



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

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**DECISION AND RATE ORDER**

**EB-2016-0214**

**NORTH BAY HYDRO DISTRIBUTION LIMITED**

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

**By Delegation, Before: Theodore Antonopoulos**

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**February 8, 2017**

# 1 INTRODUCTION AND SUMMARY

This is the Decision and Rate Order (Decision) for North Bay Hydro Distribution Limited's Incentive Regulation Mechanism (IRM) application for 2017 rates.

North Bay Hydro Distribution Limited (North Bay Hydro) serves about 24,000 mostly residential and commercial electricity customers in the City of North Bay. The company is seeking the Ontario Energy Board's approval for the rates it charges to distribute electricity to its customers, as is required of licenced and rate-regulated distributors in Ontario.

Distributors may choose one of three Ontario Energy Board (OEB) rate-setting methods. North Bay Hydro has selected the Price Cap Incentive Rate-setting (Price Cap IR) option that has a five-year term. Rates are set through a cost of service rebasing application for the first year and are adjusted mechanistically through an IRM application for each of the ensuing four years. The price cap adjustment is based on inflation and the OEB's assessment of a distributor's efficiency.

North Bay Hydro filed an IRM application with the OEB on September 26, 2017 to seek approval for changes to its distribution rates to be effective May 1, 2017. North Bay Hydro last appeared before the OEB with a cost of service rebasing application for 2015 rates in the EB-2014-0099 proceeding.

The OEB addresses the following issues with respect to North Bay Hydro's IRM application in this Decision.

- Price Cap Adjustment
- Regulatory Charges
- Retail Transmission Service Rates
- Group 1 Deferral and Variance Accounts
- Lost Revenue Adjustment Mechanism Variance Account Balance
- Residential Rate Design
- Implementation and Order

North Bay Hydro applied for a rate increase of 1.60% in accordance with the OEB-approved 2017 parameters for inflation and productivity. The 1.60% price cap adjustment applies to distribution rates (fixed and variable charges) uniformly across all customer classes; it does not apply to the rates and charges listed in Schedule B.

North Bay Hydro 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.<sup>1</sup> 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 that distributors collect from residential customers.

This Decision on North Bay Hydro's IRM application will result in a monthly bill decrease of \$0.30 for a residential customer consuming 750 kWh.

The OEB approves the adjustments made to North Bay Hydro's application, and the associated rates calculated, as a result of this proceeding.

## 2 THE PROCESS

North Bay Hydro filed an application with the OEB on September 26, 2017 under section 78 of the OEB Act and under the OEB's Chapter 3 Filing Requirements for Incentive Rate-Setting Applications seeking approval for changes to its electricity distribution rates to be effective May 1, 2017.

The OEB follows a standard, streamlined process for IRM applications under Price Cap IR. This Decision is being issued by delegated authority under section 6 of the *Ontario Energy Board Act, 1998*.

The OEB first prepares a rate model that includes information from past proceedings and annual reporting requirements. The distributor then reviews and updates the model and includes it with its application.

North Bay Hydro's IRM application was supported by written evidence and a completed rate model. Questions were asked and answers were provided by North Bay Hydro through emails and phone calls. Based on this information, a decision was drafted and provided to North Bay Hydro on February 6, 2017. North Bay Hydro was given the opportunity to provide its comments on the draft for consideration prior to the OEB issuing this Decision.

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

### 3 ORGANIZATION OF THE DECISION

The OEB has organized this Decision into sections to reflect the issues that were considered in making its findings.<sup>2</sup> Each section outlines the OEB's reasons for approving or denying 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 PRICE CAP ADJUSTMENT

The price cap adjustment follows an OEB-approved formula that includes annually updated components for inflation and the OEB's expectations of efficiency and productivity gains.<sup>3</sup> The formula is an *inflation minus X-factor* rate adjustment, which is intended to incent innovation and efficiency. The OEB has set the inflation factor for 2017 rates at 1.9% based on its established formula.<sup>4</sup>

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

Based on industry conditions over the historical study period, the productivity factor has been set at 0.0%. A stretch factor is assigned to each distributor based on the individual distributor's total cost performance as benchmarked relative to other distributors in Ontario. For Price Cap IR applications, there are five stretch factor groupings that have each been assigned a stretch factor in the range from 0.0% to 0.6%.<sup>5</sup> The most efficient distributor, based on the cost evaluation ranking, would be assigned the lowest stretch factor of 0.0%. Higher stretch factors are applied to distributors in accordance with their cost performance relative to expected levels, to reflect the incremental productivity gains that distributors are expected to achieve.

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

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

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

<sup>5</sup> Report to the Ontario Energy Board – "Empirical Research in Support of Incentive Rate-Setting: 2015 Benchmarking Update." Pacific Economics Group LLC. July 2016

## Findings

The OEB assigned North Bay Hydro a stretch factor of 0.30% based on the updated benchmarking study for use for rates effective in 2017.<sup>6</sup> The resulting net price cap adjustment for North Bay Hydro is 1.60% (i.e. 1.9% - (0% + 0.30%)).

The 1.60% adjustment applies to distribution rates (fixed and variable charges) uniformly across all customer classes; it does not apply to the rates and charges listed in Schedule B.

## 5 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 partially offset the relatively high cost of electricity distribution to eligible customers located in rural or remote areas of Ontario. The funding level is established by the government of Ontario and is recovered from all electricity customers in the province through a charge that is set annually 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. Distributors recover the WMS charges from their customers through the WMS kWh rate.

In addition, the costs of the IESO WMS Capacity Based Recovery (CBR) initiative are recovered by distributors from Class B customers through a separate kWh charge, and from Class A customers through their share of the actual CBR charge based on their contribution to peak demand.

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 this program 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.

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

## Findings

The OEB has set the RRRP charge for 2017 at \$0.0021 per kWh.

The WMS rate used by distributors to bill their Class A and B customers remains at \$0.0032 per kWh. An additional component is billed to Class B customers for the CBR of \$0.0004 per kWh.<sup>7</sup>

The OESP on-bill rate assistance credits to low income electricity customers remain unchanged; as does the OESP charge at \$0.0011 per kWh.<sup>8</sup>

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 OEB has updated the Tariff of Rates and Charges flowing from this Decision, listed in Schedule A, to reflect these new regulatory charges.

## 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. Partially embedded distributors, such as North Bay Hydro, must also adjust their RTSRs to reflect any changes to the applicable RTSRs of their host distributor, which in this case is Hydro One Networks Inc. Distributors may apply to the OEB annually to approve the RTSRs they propose to charge their customers, as North Bay Hydro has done in this application.

### Findings

The OEB approves the RTSRs as adjusted in this Application to reflect current applicable rates. The RTSRs are based on the previous years' UTRs as the OEB has not yet approved the adjustment of UTRs for 2017. The OEB has approved the 2017 Sub-Transmission Class RTSRs for Hydro One Networks Inc. to use for billing embedded distributors. These rate changes have been incorporated into the 2017 IRM Rate Generator Model (RTSR filing module) to adjust the RTSRs that North Bay Hydro will charge its customers.<sup>9</sup> The differences between the previous and the new 2017

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<sup>7</sup> Decision and Rate Order, EB-2016-0362, December 15, 2016

<sup>8</sup> Decision and Rate Order, EB-2016-0376, December 21, 2016

<sup>9</sup> Decision and Rate Order, EB-2016-0081, December 21, 2016

UTRs, once approved, will be captured in Accounts 1584 and 1586 for future disposition.

The applicable UTRs and Sub-Transmission Class RTSRs for Hydro One Networks Inc. are shown in the following tables:

#### Current Applicable Uniform Transmission Rates

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

#### 2017 Sub-Transmission RTSRs

Network Service Rate	\$3.19 per kW
<u>Connection Service Rates</u>	
Line Connection Service Rate	\$0.77 per kW
Transformation Connection Service Rate	\$1.75 per kW

## 7 GROUP 1 DEFERRAL AND VARIANCE ACCOUNT BALANCES

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 policy<sup>10</sup> is to review and dispose of the distributor's Group 1 accounts if they exceed (as a debit or credit) the pre-set disposition threshold of \$0.001 per kWh during

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

the term of an incentive ratemaking plan. The distributor must justify why any account balance in excess of the threshold should not be disposed. The distributor may propose to dispose of balances below this threshold.

North Bay Hydro's 2015 actual year-end total balance for Group 1 accounts including interest projected to April 30, 2017 is a credit of \$691,352. This amount represents a total credit claim of \$0.0013 per kWh, which exceeds the preset disposition threshold. North Bay Hydro proposes to dispose of this credit amount over a one-year period.

The Group 1 balance includes a Global Adjustment (GA) account balance of \$520,559. 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 sum of the rates paid to regulated and contracted generators and conservation and demand management (demand response) program costs. The GA is established monthly, by the IESO, 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 in the Industrial Conservation Initiative,<sup>11</sup> are referred to as Class A. The costs for the GA are recovered from Class A customers 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 their demand contributes to the top five Ontario system peaks. This factor determines a Class A customer's allocation for a year-long billing period that starts in July every year. As distributors settle with Class A customers based on the actual GA costs there is no resulting 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.

North Bay Hydro proposed the recovery of the GA variance account balance of \$520,559 as at December 31, 2015, including interest to April 30, 2017, as follows:

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<sup>11</sup> The initiative was introduced by the Government of Ontario in 2010



- \$500,735 from customers who were Class B customers for the entire period from January 1, 2015 to December 31, 2015, through a kWh rate rider,
- \$19,824 from a customer formerly in Class B during the period January 1, 2015 to December 31, 2015 who were reclassified to Class A; to be disposed through 12 equal installments,

The balance for the Group 1 accounts also includes an amount for the recovery of CBR charges related to the IESO's wholesale energy market Demand Response 3 program contracted program providers.<sup>12</sup> Distributors paid CBR charges to the IESO in 2015 and recorded these to a dedicated sub-account. 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.

North Bay Hydro had a Class A customer during the period from July 1, 2015 to December 31, 2015. This customer is the lone customer that resides in North Bay Hydro's GS 3000 to 4999 kW class. This customer is not a wholesale market participant. North Bay Hydro requested to combine the rate rider calculated for Class B customers with the generic Deferral and Variance Account Balances rate rider (which excludes GA). North Bay Hydro stated that, "North Bay Hydro believes it to be more cost effective to set up one rate rider for Group 1 balances rather than maintain two separate rate riders in the system for the segregation of one customer. North Bay Hydro's position is that it is burdensome to the utility and of no value to the customer to have an additional Deferral/Variance Accounts rate rider."

For the customer that was reclassified from Class B to Class A during 2015, North Bay Hydro proposed a one-time settlement charge to recover the appropriate portion of CBR Class B costs from this customer, similar to the approach being proposed for the customer's GA portion. North Bay Hydro calculated the generic rider so that no CBR costs were allocated to the customer's GS 3000 to 4999 kW class.

Overall, the balances proposed for disposition are the same as the amounts reported as part of the OEB's *Reporting and Record-Keeping Requirements*. North Bay Hydro's proposal for a one-year disposition period is in accordance with the OEB's policy.<sup>13</sup>

## Findings

The OEB approves the disposition of a credit balance of \$691,352 as of December 31, 2015, including interest projected to April 30, 2017 for Group 1 accounts.

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<sup>12</sup> The Demand Response 3 program was introduced by the then OPA in 2007 and is currently administered by the IESO

<sup>13</sup> Report of the Board on Electricity Distributors' Deferral and Variance Account Review Initiative (July 31, 2009)

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

### Group 1 Deferral and Variance Account Balances

<b>Account Name</b>	<b>Account Number</b>	<b>Principal Balance (\$) A</b>	<b>Interest Balance (\$) B</b>	<b>Total Claim (\$) C=A+B</b>
LV Variance Account	1550	28,636	496	29,132
Smart Meter Entity Variance Charge	1551	(235)	(7)	(241)
RSVA - Wholesale Market Service Charge	1580	(1,058,971)	(19,471)	(1,078,441)
Variance WMS - Sub-account CBR Class B	1580	129,202	2,307	131,509
RSVA - Retail Transmission Network Charge	1584	(110,874)	(2,210)	(113,085)
RSVA - Retail Transmission Connection Charge	1586	16,256	(93)	16,164
RSVA - Power	1588	(195,857)	(1,091)	(196,948)
RSVA - Global Adjustment	1589	521,484	(924)	520,559
<b>Total Group 1 Accounts Excluding Global Adjustment - Account 1589</b>		(1,191,842)	(20,069)	(1,211,911)
<b>Total Group 1 Accounts Excluding Global Adjustment - Account 1589 and Sub-account CBR Class B</b>		(1,321,045)	(22,375)	(1,343,420)
<b>Total Group 1 Accounts</b>		(670,358)	(20,993)	(691,352)

The balance of each of the Group 1 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.

North Bay Hydro should ensure these adjustments are included in the reporting period ending June 30, 2017 (Quarter 2).

The OEB approves these balances to be disposed through the following rate riders/charges:

- Deferral and Variance Account Balances (excluding Global Adjustment) Rate Rider
- Class B Global Adjustment Rate Rider
- Reclassified Class A/B Global Adjustment Charge
- Reclassified Class A/B Capacity Based Recovery Charge

The rate riders/charges will be in effect over a one-year period from May 1, 2017 to April 30, 2018.

The OEB approves North Bay Hydro's requests to combine the rate rider calculated for Class B customers with the Deferral and Variance Account Balances rate rider. While this is not in accordance with the accounting guidance on capacity based recovery, the guidance is intended to address situations where the existence of Class A customers complicates the use of a generic rider for all Group 1 accounts.<sup>14</sup> In North Bay Hydro's case, there is only one Class A customer residing in its own class. The isolation of CBR costs from the rest of the Group 1 variances is a relatively straight forward exercise that North Bay Hydro has done correctly.

The adoption of North Bay Hydro's proposal necessitates changes to the guidance that exists on the Tariff of Rates and Charges with respect to CBR and generic Group 1 account riders. Given the settlement and regulatory disposition complexities with respect to GA and CBR activities, it is important that consistency across the sector be maintained for how these accounts are disposed and how the related rate riders are determined and applied. This does not mean that exceptions cannot or should not be made when there is clear value in deviating from established practice.

In this instance, while the OEB does not accept all the reasons provided by North Bay Hydro<sup>15</sup>, the OEB finds that there is value in eliminating a rate rider given the relatively simple calculations and minimal effort involved in ensuring no double counting of CBR costs in relation to the subject customer. The changes that need to be made to North Bay Hydro's tariff, while somewhat time consuming, are not overly burdensome given the preference to reduce the number of riders on the tariff where and when possible.

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<sup>14</sup> OEB letter dated July 25, 2016 – Accounting Guidance on Capacity Based Recovery

<sup>15</sup> North Bay Hydro provided no information as to why it is of the view that a separate CBR rider would be burdensome, especially given that all utilities in the province to some degree or other have multiple riders on their tariff sheets at any one time; including North Bay Hydro.

Implicit in this Decision, the OEB approves the proposed disposition of the GA debit balance of \$19,824 relating to the customer who was reclassified between Class A and Class B. This amount, as of December 31, 2015 and including interest projected to April 30, 2017, will be recovered as part of Group 1 account disposition through a separate charge.

In accordance with Electricity Distributors' Deferral and Variance Account Review Initiative (EDDVAR), this balance is to be disposed over a one-year period from May 1, 2017 to April 30, 2018. North Bay Hydro has requested a 12-month disposition period. This is consistent with the general expectation that distributors settle the amount through 12 equal adjustments to bills. The OEB approves \$19,824<sup>16</sup> requested by North Bay Hydro for the customer who was reclassified between Class A and B.

Implicit in this Decision, the OEB approves the proposed disposition of the CBR-Class B debit balance of \$952 relating to the customer who was reclassified between Classes A and B. This amount, as of December 31, 2015 and including interest projected to April 30, 2017, will be recovered as part of Group 1 account disposition through a separate charge. The OEB approves the requested customer-specific principal and interest amounts to be disposed of through a one time settlement.

## **8 THE LOST REVENUE ADJUSTMENT MECHANISM VARIANCE ACCOUNT BALANCE**

As part of the Ministry of Energy's conservation-first policy,<sup>17</sup> the OEB requires distributors to engage in, and deliver, conservation and demand management (CDM) activities to reduce total energy consumption. The OEB policy<sup>18</sup> established a Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) to capture the distributor's revenue implications resulting from differences between actual demand and the last OEB-approved load forecast. These differences are to be recorded by distributors at the rate class level.

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

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<sup>16</sup> Approved as per North Bay Hydro's 2017 IRM Rate Generator Model, tab 6a

<sup>17</sup> Ministry of Energy Policy Conservation First: A Renewed Vision for Energy Conservation in Ontario in the government's 2013 Long-Term Energy Plan, Achieving Balance

<sup>18</sup> Guidelines for Electricity Distributor Conservation and Demand Management (EB-2012-0003, dated April 26, 2012)

distributor. A request for the inclusion of lost revenues from demand response programs as part of the LRAMVA, must be addressed through a cost of service application.<sup>19</sup>

North Bay Hydro originally requested disposition of its LRAMVA balance of a debit of \$206,960 in Account 1568. The LRAMVA amount consists of lost revenues in 2013 and 2014. Lost revenues in 2013 are the result of retroactive savings adjustments to previously reported 2013 savings. The retroactive savings adjustments were provided by the IESO as part of North Bay's 2014 CDM Report. Lost revenues in 2014 are the result of CDM programs delivered in 2014, persisting savings from 2011 to 2013 programs in 2014, and carrying charges.

In response to OEB staff questions, North Bay Hydro made a minor revision to its LRAMVA balance, increasing the amount to \$206,966 using corrected distribution rates.

### Findings

The OEB approves a debit balance of \$191,584 in Account 1568. The approved LRAMVA balance relates to all lost revenues in 2014, including those from CDM activities delivered in 2014, persisting savings from 2011 to 2013 into 2014, and associated carrying charges. The OEB does not approve the lost revenues in 2013 that result from the 2013 savings adjustments. The OEB also denies the carrying charges associated with the lost revenues that result from the 2013 savings adjustments.

As North Bay Hydro's 2011 to 2013 LRAMVA amount was approved in its 2015 COS application<sup>20</sup>, all components of the original 2011 to 2013 LRAMVA amount are final and will not be changed in the absence of extraordinary circumstances. This finding is consistent with the OEB's decision in Guelph Hydro's 2017 LRAMVA proceeding<sup>21</sup> indicating that any changes to a balance that was approved on a final basis constitutes retroactive rate making. Similarly, in the OEB decision in Hydro One Brampton's 2017 IRM application<sup>22</sup>, the OEB noted that any future adjustments to an approved LRAMVA amount would give rise to an issue of rate retroactivity and would generally not be permitted.

For the reasons stated above, the OEB approves the final claim of \$191,584 in Account 1568, as follows:

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<sup>19</sup> Report of the Ontario Energy Board; Updated Policy for the Lost Revenue Adjustment Mechanism Calculation: Lost Revenues and Peak Demand Savings from Conservation and Demand Management Programs (EB-2016-0182, dated May 19, 2016)

<sup>20</sup> EB-2014-0099

<sup>21</sup> EB-2016-0075

<sup>22</sup> EB-2016-0080

## LRAMVA Claim

Account Name	Account Number	Actual CDM Savings (\$) A	Forecasted CDM Savings (\$) B	Carrying Charges (\$) C	Total Claim (\$) D=(A-B)+C
LRAMVA	1568	\$185,405	\$0	\$6,179	\$191,584

## 9 RESIDENTIAL RATE DESIGN

All residential distribution rates currently include a fixed monthly charge and a variable usage charge. The OEB residential rate design policy<sup>23</sup> stipulates that electricity distributors will transition residential customers to a fully fixed monthly distribution service charge over a four-year period starting in 2016. The OEB requires that distributors filing IRM applications this year continue with this transition by once again adjusting their distribution rates to increase the fixed monthly service 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) for customers in the transition 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 10<sup>th</sup> percentile for the class). Mitigation may be required if the bill impact related to the application exceeds 10% for these customers.

North Bay Hydro's implementation of the transition results in an increase to the fixed charge prior to the price cap adjustment of \$2.92. 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 proposed 2017 increase to the monthly fixed charge is in accordance with the OEB's residential rate design policy. The results of the monthly fixed charge, and total bill impact for low consumption residential consumers show that no mitigation is required. The OEB approves the increase as proposed by the applicant and calculated in the final rate model.

<sup>23</sup> Ibid page 2

## 10 IMPLEMENTATION AND ORDER

### Rate Model

This Decision and Rate Order is accompanied by a rate model, applicable supporting models and a Tariff of Rates and Charges (Schedule A). Entries in the models were reviewed to ensure that they are in accordance with North Bay Hydro's EB-2014-0099 cost of service decision, and that the 2016 OEB-approved Tariff of Rates and Charges as well as the cost, revenue and consumption results from 2015 are as reported by North Bay Hydro to the OEB. The rate model was adjusted, where applicable, to correct any discrepancies.

### THE ONTARIO ENERGY BOARD ORDERS THAT

1. The Tariff of Rates and Charges set out in Schedule A of this Decision and Rate Order is approved effective May 1, 2017 for electricity consumed or estimated to have been consumed on and after such date. North Bay Hydro Distribution Limited shall notify its customers of the rate changes no later than the delivery of the first bill reflecting the new rates.

### ADDRESS

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Toronto ON M4P 1E4  
Attention: Board Secretary

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**DATED** at Toronto, [date]

**ONTARIO ENERGY BOARD**

Kirsten Walli  
Board Secretary

DRAFT



**Schedule A**

**To Draft Decision and Rate Order**

**Tariff of Rates and Charges**

**OEB File No: EB-2016-0214**

**DATED: February 8, 2017**

# North Bay Hydro Distribution Limited

## TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2017

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

EB-2016-0214

### RESIDENTIAL SERVICE CLASSIFICATION

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

### MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	22.17
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Distribution Volumetric Rate	\$/kWh	0.0073
Low Voltage Service Rate	\$/kWh	0.00007
Rate Rider for Disposition of Global Adjustment Account (2017) - effective until April 30, 2018 Applicable only for Non-RPP Customers	\$/kWh	0.0021
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2017) - effective until April 30, 2018	\$/kWh	0.0002
Rate Rider for Disposition of Deferral/Variance Accounts (2017) - effective until April 30, 2018	\$/kWh	(0.0023)
Rate Rider for Disposition of Accounts 1575 and 1576 - effective until June 30, 2017	\$/kWh	(0.0036)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0067
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0058

### MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/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

**North Bay Hydro Distribution Limited**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2017**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2016-0214

## ONTARIO ELECTRICITY SUPPORT PROGRAM RECIPIENTS

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

### APPLICATION

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

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

In this class:

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

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

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

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

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

### MONTHLY RATES AND CHARGES

#### Class A

- (a) account-holders with a household income of \$28,000 or less living in a household of one or two persons;
  - (b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of three persons;
  - (c) account-holders with a household income of between \$39,001 and \$48,000 living in a household of five persons; and
  - (d) account-holders with a household income of between \$48,001 and \$52,000 living in a household of seven or more persons;
- but does not include account-holders in Class E.

OESP Credit \$ (30.00)

#### Class B

- (a) account-holders with a household income of \$28,000 or less living in a household of three persons;
  - (b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of four persons;
  - (c) account-holders with a household income of between \$39,001 and \$48,000 living in a household of six persons;
- but does not include account-holders in Class F.

OESP Credit \$ (34.00)

#### Class C

- (a) account-holders with a household income of \$28,000 or less living in a household of four persons;
  - (b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of five persons;
  - (c) account-holders with a household income of between \$39,001 and \$48,000 living in a household of seven or more persons;
- but does not include account-holders in Class G.

OESP Credit \$ (38.00)

#### 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)

**North Bay Hydro Distribution Limited**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2017**  
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EB-2016-0214

**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)

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**TARIFF OF RATES AND CHARGES**  
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EB-2016-0214

## GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification includes non residential accounts taking electricity at 750 volts or less where 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 Ontario Energy Board approval, such as the Debt Retirement Charge, the Global Adjustment and the HST.

### MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	24.07
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Distribution Volumetric Rate	\$/kWh	0.0185
Low Voltage Service Rate	\$/kWh	0.00007
Rate Rider for Disposition of Global Adjustment Account (2017) - effective until April 30, 2018 Applicable only for Non-RPP Customers	\$/kWh	0.0021
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2017) - effective until April 30, 2018	\$/kWh	0.0005
Rate Rider for Disposition of Deferral/Variance Accounts (2017) - effective until April 30, 2018	\$/kWh	(0.0023)
Rate Rider for Disposition of Accounts 1575 and 1576 - effective until June 30, 2017	\$/kWh	(0.0036)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0064
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0052

### MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/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

# North Bay Hydro Distribution Limited

## TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2017

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

EB-2016-0214

### GENERAL SERVICE 50 TO 2,999 KW SERVICE CLASSIFICATION

This classification includes non residential accounts where 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 3,000 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 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 Debt Retirement Charge, the Global Adjustment and the HST.

#### MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	304.05
Distribution Volumetric Rate	\$/kW	2.5383
Low Voltage Service Rate	\$/kW	0.0255
Rate Rider for Disposition of Global Adjustment Account (2017) - effective until April 30, 2018 Applicable only for Non-RPP Customers	\$/kWh	0.0021
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2017) - effective until April 30, 2018	\$/kW	0.0677
Rate Rider for Disposition of Deferral/Variance Accounts (2017) - effective until April 30, 2018	\$/kW	(0.9398)
Rate Rider for Disposition of Accounts 1575 and 1576 - effective until June 30, 2017	\$/kW	(1.4713)
Retail Transmission Rate - Network Service Rate	\$/kW	2.5418
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.0319

# North Bay Hydro Distribution Limited

## TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2017

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EB-2016-0214

### MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/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

# North Bay Hydro Distribution Limited

## TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2017

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

EB-2016-0214

### GENERAL SERVICE 3,000 TO 4,999 KW SERVICE CLASSIFICATION

This classification includes non residential accounts where monthly average peak demand is equal to or greater than, or is forecast to be equal to or greater than 3,000 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 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 Debt Retirement Charge, the Global Adjustment and the HST.

#### MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	6,484.73
Distribution Volumetric Rate	\$/kW	1.1920
Low Voltage Service Rate	\$/kW	0.0282
Rate Rider for Disposition of Global Adjustment Account (2017) - effective until April 30, 2018 Applicable only for Non-RPP Customers	\$/kWh	0.0021
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2017) - effective until April 30, 2018	\$/kW	0.0176
Rate Rider for Disposition of Deferral/Variance Accounts (2017) - effective until April 30, 2018	\$/kW	(1.1683)
Rate Rider for Disposition of Accounts 1575 and 1576 - effective until June 30, 2017	\$/kW	(1.8603)
Retail Transmission Rate - Network Service Rate - Interval Metered	\$/kW	2.6962
Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered	\$/kW	2.2455



# North Bay Hydro Distribution Limited

## TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2017

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EB-2016-0214

### MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/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

# North Bay Hydro Distribution Limited

## TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2017

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EB-2016-0214

### UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification includes accounts taking electricity at 750 volts or less where 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. 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

Service Charge (per connection)	\$	5.33
Distribution Volumetric Rate	\$/kWh	0.0123
Low Voltage Service Rate	\$/kWh	0.00007
Rate Rider for Disposition of Deferral/Variance Accounts (2017) - effective until April 30, 2018	\$/kWh	(0.0023)
Rate Rider for Disposition of Accounts 1575 and 1576 - effective until June 30, 2017	\$/kWh	(0.0036)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0064
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0052

### MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/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

**North Bay Hydro Distribution Limited**  
**TARIFF OF RATES AND CHARGES**  
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EB-2016-0214

## 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 Debt Retirement Charge, the Global Adjustment and the HST.

### MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	4.91
Distribution Volumetric Rate	\$/kW	17.1292
Low Voltage Service Rate	\$/kW	0.0201
Rate Rider for Disposition of Global Adjustment Account (2017) - effective until April 30, 2018 Applicable only for Non-RPP Customers	\$/kWh	0.0021
Rate Rider for Disposition of Deferral/Variance Accounts (2017) - effective until April 30, 2018	\$/kW	(0.8453)
Rate Rider for Disposition of Accounts 1575 and 1576 - effective until June 30, 2017	\$/kW	(1.2396)
Retail Transmission Rate - Network Service Rate	\$/kW	1.9265
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.6035

### MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/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

# North Bay Hydro Distribution Limited

## TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2017

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EB-2016-0214

### STREET LIGHTING SERVICE CLASSIFICATION

This classification is for roadway lighting with the Municipality. The consumption for this customer is based on the calculated connected load times the required lighting times established in the approved Ontario Energy Board 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, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Debt Retirement Charge, the Global Adjustment and the HST.

### MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	4.88
Distribution Volumetric Rate	\$/kW	26.1487
Low Voltage Service Rate	\$/kW	0.0197
Rate Rider for Disposition of Global Adjustment Account (2017) - effective until April 30, 2018 Applicable only for Non-RPP Customers	\$/kWh	0.0021
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2017) - effective until April 30, 2018	\$/kW	11.8346
Rate Rider for Disposition of Deferral/Variance Accounts (2017) - effective until April 30, 2018	\$/kW	(0.8366)
Rate Rider for Disposition of Accounts 1575 and 1576 - effective until June 30, 2017	\$/kW	(1.3042)
Retail Transmission Rate - Network Service Rate	\$/kW	1.9170
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.5706

### MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/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

**North Bay Hydro Distribution Limited**  
**TARIFF OF RATES AND CHARGES**  
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EB-2016-0214

**microFIT SERVICE CLASSIFICATION**

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

**APPLICATION**

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

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

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

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

**MONTHLY RATES AND CHARGES - Delivery Component**

Service Charge	\$	5.40
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# North Bay Hydro Distribution Limited

## TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2017

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EB-2016-0214

### 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

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

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

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#### Customer Administration

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	\$	30.00
Disconnect/reconnect at meter - during regular hours	\$	65.00
Disconnect/reconnect at meter - after regular hours	\$	165.00

#### Other

Service call - customer-owned equipment	\$	30.00
Specific charge for access to the power poles - \$/pole/year (with the exception of wireless attachments)	\$	22.35

**North Bay Hydro Distribution Limited**  
**TARIFF OF RATES AND CHARGES**  
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**approved schedules of Rates, Charges and Loss Factors**

EB-2016-0214

## RETAIL SERVICE CHARGES (if applicable)

### APPLICATION

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

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

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

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

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	\$	1.37
Distributor-consolidated billing monthly charge, per customer, per retailer	\$	0.30
Retailer-consolidated billing monthly credit, per customer, per retailer	\$	(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	1.0471
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0366

**Schedule B**

**To Draft Decision and Rate Order**

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

**OEB File No: EB-2016-0214**

**DATED: February 8, 2017**



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

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

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