Ontario Energy Board
Commission de l’énergie de l’Ontario

DECISION AND RATE ORDER

EB-2017-0079

WASAGA DISTRIBUTION INC.

Application for an order approving just and reasonable rates and other charges for electricity distribution to be effective May 1, 2018.

By Delegation, Before: Theodore Antonopoulos

[date]

1 INTRODUCTION AND SUMMARY

Through this Decision and Order, the Ontario Energy Board (OEB) approves the incentive rate-setting mechanism (IRM) application filed by Wasaga Distribution Inc. (Wasaga Distribution) on November 6, 2017, as amended during the course of the proceeding and in this Decision and Order.

Wasaga Distribution serves about 13,300 mostly residential and commercial electricity customers in the Town of Wasaga Beach. The company is seeking the OEB's approval for the rates it charges to distribute electricity to its customers, as is required of licenced and rate-regulated distributors in Ontario.

A distributor may choose one of three rate-setting methodologies approved by the OEB. Each of these is explained in the OEB's *Chapter 3 Filing Requirements for Incentive Rate-Setting Applications* (the Filing Requirements).

Wasaga Distribution's application is based on a Price Cap Incentive Rate-setting option (Price Cap IR) with a five-year term. The Price Cap IR option involves the setting of rates through a cost of service (COS or rebasing) application in the first year. Mechanistic price cap adjustments, based on inflation and the OEB's assessment of the distributor's efficiency, are then approved through IRM applications in each of the ensuing four (adjustment) years.

As a result of the OEB's findings in this Decision, there will be a monthly bill decrease of $3.68 for a residential customer consuming 750 kWh, effective May 1, 2018.

Wasaga Distribution has 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. In 2015, the OEB issued a policy to transition these rates to a fully fixed structure over a four-year period beginning in 2016.[1] Accordingly, the fixed monthly charge for 2018 has once again been adjusted upward in this Decision by more than the mechanistic price cap adjustment alone. The variable usage rate is commensurately lower. This policy change does not affect the total revenue that distributors collect from residential customers.

[1] OEB Policy – "A New Distribution Rate Design for Residential Electricity Customers" EB-2012-0410, April 2, 2015

2 THE PROCESS

This Decision is being issued by delegated authority, without a hearing, under section 6 of the *Ontario Energy Board Act, 1998* (the OEB Act).

The OEB follows a standardized and streamlined process for IRM applications filed under Price Cap IR. In each adjustment year of a Price Cap IR term, the OEB prepares a Rate Generator Model that includes information from the distributor’s past proceedings and annual reporting requirements. A distributor will then review and complete the Rate Generator Model and include it with its application. During the course of the proceeding, the Rate Generator Model will also be updated or corrected, as required.

The Rate Generator Model updates base rates, retail transmission service rates and, if applicable, shared tax saving adjustments. It also calculates rate riders for the disposition of deferral and variance account balances.

Wasaga Distribution filed its application on November 6, 2017, under section 78 of the OEB Act and in accordance with the Filing Requirements. Wasaga Distribution supported its application with written evidence and a completed rate model. Questions were asked of, and answers were provided by, Wasaga Distribution through emails and phone calls with the OEB. Based on this information, a draft decision was prepared and provided to Wasaga Distribution on March 8, 2018. Wasaga Distribution was given the opportunity to provide its comments on the draft for consideration prior to the OEB issuing this Decision.

3 ORGANIZATION OF THE DECISION

In this Decision, the OEB addresses the following issues, and provides reasons for approving or denying Wasaga Distribution’s proposals relating to each of them:

- Price Cap Adjustment
- Retail Transmission Service Rates
- Group 1 Deferral and Variance Accounts
- Residential Rate Design
- Other Matters

In the final section, the OEB addresses the steps to implement the final rates that flow from this Decision.

4 PRICE CAP ADJUSTMENT

Wasaga Distribution seeks to increase its rates, effective May 1, 2018, based on a mechanistic rate adjustment using the OEB-approved ***inflation minus X-factor*** formula applicable to Price Cap IR applications.

The components of the Price Cap IR adjustment formula applicable to Wasaga Distribution are set out in Table 4.1, below. Inserting these components into the formula results in a 1.20% increase to Wasaga Distribution's rates: ***1.20% = 1.20% - (0.00% + 0.00%)***.

Table 4.1: Price Cap IR Adjustment Formula

Components		Amount
Inflation Factor[2]		1.20%
X-Factor	Productivity[3]	0.00%
	Stretch (0.00% – 0.60%)[4]	0.00%

The inflation factor of 1.20% applies to all Price Cap IR applications for the 2018 rate year.

The X-factor is the sum of the productivity factor and the stretch factor. It is a productivity offset that will vary among different groupings of distributors. Subtracting the X-factor from inflation ensures that rates decline in real, constant-dollar terms, providing distributors with a tangible incentive to improve efficiency or else experience declining net income.

The productivity component of the X-factor is based on industry conditions over a historical study period and applies to all Price Cap IR applications for the 2018 rate year.

The stretch factor component of the X-factor is distributor specific. The OEB has established five stretch factor groupings, each within a range from 0.00% to 0.60%. The

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[2] Report of the OEB – "Rate Setting Parameters and Benchmarking under the Renewed Regulatory Framework for Ontario's Electricity Distributors" EB-2010-0379, December 4, 2013

[3] Ibid.

[4] The stretch factor groupings are based on the Report to the Ontario Energy Board – "Empirical Research in Support of Incentive Rate-Setting: 2016 Benchmarking Update", prepared by Pacific Economics Group LLC., July 2017

stretch factor assigned to any particular distributor is based on the distributor's total cost performance as benchmarked against other distributors in Ontario. The most efficient distributor would be assigned the lowest stretch factor of 0.00%. Conversely, a higher stretch factor would be applied to a less efficient distributor (in accordance with its cost performance relative to expected levels) to reflect the incremental productivity gains that the distributor is expected to achieve. The stretch factor assigned to Wasaga Distribution is 0.00%.

Findings

The OEB finds that Wasaga Distribution's request for a 1.20% Price Cap IR adjustment is in accordance with the annually updated parameters set by the OEB. The adjustment is approved, and Wasaga Distribution's new rates shall be effective May 1, 2018.

The adjustment applies to distribution rates (fixed and variable charges) uniformly across all customer classes.[5]

5 RETAIL TRANSMISSION SERVICE RATES

Distributors charge retail transmission service rates (RTSRs) to their customers to recover the amounts they pay to a transmitter, a host distributor or both for transmission services. All transmitters charge Uniform Transmission Rates (UTRs) approved by the OEB to distributors connected to the transmission system. Host distributors charge host-RTSRs to distributors embedded within the host's distribution system.

Wasaga Distribution is fully embedded within Hydro One Networks Inc.'s distribution system and is requesting approval to adjust the RTSRs that it charges its customers to reflect the rates that it pays for transmission services included in Table 5.1.

[5] Price Cap IR and Annual IR Index adjustments do not apply to the following rates and charges: rate riders, rate adders, low voltage service charges, retail transmission service rates, wholesale market service rate, rural or remote electricity rate protection charge, standard supply service – administrative charge, transformation and primary metering allowances, loss factors, specific service charges, microFIT charge, and retail service charges.

Table 5.1: Hydro One Networks Inc. Sub-Transmission Host-RTSRs[6]

Current Approved Sub-Transmission RTSRs (2017)	per kWh
Network Service Rate	$3.19
Connection Service Rates	
Line Connection Service Rate	$0.77
Transformation Connection Service Rate	$1.75

Findings

Wasaga Distribution's proposed adjustment to its RTSRs is approved. The RTSRs were adjusted based on the current host-RTSRs.

The differences resulting from the approval of new 2018 RTSRs will be captured in Accounts 1584 and 1586 for future disposition.

6 GROUP 1 DEFERRAL AND VARIANCE ACCOUNTS

In each year of an IRM term, the OEB will review a distributor's Group 1 deferral and variance accounts in order to determine whether their total balance should be disposed.[7] OEB policy requires that Group 1 accounts be disposed if they exceed (as a debit or credit) a pre-set disposition threshold of $0.001 per kWh, unless a distributor justifies why balances should not be disposed.[8] If the balance does not exceed the threshold, a distributor may elect to request disposition.

As per Wasaga Distribution's application, the 2016 actual year-end total balance for Wasaga Distribution's Group 1 accounts including interest projected to April 30, 2018 is a credit of $835,162. This amount represents a total credit claim of $0.0065 per kWh, which exceeds the disposition threshold. Wasaga Distribution proposes the disposition of this credit amount over a one-year period.

[6] Decision and Rate Order, EB-2016-0081, December 21, 2016

[7] 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.

[8] Report of the OEB – "Electricity Distributors' Deferral and Variance Account Review Initiative (EDDVAR)" EB-2008-0046, July 31, 2009

Included in the balance of the Group 1 accounts is the Global Adjustment (GA) account credit balance of $2,875. A customer's costs for the commodity portion of its electricity service reflects the sum of two charges: the price of electricity established by the operation of the Independent Electricity System Operator (IESO) administered wholesale market, and the GA.[9]

The GA is paid by consumers in several different ways:

- For Regulated Price Plan (RPP) customers, the GA is incorporated into the standard commodity rates, therefore there is no variance account for the GA.
- Customers who participate in the Ontario Industrial Conservation Initiative program are referred to as Class A customers. These 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 non-RPP customers pay the GA charge based on the amount of electricity they consume in a month (kWh). Class B non-RPP customers are billed GA based on the IESO published GA price. For Class B non-RPP customers, distributors track any difference between the billed amounts and actual costs in the GA Variance Account for disposal, once audited.

Wasaga Distribution proposes the refund of its GA variance account credit balance of $2,875 as at December 31, 2016, including interest to April 30, 2018, in accordance with the following table.

Table 6.1: Recovery of GA Variance

Proposed Amounts	Proposed Method for Recovery
$2,875 refunded to customers who were Class B for the entire period from January 2015 to December 2016	per kWh rate rider

The balance of the Group 1 accounts includes a debit of $29,853 for the recovery of Capacity Based Recovery (CBR) charges for Class B customers related to the IESO's

[9] The GA is established monthly, by the IESO, and varies in accordance with market conditions. It is 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.

wholesale energy market Demand Response 3 program. Distributors paid CBR charges to the IESO in 2016 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 2016.

Wasaga Distribution had no Class A customers during the period from January 2015 to December 2016, so it applied to have the balance of this account disposed along with Account 1580 - Wholesale Market Service Charge through the general Deferral and Variance Account rate rider.

The remaining Group 1 accounts being sought for disposition, through the general Deferral and Variance Account rate rider, include the following flow through variance accounts: Low Voltage Charges, Smart Meter Entity Charges, Wholesale Market Service Charges, Retail Transmission Service Charges, Commodity Power Charges, and Account 1595 residual balances. These Group 1 accounts have a total credit balance of $832,286, which results in a refund to customers.

Subject to the discussion further below regarding the results of a special purpose audit, the balances proposed for disposition reconcile with the amounts reported as part of the OEB's *Electricity Reporting and Record-Keeping Requirements.*[10] Wasaga Distribution further notes that its proposal for a one-year disposition period is in accordance with the OEB's policy.[11]

Special Purpose Audit

In Wasaga Distribution's 2017 IRM proceeding, the OEB considered the balances in RSVA – Power and RSVA – GA accounts unusually high based on Wasaga Distribution's customer base. In the Decision and Rate Order for Wasaga Distribution's 2017 rates,[12] the OEB required Wasaga Distribution to conduct an external special purpose audit, at minimum for the balances in its RSVA – Power and RSVA – GA accounts for the period from January 1, 2015 to December 31, 2016. The OEB required that the results of the special purpose audit be filed with the OEB in Wasaga Distribution's 2018 rate application.

As noted in its current 2018 rate application, Wasaga Distribution followed the OEB's direction and, in July 2017, retained KPMG to conduct the special purpose audit engagement on Account 1588 Power and Account 1589 GA. Wasaga Distribution

[10] Electricity Reporting and Record Keeping Requirements, Version dated May 3, 2016

[11] As outlined in the Report cited at footnote 8 above.

[12] Decision and Rate Order, EB-2016-0108, March 30, 2017

submitted KPMG's final audit report to the OEB as part of its 2018 rate application on November 6, 2017.

As noted in the current application, during the course of KPMG's audit, a number of issues were discovered relating to Account 1588 and Account 1589, which occurred in years 2015 and 2016.[13] As a result, Wasaga Distribution adjusted the balances in Account 1588 and Account 1589 for years 2015 and 2016 and the adjusted balances were reported in the deferral and variance account continuity schedule of Wasaga Distribution's 2018 rate application.

The final audit report expresses the following opinion:

> The schedule of variance accounts 1588 and 1589 of Wasaga Distribution Inc. for the period from January 1, 2015 to December 31, 2016 is prepared, in all material respects, in accordance with Article 490 of Accounting Procedures Handbook for Electricity Distributors as published by the Ontario Energy Board effective January 1, 2012 and Guidance and Frequently Asked Questions issued by the Ontario Energy Board from time to time.

<u>Account 1595 (2011) and Account 1595 (2014)</u>

Wasaga Distribution requests to dispose of a credit balance of $568,217 (including carrying charges) in Account 1595 (2011). OEB staff asked Wasaga Distribution to explain this large balance and Wasaga Distribution indicated that:[14]

> When the over recovery was discovered WDI made a request in EB-2012-0171 to have the over recovery corrected. However, when the rate riders were established during EB-201-0171 the rate rider for the reversal (Residential – for example) was $.0003 and only continued until April 30, 2015 while the new rate rider established for the correction was $(.0020) and stayed into effect until April 30, 2016. This caused the over recovery balance.

In addition, OEB staff asked Wasaga Distribution to complete an analysis, provided by OEB staff to assist Wasaga Distribution, of the components of the transactions of Account 1595 (2011).[15] The analysis indicated that within the total residual credit balance, there is a debit component of $134,971 (before interest on net principal) related to the deferral and variance account (2011) rate rider which was applicable to all

[13] Wasaga Distribution's 2018 IRM application, page 12

[14] Response to OEB staff follow-up question #1 a) ii) dated February 14, 2018

[15] OEB staff follow-up question #1 a) iii) dated February 8, 2018

customers. As well, there is a significant credit component of $696,576 (before interest on net principal) related to the GA (2011) rate rider which was applicable to Non-RPP customers.[16] Wasaga Distribution was asked to provide an updated version of the Rate Generator Model and the supporting rate rider calculations, under a scenario that Wasaga Distribution's residual balance in Account 1595 (2011) was to be approved on the basis whereby a rate rider was to be calculated for the component of GA residual balance applicable to Non-RPP customers and a separate rate rider was to be calculated for the component of all other deferral and variance account balances in Account 1595 (2011). The calculations for separate rate riders and the updated version of the Rate Generator Model were provided by Wasaga Distribution on February 27, 2018.[17]

In addition, Wasaga Distribution requests to dispose of a debit balance of $146,492 (including carrying charges) in Account 1595 (2014). OEB staff asked Wasaga Distribution to provide explanations on this significant balance. In its response to OEB staff question,[18] Wasaga Distribution stated that the volumetric rate disposition approval was based on Wasaga Distribution's OEB approved EDR application's volume and customer counts and since that time Wasaga Distribution's customer count has increased significantly.

Findings

The OEB has reviewed the KPMG audit report and issues relating to Account 1588 and Account 1589 listed in Wasaga Distribution's 2018 rate application. The OEB is satisfied with the results of the final audit report.

The OEB does not approve at this time the Account 1595 sub-accounts requested for disposition by Wasaga Distribution.

The OEB finds that the residual balance of the Disposition and Recovery/Refund of Regulatory Balances (2011), in a total credit amount of $568,217, shall not be disposed as the amount appears excessive. Wasaga Distribution provided a brief chronology of events but further clarification will be required for the exact drivers of the large balance.

The OEB has reviewed the information submitted as part of the applicant's responses to OEB staff questions and the OEB agrees that there may be significant components of the account balance that relate to non-RPP customers. However, the analysis performed was insufficient to persuade the OEB at this time that the amount proposed for disposition is reasonably accurate. More information will be required to substantiate

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[16] Response to OEB staff follow-up question #1 a) iii) dated February 14, 2018

[17] Response to OEB staff 2nd round follow-up questions dated February 27, 2018

[18] Response to OEB staff question #2 c) dated February 5, 2018

the causes of such a large residual balance especially given the departure in implementation approach that the company discussed with OEB staff.

The OEB finds that the residual balances of the remaining 1595 sub-accounts proposed for disposition shall also not be disposed at this time. The OEB agrees that there is evidence of growth in customers but given the concerns on 1595 (2011), and the fact that no analysis was provided to match the company's growth to incremental residual amounts, the OEB will require more details before disposing.

The OEB requires Wasaga Distribution to perform an in-depth analysis for each of the sub-accounts relating to Account 1595 and submit it with its 2019 IRM rate application. The company should provide quantitative and qualitative analysis explaining the causes of the large account balances breaking out for example, the impacts of customer growth, and for 1595 (2011), the components that affect all customers at large as well as the component impacting non-RPP customers. In addition, Wasaga Distribution is to conduct a review of its procedures for booking transactions to the 1595 sub-accounts, and to work with OEB staff to confirm it is following the current (and any subsequent) OEB guidance. In its next rate application, Wasaga Distribution is to file an explanation for the actions it took to satisfy this requirement, including summarizing what has changed in its internal procedures for booking transactions into the 1595 sub-accounts going forward.

As part of the analysis performed by Wasaga Distribution relating to Account 1595 (2011) Wasaga Distribution should make a proposal to dispose of this account balance keeping in mind the customer bill impact for both RPP and non-RPP customers. If any bill impacts exceed 10%, the company should provide a bill impact mitigation proposal. Wasaga Distribution will also need to confirm that it has followed all of the OEB's accounting guidance relating to record keeping for the 1595 sub-accounts. If Wasaga Distribution has not followed the OEB's accounting guidance, then Wasaga Distribution should make adjustments accordingly. The applicant should provide a reconciliation of adjustments made to any future 1595 balances that it may propose for disposition, if applicable. If Wasaga Distribution has any questions of what is required, Wasaga Distribution should work with OEB staff.

While the OEB's normal practice is to dispose of all Group 1 accounts contemporaneously, in this case, the OEB does not approve Wasaga Distribution's request to dispose of sub-accounts 1595 (2011), 1595 (2012) and 1595 (2014) as these are residual balances and the threshold calculation result for the remaining accounts still triggers disposition. The OEB approves Wasaga Distribution to dispose of all the other Group 1 deferral and variance accounts in a credit total amount of $513,584, which represents a total credit claim of $0.0040 per kWh and exceeds the disposition threshold.

The OEB approves the disposition of a credit balance of $513,584 as of December 31, 2016, including interest projected to April 30, 2018 for Group 1 accounts.

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

Table 6.2: Group 1 Deferral and Variance Account Balances

Account Name	Account Number	Principal Balance ($) A	Interest Balance ($) B	Total Claim ($) C=A+B
LV Variance Account	1550	387,476	9,729	397,205
Smart Meter Entity Variance Charge	1551	(9,340)	(277)	(9,617)
RSVA - Wholesale Market Service Charge	1580	(289,476)	(7,351)	(296,827)
Variance WMS - Sub-account CBR Class B	1580	28,935	918	29,853
RSVA - Retail Transmission Network Charge	1584	154,427	3,404	157,831
RSVA - Retail Transmission Connection Charge	1586	(219,854)	(5,027)	(224,880)
RSVA – Power	1588	(551,637)	(12,637)	(564,274)
RSVA - Global Adjustment	1589	(144)	(2,732)	(2,875)
Totals for all Group 1 accounts		(499,612)	(13,973)	(513,584)

The balance of each of the Group 1 accounts approved for disposition in this proceeding 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*.[19] 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. Wasaga Distribution shall ensure these adjustments are included in the reporting period ending June 30, 2018 (Quarter 2).

[19] Accounting Procedures Handbook for Electricity Distributors, effective January 1, 2012

The OEB approves these balances to be disposed through rate riders, as calculated in the Rate Generator Model. The rate riders will be in effect over a one-year period from May 1, 2018 to April 30, 2019.[20]

7 RESIDENTIAL RATE DESIGN

All residential distribution rates currently include a fixed monthly charge and a variable usage charge. The OEB's residential rate design policy stipulates that distributors will transition residential customers to a fully fixed monthly distribution service charge over a four-year period, beginning in 2016.[21] The OEB requires that distributors filing IRM applications affecting 2018 rates 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 an applicant to apply two tests to evaluate whether mitigation of bill impacts for customers is required during the transition period. Mitigation usually takes the form of a lengthening of the transition period. 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.

Wasaga Distribution notes that the implementation of the transition results in an increase to the fixed charge prior to the price cap adjustment of $2.39. The bill impacts arising from the proposals in this application, including the fixed rate change, are below 10% for low volume residential customers.

[20] 2018 IRM Rate Generator Model Tab 6.1 "GA" and Tab 7 "Calculation of Def-Var RR"

[21] As outlined in the Policy cited at footnote 1 above.

Findings

The OEB finds that the proposed 2018 increase to the monthly fixed charge is calculated 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 Generator Model.

8 OTHER MATTERS

In addition to the matters discussed previously, Wasaga Distribution sought approval for the following rates and charges[22] in its application:

- Continuation of the Low Voltage Volumetric Rate
- Continuation of the Wholesale Market Rate, Rural or Remote Electricity Rate Protection and Standard Supply Service Charge
- Continuation of micro-FIT Service Charge
- Continuation of the Specific Services Charges, Retail Service Charges, Transformation and Primary Metering Allowances and Loss Factors as approved in Wasaga Distribution's 2016 COS application[23]

These rates and charges were approved by the OEB in previous proceedings. No further approval is required in this Decision to include these on Wasaga Distribution's Tariff of Rates and Charges.

9 IMPLEMENTATION AND ORDER

This Decision is accompanied by a Rate Generator Model, applicable supporting model, and a Tariff of Rates and Charges (Schedule A).

Model entries were reviewed in order to ensure that they are in accordance with Wasaga Distribution's last COS decision, the 2017 OEB-approved Tariff of Rates and Charges, as well as to ensure that the cost, revenue and consumption results from 2016, are as reported by Wasaga Distribution to the OEB.

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[22] Wasaga Distribution's 2018 IRM Application, EB-2017-0079, November 6, 2017, page 6

[23] EB-2015-0107

The Rate Generator Model was adjusted, where applicable, to correct any discrepancies. The Rate Generator Model incorporates the rates set out in the following table.

Table 9.1: Regulatory Charges

Rate	per kWh
Rural or Remote Electricity Rate Protection (RRRP)	\$0.0003
Wholesale Market Service (WMS) billed to Class A and B Customers	\$0.0032
Capacity Based Recovery (CBR) billed to Class B Customers	\$0.0004

Each of these rates is a component of the “Regulatory Charge” on a customer’s bill, established annually by the OEB through a separate, generic order. The RRRP, WMS and CBR rates were set by the OEB on December 20, 2017.[24]

The Smart Metering Entity Charge is a component of the “Distribution Charge” on a customer’s bill, established by the OEB through a separate order. The Smart Metering Entity Charge was set at \$0.57 by the OEB on March 1, 2018, effective January 1, 2018 to December 31, 2022.[25] The Rate Generator Model has been adjusted to incorporate this rate.

[24] Decision and Order, EB-2017-0333, December 20, 2017

[25] Decision and Order, EB-2017-0290, March 1, 2018

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, 2018 for electricity consumed or estimated to have been consumed on and after such date. Wasaga Distribution Inc. shall notify its customers of the rate changes no later than the first bill reflecting the new rates.

DATED at Toronto, [date]

ONTARIO ENERGY BOARD

Kirsten Walli
Board Secretary

Schedule A

To Decision and Rate Order

Tariff of Rates and Charges

OEB File No: EB-2017-0079

DATED: [date]