly Fixed Charge, Per Retailer	\$ 24.00	\$ 25.00
Energy Resource Facility Administration Charge - W/O Account Set Up (One Time)	\$ 127.00	\$ 130.00
Energy Resource Facility Administration Charge - With Account Set Up (One Time)	\$ 157.00	\$ 160.00
FIT Energy Resource Facility Monthly Account Management Charge	\$ 119.00	\$ 121.00
HCI, RESOP, Other Energy Resource Facility Monthly Account Management Charge	\$ 259.00	\$ 264.00

In addition, as per the approved settlement Hydro Ottawa has adjusted the Drycore charges to reflect any related changes in the Regulated Price Plan and Hydro One rates and will continue to do this on an annual basis for the remaining years of the Custom IR plan.

Hydro Ottawa has updated the naming convention of the charge for Arrears Certificate to Account Certificate. Upon review of the 2016 Tariff of Rates and Charges, it was noted that the name was not updated per the approved settlement.

Findings

The OEB approves the 2017 Specific Service Charges, DryCore charges and the update to the name of the Account Certificate as per the approved settlement.

13 ORDER

Rate Model

This application was supported by a rate model, applicable supporting models and a Tariff of Rates and Charges. Entries in the models were reviewed to ensure that they are in accordance with Hydro Ottawa's original custom IR decision and the 2016 OEB-approved Tariff of Rates and Charges. The rate models were adjusted, where applicable, to correct any discrepancies.

THE ONTARIO ENERGY BOARD ORDERS THAT:

- 1. Hydro Ottawa Limited's new distribution rates shall be effective January 1, 2017. The Tariff of Rates and Charges is set out in Schedule A.
- The Tariff of Rates and Charges set out in Schedule A shall be deemed *draft* until Hydro Ottawa Limited has complied with the subsequent procedural steps.
- 3. Hydro Ottawa Limited shall review the Tariff of Rates and Charges set out in Schedule A and shall file with the OEB, as applicable, a written confirmation of its completeness and accuracy, or provide a detailed explanation of any inaccuracies or missing information, within two days of the date of issuance of this Decision and Rate Order.
- 4. This Decision and Rate Order will be considered final, except for the stand-by rates which remain interim, if Hydro Ottawa Limited does not provide a submission to the OEB that inaccuracies were found or information was missing pursuant to item 3. Hydro Ottawa Limited shall notify its customers of the rate changes no later than the delivery of the first bill reflecting the new rates.
- If the OEB receives a submission from Hydro Ottawa Limited to the effect that inaccuracies were found or information was missing pursuant to item 3, the OEB will consider the submission prior to revising and issuing a final Tariff of Rates and Charges.
- 6. Hydro Ottawa Limited shall pay the OEB's costs incidental to this proceeding upon receipt of the OEB's invoice.

DATED at Toronto, December 21, 2016

ONTARIO ENERGY BOARD

Original Signed By

Kirsten Walli Board Secretary

Schedule A

To Decision and Rate Order

Tariff of Rates and Charges

OEB File No: EB-2016-0084

DATED: December 21, 2016

Effective and Implementation Date January 1, 2017

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

EB-2016-0084

RESIDENTIAL SERVICE CLASSIFICATION

This classification includes accounts taking electricity at 120/240 volts single phase where the electricity is used exclusively in a separately 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, triple or quadruplex house, with a residential zoning. Separately metered dwellings within a town house complex or apartment building also qualify as residential customers. Class B consumers are defined in accordance with O. Reg. 429/04. 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 Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Ontario Electricity Support Program Charge (OESP)

Standard Supply Service - Administrative Charge (if applicable)

Service Charge	\$	16.60
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Rate Rider for Disposition of Group 2 Accounts - effective until December 31, 2017	\$	0.02
Distribution Volumetric Rate	\$/kWh	0.0151
Low Voltage Service Rate	\$/kWh	0.00007
Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2017	\$/kWh	(0.0001)
Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2017		
Applicable only for Non-Wholesale Market Participants	\$/kWh	(0.0023)
Rate Rider for Disposition of Class B WMS - Sub-account CBR - effective until December 31, 2017	\$/kWh	0.00027
Rate Rider for Disposition of Global Adjustment - effective until December 31, 2017	\$/kWh	(0.0019)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0074
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0047
MONTHLY RATES AND CHARGES - Regulatory Component		
Wholesale Market Service Rate	\$/kWh	0.0032
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/k\/\/h	0.0021

0.0011

0.25

\$/kWh

Effective and Implementation Date January 1, 2017

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

EB-2016-0084

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 credits is in accordance with the Distribution System Code (Section 9) and subsection 79.2 of the Ontario Energy Board Act,

The application of these credits 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;	
(d) account-holders with a household income of between \$48,001 and \$52,000 living in a household of seven or more persons;	
but does not include account-holders in Class E.	
OESP Credit	\$ (30.00)
Class B	
(a) account-holders with a household income of \$28,000 or less living in a household of three persons;	
(b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of four persons;	
(c) account-holders with a household income of between \$39,001 and \$48,000 living in a household of six persons;	
but does not include account-holders in Class F.	
OESP Credit	\$ (34.00)
Class C	
(a) account-holders with a household income of \$28,000 or less living in a household of four persons;	
(b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of five persons;	
(c) account-holders with a household income of between \$39,001 and \$48,000 living in a household of seven or more persons;	
but does not include account-holders in Class G.	
OESP Credit	\$ (38.00)
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)

EB-2016-0084

Hydro Ottawa Limited TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2017

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

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 (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)

Effective and Implementation Date January 1, 2017

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

EB-2016-0084

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification refers to non residential accounts taking electricity at 750 volts or less whose monthly average peak demand is less than, or is forecast to be less than 50 kW. Class B consumers are defined in accordance with O. Reg. 429/04. 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 Board approval, such as the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Ontario Electricity Support Program Charge (OESP)

Standard Supply Service - Administrative Charge (if applicable)

Service Charge Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$ \$	17.89 0.79
Distribution Volumetric Rate	\$/kWh	0.0227
Low Voltage Service Rate	\$/kWh	0.00007
Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2017 Applicable only for Non-Wholesale Market Participants	\$/kWh	(0.0023)
Rate Rider for Disposition of Class B WMS - Sub-account CBR - effective until December 31, 2017	\$/kWh	0.00027
Rate Rider for Disposition of Global Adjustment - effective until December 31, 2017	\$/kWh	(0.0019)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0068
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0045
MONTHLY RATES AND CHARGES - Regulatory Component		
Wholesale Market Service Rate	\$/kWh	0.0032
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0021

0.0011

0.25

\$/kWh

Effective and Implementation Date January 1, 2017

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

EB-2016-0084

GENERAL SERVICE 50 TO 1,499 KW SERVICE CLASSIFICATION

This classification refers to non residential accounts whose monthly average peak demand is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 1,500 kW. Class A and Class B consumers are defined in accordance with O. Reg. 429/04. 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.

The rate rider for the disposition of WMS – Sub-account CBR Class B is not applicable to wholesale market participants (WMP), customers that transitioned between Class A and Class B during the variance account accumulation period, or to customers that were in Class A for the entire period. Customers who transitioned are to be charged or refunded their share of the variance disposed through customer specific billing adjustments. This rate rider is to be consistently applied for the entire period to the sunset date of the rate rider. In addition, this rate rider is applicable to all new Class B customers.

The rate rider for the disposition of Global Adjustment is only applicable to non-RPP Class B customers. It is not applicable to WMP, customers that transitioned between Class A and Class B during the variance account accumulation period, or to customers that were in Class A for the entire period. Customers who transitioned are to be charged or refunded their share of the variance disposed through customer specific billing adjustments. This rate rider is to be consistently applied for the entire period to the sunset date of the rate rider. In addition, this rate rider is applicable to all new non-RPP Class B customers.

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 Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	200.00
Distribution Volumetric Rate	\$/kW	4.3245
Low Voltage Service Rate	\$/kW	0.02632
Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2017	\$/kW	0.0117
Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2017		
Applicable only for Non-Wholesale Market Participants	\$/kW	(0.9869)
Rate Rider for Disposition of Group 2 Accounts - effective until December 31, 2017	\$/kW	0.0129
Rate Rider for Disposition of Class B WMS - Sub-account CBR - effective until December 31, 2017	\$/kWh	0.00027
Rate Rider for Disposition of Global Adjustment - effective until December 31, 2017	\$/kWh	(0.0019)
Retail Transmission Rate - Network Service Rate	\$/kW	2.8016
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.8174
MONTHLY RATES AND CHARGES - Regulatory Component		
Wholesale Market Service Rate	\$/kWh	0.0032
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0021
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Effective and Implementation Date January 1, 2017

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

EB-2016-0084

GENERAL SERVICE 1,500 TO 4,999 KW SERVICE CLASSIFICATION

This classification refers to non residential accounts whose monthly average peak demand is equal to or greater than, or is forecast to be equal to or greater than, 1,500 kW but less than 5,000 kW. Class A and Class B consumers are defined in accordance with O. Reg. 429/04. 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 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.

The rate rider for the disposition of WMS - Sub-account CBR Class B is not applicable to wholesale market participants (WMP), customers that transitioned between Class A and Class B during the variance account accumulation period, or to customers that were in Class A for the entire period. Customers who transitioned are to be charged or refunded their share of the variance disposed through customer specific billing adjustments. This rate rider is to be consistently applied for the entire period to the sunset date of the rate rider. In addition, this rate rider is applicable to all new Class B customers.

The rate rider for the disposition of Global Adjustment is only applicable to non-RPP Class B customers. It is not applicable to WMP, customers that transitioned between Class A and Class B during the variance account accumulation period, or to customers that were in Class A for the entire period. Customers who transitioned are to be charged or refunded their share of the variance disposed through customer specific billing adjustments. This rate rider is to be consistently applied for the entire period to the sunset date of the rate rider. In addition, this rate rider is applicable to all new non-RPP Class B customers.

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 Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	4,193.93
Distribution Volumetric Rate	\$/kW	3.9181
Low Voltage Service Rate	\$/kW	0.02813
Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2017	\$/kW	0.0130
Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2017		
Applicable only for Non-Wholesale Market Participants	\$/kW	(1.0876)
Rate Rider for Disposition of Group 2 Accounts - effective until December 31, 2017	\$/kW	0.0143
Rate Rider for Disposition of Class B WMS - Sub-account CBR - effective until December 31, 2017	\$/kWh	0.00027
Rate Rider for Disposition of Global Adjustment - effective until December 31, 2017	\$/kWh	(0.0019)
Retail Transmission Rate - Network Service Rate	\$/kW	2.9089
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.9423
MONTHLY RATES AND CHARGES - Regulatory Component		

Wholesale Market Service Rate	\$/kWh	0.0032
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0021
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Effective and Implementation Date January 1, 2017

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

EB-2016-0084

LARGE USE SERVICE CLASSIFICATION

This classification refers to an account whose monthly average peak demand is equal to or greater than, or is forecast to be equal to or greater than 5,000 kW. Class A and Class B consumers are defined in accordance with O. Reg. 429/04. 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 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.

The rate rider for the disposition of WMS – Sub-account CBR Class B is not applicable to wholesale market participants (WMP), customers that transitioned between Class A and Class B during the variance account accumulation period, or to customers that were in Class A for the entire period. Customers who transitioned are to be charged or refunded their share of the variance disposed through customer specific billing adjustments. This rate rider is to be consistently applied for the entire period to the sunset date of the rate rider. In addition, this rate rider is applicable to all new Class B customers.

The rate rider for the disposition of Global Adjustment is only applicable to non-RPP Class B customers. It is not applicable to WMP, customers that transitioned between Class A and Class B during the variance account accumulation period, or to customers that were in Class A for the entire period. Customers who transitioned are to be charged or refunded their share of the variance disposed through customer specific billing adjustments. This rate rider is to be consistently applied for the entire period to the sunset date of the rate rider. In addition, this rate rider is applicable to all new non-RPP Class B customers.

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 Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	15,231.32
Distribution Volumetric Rate	\$/kW	3.7199
Low Voltage Service Rate	\$/kW	0.03168
Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2017	\$/kW	0.0154
Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2017		
Applicable only for Non-Wholesale Market Participants	\$/kW	(1.2969)
Rate Rider for Disposition of Group 2 Accounts - effective until December 31, 2017	\$/kW	0.0170
Rate Rider for Disposition of Class B WMS - Sub-account CBR - effective until December 31, 2017	\$/kWh	0.00027
Rate Rider for Disposition of Global Adjustment - effective until December 31, 2017	\$/kWh	(0.0019)
Retail Transmission Rate - Network Service Rate	\$/kW	3.2246
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.1873
MONTHLY RATES AND CHARGES - Regulatory Component		
Wholesale Market Service Rate	\$/kWh	0.0032
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0021
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Effective and Implementation Date January 1, 2017

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

EB-2016-0084

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification includes accounts taking electricity at 120/240 volts single phase whose monthly average peak demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. These 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. Class B consumers are defined in accordance with O. Reg. 429/04. Qualification for this classification is at the discretion of Hydro Ottawa as defined in its 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 Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Rural or Remote Electricity Rate Protection Charge (RRRP)

Standard Supply Service - Administrative Charge (if applicable)

Ontario Electricity Support Program Charge (OESP)

Service Charge (per connection) Distribution Volumetric Rate Low Voltage Service Rate	\$ \$/kWh \$/kWh	4.60 0.0226 0.00007
Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2017 Applicable only for Non-Wholesale Market Participants	\$/kWh	(0.0023)
Rate Rider for Disposition of Class B WMS - Sub-account CBR - effective until December 31, 2017 Retail Transmission Rate - Network Service Rate	\$/kWh \$/kWh	0.00027 0.0068
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0045
MONTHLY RATES AND CHARGES - Regulatory Component		
Wholesale Market Service Rate Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh \$/kWh	0.0032 0.0004

0.0021

0.0011

\$/kWh

\$/kWh

Effective and Implementation Date January 1, 2017

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

EB-2016-0084

STANDBY POWER SERVICE CLASSIFICATION

This classification refers to an account that has Load Displacement Generation equal to or greater than 500 kW and requires the distributor to provide back-up service. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

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

MONTHLY RATES AND CHARGES - Delivery Component - Approved on an Interim Basis

Service Charge	\$	132.38
General Service 50 to 1,4999 kW customer	\$/kW	1.7669
General Service 1,500 to 4,999 kW customer	\$/kW	1.6206
General Service Large User kW customer	\$/kW	1.7984

Effective and Implementation Date January 1, 2017

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

EB-2016-0084

SENTINEL LIGHTING SERVICE CLASSIFICATION

This classification refers to accounts that are an unmetered lighting load supplied to a sentinel light. Class B consumers are defined in accordance with O. Reg. 429/04. 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 Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	3.04
Distribution Volumetric Rate	\$/kW	12.2794
Low Voltage Service Rate	\$/kW	0.01955
Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2017	\$/kW	0.0062
Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2017		
Applicable only for Non-Wholesale Market Participants	\$/kW	(0.5211)
Rate Rider for Disposition of Group 2 Accounts - effective until December 31, 2017	\$/kW	0.0068
Rate Rider for Disposition of Class B WMS - Sub-account CBR - effective until December 31, 2017	\$/kWh	0.00027
Retail Transmission Rate - Network Service Rate	\$/kW	2.0681
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.3501

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0032
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0021
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Effective and Implementation Date January 1, 2017

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

EB-2016-0084

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 controlled by photocells. The consumption for these customers is based on the calculated connected load times the required lighting times established in the approved OEB street lighting load shape template. Class B consumers are defined in accordance with O. Reg. 429/04. 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, assessements 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 Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	0.80
Distribution Volumetric Rate	\$/kW	5.6501
Low Voltage Service Rate	\$/kW	0.01996
Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2017 Rate Rider for Disposition of Deferral/Variance Accounts - effective until December 31, 2017	\$/kW	0.0099
Applicable only for Non-Wholesale Market Participants	\$/kW	(0.8313)
Rate Rider for Disposition of Group 2 Accounts - effective until December 31, 2017	\$/kW	0.0109
Rate Rider for Disposition of Class B WMS - Sub-account CBR - effective until December 31, 2017	\$/kWh	0.00027
Rate Rider for Disposition of Global Adjustment - effective until December 31, 2017	\$/kWh	(0.0019)
Retail Transmission Rate - Network Service Rate	\$/kW	2.0786
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.3783
MONTHLY RATES AND CHARGES - Regulatory Component		
Wholesale Market Service Rate	\$/kWh	0.0032
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0021
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Effective and Implementation Date January 1, 2017

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

EB-2016-0084

Micro-FIT and Micro-Net-Metering SERVICE CLASSIFICATION

This classification applies to an electricity generation facility contracted under the Independent Electricity System Operator's microFIT program and connected to the distributor's distribution system. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges, assessements 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 Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge \$ 18.00

Effective and Implementation Date January 1, 2017

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

EB-2016-0084

FIT SERVICE CLASSIFICATION

This classification applies to an electricity generation facility contracted under the Independent Electricity System Operator's FIT program and connected to the distributor's distribution system. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges, assessements 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 Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge \$ 121.00

Effective and Implementation Date January 1, 2017

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

EB-2016-0084

HCI, RESOP, Other Energy Resource SERVICE CLASSIFICATION

This classification applies to an electricity generation facility contracted under the Independent Electricity System Operator's HCI, RESOP and Other Energy Resource programs and connected to the distributor's distribution system. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges, assessements 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 Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge \$ 264.00

Effective and Implementation Date January 1, 2017

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

EB-2016-0084

ALLOWANCES

Transformer Allowance for Ownership - per kW of billing demand/month	\$/kW	(0.45)
Primary Metering Allowance for transformer losses – applied to measured demand and energy	%	(1.00)

SPECIFIC SERVICE CHARGES

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 charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

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

Customer Administration		
Account certificate	\$	15.00
Duplicate invoices for previous billing	\$	15.00
Special billing service per hour (min 1 hour, 15 min incremental billing thereafter)	\$	97.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Unprocessed payment charge (plus bank charges)	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Disconnect/reconnect at meter - regular hours (under account administration - new account)	\$	65.00
Disconnect/reconnect at meter - after regular hours (under account administration - new account)	\$	185.00
Interval meter - field reading	\$	355.00
High bill investigation - if billing is correct	\$	218.00
Non-Payment of Account		
Late payment – per month	%	1.50
Late payment – per annum	%	19.56
Collection of account charge – no disconnection	\$	30.00
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
Other		
Temporary service – install & remove – overhead – no transformer	\$	813.00
Temporary service – install & remove – underground – no transformer	\$	1,180.00
Temporary service – install & remove – overhead – with transformer	\$	2,900.00
Specific charge for access to the power poles - \$/pole/year	\$	53.00
Dry core transformer distribution charge	·	Per Attached Table
Energy Resource Facility administration charge - without account set up (one time)	\$	130.00
Energy Resource Facility administration charge - with account set up (one time)	\$	160.00

Effective and Implementation Date January 1, 2017

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

EB-2016-0084

RETAIL SERVICE CHARGES (if applicable)

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

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

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the 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	\$	122.00
Monthly Fixed Charge, per retailer	\$	25.00
Monthly Variable Charge, per customer, per retailer	\$/cust.	0.6000
Distributor-consolidated billing monthly charge, per customer, per retailer	\$/cust.	0.3500
Retailer-consolidated billing monthly credit, per customer, per retailer	\$/cust.	(0.3500)
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	\$	0.30
Processing fee, per request, applied to the requesting party	\$	0.60
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	1.0164
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0232
Total Loss Factor – Primary Metered Customer > 5,000 kW	1.0062

Effective and Implementation Date January 1, 2017

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

EB-2016-0084

Dry Core Transformer Charges

Transformers	No Load Loss (W)	Load Loss (W)	Cost of Transmission and LV per kW		Wholesale Market per		Cost of Ene Transmission Wh and LV per kW Ma		Energy and Wholesale Market per		Energy and Wholesale Market per		Energy and Wholesale Market per		Energy and Wholesale Market per		M C	Total lonthly lost of loower	Dis	Cost of stribution per kW	Total
Rates			\$	4.9894	\$	0.1249			\$	3.9802											
25 KVA 1 PH, 1.2kV BIL	150	900	\$	0.80	\$	11.35	\$	12.16	\$	0.64	\$ 12.80										
37.5 KVA 1 PH, 1.2kV BIL	200	1200	\$	1.07	\$	15.14	\$	16.21	\$	0.85	\$ 17.06										
50 KVA 1 PH, 1.2kV BIL	250	1600	\$	1.36	\$	19.05	\$	20.41	\$	1.09	\$ 21.50										
75 KVA 1 PH, 1.2kV BIL	350	1900	\$	1.82	\$	26.25	\$	28.07	\$	1.45	\$ 29.52										
100 KVA 1 PH, 1.2kV BIL	400	2600	\$	2.19	\$	30.52	\$	32.71	\$	1.75	\$ 34.46										
150 KVA 1 PH, 1.2kV BIL	525	3500	\$	2.90	\$	40.17	\$	43.07	\$	2.31	\$ 45.38										
167 KVA 1 PH, 1.2kV BIL	650	4400	\$	3.61	\$	49.81	\$	53.42	\$	2.88	\$ 56.30										
200 KVA 1 PH, 1.2kV BIL	696	4700	\$	3.86	\$	53.32	\$	57.18	\$	3.08	\$ 60.26										
225 KVA 1 PH, 1.2kV BIL	748	5050	\$	4.15	\$	57.31	\$	61.45	\$	3.31	\$ 64.76										
250 KVA 1 PH, 1.2kV BIL	800	5400	\$	4.44	\$	61.29	\$	65.72	\$	3.54	\$ 69.26										
*15 KVA 3 PH, 1.2kV BIL	125	650	\$	0.64	\$	9.34	\$	9.98	\$	0.51	\$ 10.49										
*45 KVA 3 PH, 1.2kV BIL	300	1800	\$	1.60	\$	22.71	\$	24.31	\$	1.28	\$ 25.59										
*75 KVA 3 PH, 1.2kV BIL	400	2400	\$	2.14	\$	30.28	\$	32.42	\$	1.71	\$ 34.12										
*112.5 KVA 3 PH, 1.2kV BIL	600	3400	\$	3.15	\$	45.18	\$	48.33	\$	2.52	\$ 50.85										
*150 KVA 3 PH, 1.2kV BIL	700	4500	\$	3.82	\$	53.35	\$	57.18	\$	3.05	\$ 60.22										
*225 KVA 3 PH, 1.2kV BIL	900	5300	\$	4.78	\$	68.01	\$	72.79	\$	3.82	\$ 76.61										
*300 KVA 3 PH, 1.2kV BIL	1100	6300	\$	5.80	\$	82.90	\$	88.70	\$	4.63	\$ 93.33										
*500 KVA 3 PH, 95kV BIL	2400	7600	-\$	0.00	\$	173.41	\$	184.42	\$	8.78	\$ 193.21										
*750 KVA 3 PH, 95kV BIL	3000	12000	\$	14.43	\$	219.80	\$	234.23	\$	11.51	\$ 245.75										
*1000 KVA 3 PH, 95kV BIL	3400	13000	\$	16.20	\$	248.38	\$	264.58	\$	12.92	\$ 277.50										
*1500 KVA 3 PH, 95kV BIL	4500	18000	\$	21.65	\$	329.70	\$	351.35	\$	17.27	\$ 368.62										
*2000 KVA 3 PH, 95kV BIL	5400	21000	\$	25.82	\$	394.91	\$	420.73	\$	20.60	\$ 441.33										
*2500 KVA 3 PH, 95kV BIL	6500	25000	\$	31.00	\$	475.02	\$	506.02	\$	24.73	\$ 530.76										
*3000 KVA 3PH, 95kV BIL	7700	29000	\$	36.56	\$	561.97	\$	598.53	\$	29.17	\$ 627.70										
*3750 KVA 3PH, 95kV BIL	9500	35000	\$	44.90	\$	692.39	\$	737.29	\$	35.82	\$ 773.11										
*5000 KVA 3PH, 95kV BIL	11000	39000	\$	51.58	\$	799.86	\$	851.44	\$	41.15	\$ 892.59										

No Load and load losses from CSA standard C802-94: Maximum losses for distribution, power and dry-type transformers commercial use.

Average load factor = 0.46 average loss factor = 0.2489

^{*}For non-preferred KVA ratings no load and load losses are interpolated as per CSA standard

^{**} Cost of Energy and Wholesale Market per kWh contains May 1, 2016 RPP Tiered Pricing, WMRS and OESP Pricing to be effective January 1, 2016