



## Wellington North Power Inc.

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November 2<sup>nd</sup> 2018

Ontario Energy Board  
Attention: Kirsten Walli, Board Secretary  
P.O. Box 2319  
27<sup>th</sup> Floor  
2300 Yonge Street  
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: OEB File: EB-2018-0076  
Wellington North Power Inc. (ED-2002-0511)  
2019 Price Cap IR Distribution Rate Application**

Please find attached Wellington North Power Inc.'s 2019 Price Cap IR application for distribution rates effective May 1, 2019, OEB file number EB-2018-0076.

An electronic copy of this Application has been filed on the Board's web portal together with the 2019 IRM Rate Generator model, Account 1595 workform and the GA Analysis workform. Two hard copies of this Application have been sent by courier to the Board's office for the attention of the Board Secretary.

This application is respectfully submitted in accordance with Chapter 3 of the filing requirements for *"Electricity Distribution Rate Applications – 2018 Edition for 2019 Rate Applications"* as issued by the Ontario Energy Board on July 12<sup>th</sup> 2018.

Should the Board have questions regarding this matter please do not hesitate to contact me.

Yours sincerely,



James Klujber

Chief Executive Officer / President

**Wellington North Power Inc.**



**WELLINGTON NORTH POWER INC.**

**APPLICATION FOR APPROVAL**

**2019 PRICE CAP INDEX FOR ELECTRICITY DISTRIBUTION RATES  
USING THE INCENTIVE RATE-SETTING METHOD**

**EFFECTIVE MAY 1, 2019**

**EB-2018-0076**

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**Legal Application**

**ONTARIO ENERGY BOARD**

**EB-2018-0076**

**IN THE MATTER OF** *the Ontario Energy Board Act, 1998, being  
Schedule B to the Energy Competition Act, 1998, S.O. 3 1998, c.15;*

**AND IN THE MATTER OF** an Application by Wellington North Power Inc., to the  
Ontario Energy Board for an Order or Orders approving or fixing just and  
reasonable rates and other service charges for the distribution of electricity as of  
May 1, 2019.

**1. Title of Proceeding:**

An application by Wellington North Power Inc. for an Order or Orders approving or fixing just  
and reasonable distribution rates and other charges, effective May 1, 2019.

**2. The Applicant:**

Applicant's Name: Wellington North Power Inc.

Applicant's Address for Service: Wellington North Power Inc.  
290 Queen St W, Mount Forest, ON, N0G 2L0

Applicant's Contact Details: James Klujber – CEO / President.  
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E-mail: [rbucknall@wellingtonnorthpower.com](mailto:rbucknall@wellingtonnorthpower.com)

Tel: 519-323-1710

Fax: 519-323-2425

1   **3. Application**

2   a) The Applicant is Wellington North Power Inc. (referred to in this application as the  
3       “Applicant”, the “Distributor”, the “Company”, “Wellington North Power” or “WNP”). The  
4       company is incorporated pursuant to the Ontario *Business Corporations Act*, and licensed as  
5       Electricity Distributor under the Ontario Energy Board Act, 1998 (the “Act”).

6  
7       Wellington North Power Inc. holds Electricity Distribution Licence ED-2002-0511.

8  
9       The Applicant undertakes the business of distributing electricity within the former Town of  
10       Mount Forest, Village of Arthur and the Village of Holstein, servicing approximately 3,700  
11       residential and general service customers. Wellington North Power’s head office is located  
12       at 290 Queen Street West, in the Township of Wellington North in the former town of Mount  
13       Forest.

14  
15   b) Wellington North Power Inc. hereby applies to the Ontario Energy Board (the Board)  
16       pursuant to Section 78 of the Ontario Energy Board Act, 1998 for an Order or Orders  
17       approving just and reasonable rates for the distribution of electricity based on a 2019  
18       Incentive Rate-setting mechanism (“IRM”) application, to be effective on May 1, 2019.

19  
20   c) For its Incentive Rate-Setting Mechanism (“IRM”) Application using the Price Cap Index  
21       methodology, Wellington North Power Inc. has used the following Board issued model(s) to  
22       support its submission:

- 23               • 2019 IRM Rate Generator Model (*version 2.0, updated July 24<sup>th</sup> 2018*).
- 24               • GA Analysis Work Form (*version 1.0*).
- 25               • Account 1595 Analysis Work Form (*version 1.0, updated July 18 2018*).
- 26

27   d) In preparing and submitting this application, Wellington North Power Inc. has adhered to  
28       Chapter 3 of the Ontario Energy Board’s “*Filing Requirements for Electricity Distribution Rate*

*Applications – 2018 Edition for 2019 Rate Applications*” (the “Filing Requirements”) issued July 12<sup>th</sup> 2018.

e) Wellington North Power Inc. applies for Board approval for the following matters:

(1) Adjustment to current (2018) distribution rates by applying the OEB’s annual adjustment mechanism of the Price Cap Index to establish 2019 electricity distribution rates, effective from May 1, 2019.

(2) The Revenue-Cost ratio adjustments were approved in Wellington North Power Inc.’s 2016 Cost of Service rate application (EB-2015-0110) and therefore no further adjustments are being requested for 2019.

(3) As per Board’s policy, “*A New Distribution Rate Design for Residential Electricity Customers*”<sup>1</sup>, the report required that electricity distributors to transition to a fully fixed monthly distribution service charge for residential customers over a four-year period beginning in 2016. Wellington North Power Inc. is proposing residential rate changes consistent with this policy. The Applicant has followed the approach set out in worksheet 16 of the 2019 IRM Rate Generator model as per table below:

**Rate Design Transition**

		Revenue from Rates	Current Fixed / Variable Split	Decoupling Monthly Fixed Charge Split	Incremental Fixed Charge (\$/month/yr)	New Fixed / Variable Split	Adjusted Rates	Revenue at New F/V Split
Current Residential <b>Fixed</b> Rate (inclusive of R/C adj.)	\$31.81	\$1,240,972	89.7%	10.3%	\$3.65	100%	\$35.46	\$1,383,366
Current Residential <b>Variable</b> Rate (inclusive of R/C adj.)	\$0.0052	\$142,523	10.3%			0%	\$0.00	\$0
<b>Total Revenue</b>		<b>\$1,383,494</b>						<b>\$1,383,366</b>

<sup>1</sup> Board policy “A New Distribution Rate Design for Residential Electricity Customers” (EB-2014-0210), April 2, 2015

1 (4) Approval for an adjustment to the Retail Transmission Service Rates approved in  
2 Wellington North Power’s 2018 IRM rate application (EB-2017-0082) as per “Guideline  
3 (G-2008-0001) on Retail Transmission Service Rates”<sup>2</sup> and updates to the Uniform  
4 Transmission Rates (“UTRs”) as reflected in the IRM Rate Generator model filed with  
5 this Application.

6 The 2019 IRM Rate Generator model filed with this application rate model reflects the  
7 most recent Uniform Transmission Rates (“UTRs”) and Sub-Transmission Rates as  
8 approved by the OEB.

9 Wellington North Power Inc. acknowledges that OEB staff will adjust Wellington North  
10 Power Inc.’s 2019 RTSRs when the most recent UTRs and Sub-Transmission Rates have  
11 been determined and approved by the OEB<sup>3</sup>.

12  
13 (5) The continuation of the Low Voltage Service Rate as approved in Wellington North  
14 Power Inc.’s 2016 Cost of Service rate application (EB-2015-0110).

15  
16 (6) The continuation of existing Specific Service Charges and Loss Factors as approved in  
17 Wellington North Power Inc.’s 2016 Cost of Service rate application (EB-2015-0110).

18  
19 (7) Disposition of Group 1 accounts is not being requested because the outcome of the  
20 threshold test did not exceed the \$0.001 per kWh pre-set disposition threshold as  
21 determined in Chapter 3 of the “Filing Requirements.”<sup>4</sup>

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<sup>2</sup> OEB Guideline (G-2008-0001) on Retail Transmission Service Rates – issues October 22, 2008, revision 4.0 June 28, 2012 and any subsequent revisions

<sup>3</sup> “OEB Filing requirements for Electricity Distribution Rate Applications – 2018 Edition for 2019 Rate Applications – Chapter 3 Rate-Setting Applications”, July 12, 2018 - Section 3.2.4 “Electricity Distribution Retail Transmission Service Rates, page 10

<sup>4</sup> “OEB Filing requirements for Electricity Distribution Rate Applications – 2018 Edition for 2019 Rate Applications – Chapter 3 Rate-Setting Applications”, July 12, 2018 - Section 3.2.5 “Review and Disposition of Group 1 Deferral and Variance Account Balances”, pages 10 and 11

(8) The continuation of the Rate Riders for revenue recovery relating to the Advanced Capital Module (ACM) project that was filed with Wellington North Power Inc.'s 2016 Cost of Service rate application (EB-2015-0110).<sup>5</sup>

Wellington North Power Inc. received approval for the inclusion of the ACM Rate Riders, applicable to all rate classes effective from May 1<sup>st</sup> 2018, as per the OEB's Decision and Order regarding the Applicant's 2018 IRM rate application (EB-2017-0082).

f) This Application is supported by written evidence that may be amended from time to time, prior to the Board's final decision on this Application.

#### **4. Proposed Distribution Rates and Other Charges**

The Tariff of Rates and Charges proposed in this Application are presented in Appendix B.

#### **5. Proposed Effective Date of Rate Order**

Wellington North Power Inc. requests the Ontario Energy Board make its Rate Order effective May 1, 2019.

Wellington North Power Inc. requests that the existing rates be made interim commencing May 1, 2019 in the event there is insufficient time for:

- The Board to issue a Draft Rate Order;
- The Applicant to review and comment on the Draft Rate Order;
- The Board to issue a final Decision and Order in this application for the implementation of the proposed rates and charges as of May 1, 2019.

Wellington North Power Inc. also requests to be permitted to recover the incremental revenue from the effective date to the implementation date if the dates are not aligned.

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<sup>5</sup> Wellington North Power Inc.'s 2016 Cost of Service application: Decision and Rate Order (EB-2015-0110), March 31, 2016, Sub-section 3.1.1 Advanced Capital Module

1  
2 **6. Form of Hearing Requested**

3 Wellington North Power Inc. respectfully requests that, pursuant to Section 34.01 of the  
4 Board's *Rules of Practice and Procedure*, that this Incentive Rate-Setting Mechanism ("IRM")  
5 Application proceeding be conducted by way of written hearing.  
6

7 **7. Notice of Application**

8 All of Wellington North Power Inc.'s customers may be affected by this application.

9 Wellington North Power Inc. traditionally publishes the application information in the  
10 weekly local newspaper with the highest circulation in the LDC's service territory. The  
11 Applicant is proposing to continue that process if instructed by OEB staff.

12 If required, Wellington North Power Inc. would publish the "Notice of Application" for this  
13 proceeding in "*The Wellington Advertiser*" - a local weekly community not-paid-for  
14 newspaper which has the highest circulation in its service area (an audited circulation of  
15 40,052.)

16 Additionally, the Application will be posted on Wellington North Power Inc.'s website at  
17 [www.wellingtonnorthpower.com](http://www.wellingtonnorthpower.com)

## 8. Customers Affected

All of Wellington North Power Inc.'s customer rate classes may be affected by the 2019 Rate Application as the annual mechanism adjustment has been applied uniformly across all customer rate classes. In addition to these adjustments, the residential class is being impacted by the OEB's rate design policy (EB-2014-0210) for residential customers<sup>6</sup>.

The monthly bill impacts, calculated using the Board's 2019 IRM Rate Generator, are illustrated in the table below:

**Summary of Monthly Bill Impacts**

Rate Class	Average Monthly Usage		Total Bill Impact	
	kWh	kW	(\$)	(%)
Residential	750		\$0.61	0.49%
Residential – low-user (10 <sup>th</sup> percentile)	286		\$2.78	4.01%
General Service <50kW	2,000		\$1.89	0.61%
General Service 50 - 999kW	48,565	128	\$43.99	0.54%
General Service 1000 - 4999kW	819,139	1,647	\$602.62	0.46%
Unmetered Scattered Load	302		\$0.75	0.68%
Sentinel Lighting	1,747	5	\$3.92	0.68%
Streetlights	62,212	161	\$50.01	0.44%

## 9. Accuracy of Billing Determinants

Wellington North Power Inc. confirms the accuracy of the billing determinants for the pre-populated 2019 IRM Rate Generator model.

Copies of the Wellington North Power Inc.'s current and proposed Tariff of Rates and Charges as well as customer bill impacts are included in this Application (Appendices A, B and C respectively).

<sup>6</sup> Board policy "A New Distribution Rate Design for Residential Electricity Customers" (EB-2014-0210), April 2, 2015

1 **10. Scope of Application**

2 The scope of the application for the Incentive Rate-Setting Mechanism (“IRM”) Application,  
3 using the Price Cap IR methodology, for Electricity Distribution Rates for the 2019 rate year  
4 includes:

- 5 • Manager’s Summary;
- 6 • 2019 IRM Rate Generator Model (*version 2.0, updated July 24<sup>th</sup> 2018*).
- 7 • GA Analysis Work Form (*version 1.0*).
- 8 • Account 1595 Analysis Work Form (*version 1.0, updated July 18 2018*).
- 9 • Proposed 2019 Tariff of Rates and Charges;
- 10 • Customer Bill Impacts; and
- 11 • Wellington North Power Inc.’s 2018 IRM Decision and Rate Order (EB-2017-0082).

12  
13  
14 **DATED** at Mount Forest, Ontario, this 2<sup>nd</sup> day of November 2018.

15  
16 All of which is respectfully submitted.

17  
18  
19  
20  
21 

22  
23 James Klujber

24 Chief Executive Officer / President

25 **Wellington North Power Inc.**



## 11. Manager's Summary

Wellington North Power Inc. (WNP) is applying for distribution rates pursuant to an Incentive Rate-setting Mechanism ("IRM") Application to set Distribution Rates and Charges to be effective May 1, 2019.

In applying for 2019 electricity distribution rates, WNP has referred to the Ontario Energy Board's *"Filing Requirements for Electricity Distribution Rate Applications – 2018 Edition for 2019 Rate Applications - Chapter 3 Incentive Rate-Setting Application"* (the "Filing Requirements") issued July 12<sup>th</sup> 2018.

With this application, WNP has completed and filed the 2019 IRM Rate Generator model (v2.0), the Global Adjustment (GA) Analysis workform (v1.0) and the Account 1595 Analysis Work Form (v1.0) as provided by the OEB.

The schedule of Proposed Rates and Charges in this Application reflect an adjustment to the Applicant's rates previously approved by the Board in the Decision and Rate Order issued by the Board on March 22<sup>nd</sup> 2018, case number EB-2017-0082, with respect to Wellington North Power Inc.'s 2018 IRM rate application.

This Manager's Summary will address the following elements:

- 11.1 Annual Adjustment Mechanism.
- 11.2 Accuracy of Billing Determinants.
- 11.3 Revenue to Cost Ratio Adjustment.
- 11.4 Rate Design for Residential Electricity Customers.
- 11.5 Approval for adjustments to current Retail Transmission Service Rates.
- 11.6 Continuation of the Low Voltage Service Rates.
- 11.7 Continuation of Specific Service Charges and Loss Factors.
- 11.8 Review and Disposition of Group 1 Deferral and Variance Account Balances.
  - 11.8.1 Deferral and Variance Account Analysis

1	11.8.2	Wholesale Market Participants.
2	11.8.3	Global Adjustment (GA).
3	11.8.4	Commodity Accounts 1588 and 1589.
4	11.8.5	Capacity Based Recovery (CBR).
5	11.8.6	Settlement Process with the IESO.
6	11.8.7	Account 1595 analysis.
7	11.9	LRAM Disposition.
8	11.10	Tax Changes.
9	11.11	Z-Factor Claim.
10	11.12	Continuation of Advanced Capital Module (ACM) Rate Riders.
11	11.13	Summary of Bill Impact.
12	11.14	Rate Mitigation.
13	11.15	Conclusion
14		

## 11.1 Annual Adjustment Mechanism

For its' IRM application, WNP's electricity distribution rates for 2019 have been adjusted using three factors:

- Price Escalator: GDP-IPI (annual percentage change in Gross Domestic Product Implicit Price Index);
- Productivity Factor: Industry Total Factor Productivity (TFP); and
- Stretch Factor: Assigned from the PEG Benchmarking Report.

For the purposes of preparing the 2019 rate application, the Board expects WNP to use a proxy for the price cap adjustment. The price cap index is 0.75%. The price cap index is based upon the following default values:

Price Cap Index	
Price Escalator (GDP-IPI)	1.20%
Less: Productivity Factor	0.00%
Less: Stretch Factor	0.45% (WNP is in Group "IV").
<b>Price Cap Index</b>	<b>0.75%</b>

*(As per worksheet 16. Rev2Cost\_GDP-IPI of the 2019 Rate Generator model)*

The Applicant acknowledges that:

- OEB staff will update WNP's 2019 Rate Generator model with the 2019 Price Cap parameters once they are available as noted in the "Filing Requirements"<sup>7</sup>; and
- The annual adjustment mechanism will apply to distribution rates (fixed and variable charges) uniformly across all customer rate classes.

WNP confirms the Price Cap index adjustment has been applied to distribution rates (fixed and variable) uniformly across all customer rate classes and that the index adjustment has not been

<sup>7</sup> "OEB Filing requirements for Electricity Distribution Rate Applications – 2018 Edition for 2019 Rate Applications – Chapter 3 Rate-Setting Applications", July 12, 2018, Sub-section 3.2.1, pages 6 and 7

1 applied to the following components of distribution rate components as per the “Filing  
2 Requirements”<sup>8</sup>:

- 3
- 4     ○ Rate Adders;
- 5     ○ Rate Riders;
- 6     ○ Low Voltage Service Charges;
- 7     ○ Retail Transmission Rates;
- 8     ○ Wholesale Market Service Rates;
- 9     ○ Rural and Remote Rate Protection Charge;
- 10    ○ Standard Supply Service – Administrative Charge;
- 11    ○ Capacity Based Recovery;
- 12    ○ MicroFIT Service Charge;
- 13    ○ Specific Service Charges;
- 14    ○ Transformation and Primary Metering Allowances; and
- 15    ○ Smart Metering Entity Charge.
- 16
- 17

## 18 **11.2 Accuracy of Billing Determinants**

19 WNP confirms the accuracy of the billing determinants that were pre-populated in the 2019  
20 Rate Generator model.

## 23 **11.3 Revenue-Cost Ratio Adjustments**

24 The Applicant’s Revenue-Cost ratio adjustments were approved in Wellington North Power  
25 Inc.’s 2016 Cost of Service rate application (EB-2015-0110) and the Applicant is proposing that  
26 no further adjustments are required in 2019.

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<sup>8</sup> “OEB Filing requirements for Electricity Distribution Rate Applications – 2018 Edition for 2019 Rate Applications – Chapter 3 Rate-Setting Applications”, July 12, 2018, Sub-section 3.2.1.1 page 7

## 11.4 Rate Design for Residential Electricity Customers

As per Board’s policy, “A New Distribution Rate Design for Residential Electricity Customers”<sup>9</sup>, the report required electricity distributors to transition to a fully fixed monthly distribution service charge for residential customers over a four-year period beginning in 2016. WNP is proposing residential rate changes consistent with this policy. The Applicant has followed the approach set out in worksheet 16 of the 2019 IRM Rate Generator model and is summarized in the table below:

**Rate Design Transition**

		Revenue from Rates	Current Fixed / Variable Split	Decoupling Monthly Fixed Charge Split	Incremental Fixed Charge (\$/month/yr)	New Fixed / Variable Split	Adjusted Rates	Revenue at New F/V Split
Current Residential <b>Fixed</b> Rate (inclusive of R/C adj.)	\$31.81	\$1,240,972	89.7%	10.3%	\$3.65	100%	\$35.46	\$1,383,366
Current Residential <b>Variable</b> Rate (inclusive of R/C adj.)	\$0.0052	\$142,523	10.3%			0%	\$0.00	\$0
<b>Total Revenue</b>		<b>\$1,383,494</b>						<b>\$1,383,366</b>

In worksheet 16 of the 2019 Rate Generator model – “16. Rev2Cost\_GDPIPI”, the rate design transition calculation produced the following outcomes:

- Increased the Monthly Service Charge (fixed) by \$3.65 – from \$31.81 to \$35.46.
- Decreased the variable charge to \$0.0000 per kWh (before applying the price cap index).
- The fixed/variable revenue split changes from 89.7% / 10.3% to 100.0% / 0.0%.

Because the resulting incremental increase is below the \$4.00 per month upper limit as expected by the OEB<sup>10</sup> and as per Board’s Rate Design policy<sup>11</sup>, in WNP’s opinion, the four year transitioning period remains appropriate.

<sup>9</sup> Board policy “A New Distribution Rate Design for Residential Electricity Customers” (EB-2014-0210), April 2, 2015

<sup>10</sup> As referred in “OEB Filing requirements for Electricity Distribution Rate Applications – 2018 Edition for 2019 Rate Applications – Chapter 3 Rate-Setting Applications”, July 12, 2018, page 8

<sup>11</sup> Board policy “A New Distribution Rate Design for Residential Electricity Customers” (EB-2014-0210), April 2, 2015

1 The Applicant notes that, subject to approval of its 2019 IRM application, 2019 will be the fourth  
2 and final year of “Residential Rate Design” transition to a fixed charge with no variable rate for  
3 Wellington North Power Inc.’s residential customers.

4  
5  
6 **Calculation of 10<sup>th</sup> Percentile Residential Customer’s Consumption:**

7 In evaluating the total bill impact for a residential customer with consumption at the 10<sup>th</sup>  
8 percentile, WNP reviewed the “Filing Requirements”<sup>12</sup> and used the following method:

- 9 a) Extracted billed electricity usage for each Residential customer where there was  
10 consumption between January 1<sup>st</sup> 2017 and December 31<sup>st</sup> 2017. (Billed consumption is  
11 metered usage with losses applied);
- 12 b) Prepared data to show the monthly usage for each customer account;
- 13 c) Reviewed data and excluded accounts where one of the following conditions occurred:
- 14 i. There was less than 12 months of billed data (i.e. a new occupier who moved into a  
15 residential property on August 1<sup>st</sup> 2017 would have only had five months of billed data  
16 and therefore could distort the outcome as they have no usage profile for a full summer  
17 and/or winter months.);
- 18 ii. Customers who’s usage profile indicated they occupied the property for less than 10  
19 months (i.e. people who leave the area during the winter period);
- 20 iii. A tenant who although may have 12 months of data, has moved from one property into  
21 another property within the twelve month period. WNP made this decision on the basis  
22 that tenant may not be moving into a similar size or heated/vented property (i.e. moving  
23 from an apartment into a townhouse).
- 24 iv. An account with a monthly average of less than 50 kWh.

25 Based upon the above criteria, 68 residential records were removed from the data.

- 26 d) Of the remaining 3,197 valid records, calculated a monthly kWh average by totaling the  
27 kWh’s billed and divided by the number of months billed;

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<sup>12</sup> “OEB Filing requirements for Electricity Distribution Rate Applications – 2018 Edition for 2019 Rate Applications – Chapter 3 Rate-Setting Applications”, July 12, 2018, Section 3.2.3 pages 8 and 9

e) With the average Monthly kWh known, sorted from the lowest to the highest; and  
f) Of the 3,197 records, selected the average monthly kWh at the 320<sup>th</sup> record (the 10<sup>th</sup> percentile.) Record 320 showed an average monthly kWh of 286.38 kWh.

The methodology to calculate WNP's calculation of 10<sup>th</sup> percentile residential customer's consumption as described above was explained and accepted in the Applicant's 2016 Cost of Service rate application (EB-2015-0110)<sup>13</sup>.

WNP is not proposing a rate mitigation plan as the rate increase for a Residential low-energy consumer does not exceed the 10% total bill impact threshold as determined by the OEB as illustrated below:

**Total Bill Impact:**  
**WNP Residential Low-Volume Customer (10<sup>th</sup> percentile) - monthly usage 286 kWh**

	Current OEB-Approved	Proposed 2019	Change (\$)	Change (%)
Monthly Service Charge	\$31.81	\$35.73	\$3.92	12.32%
Distribution Volumetric Rate	\$1.49	-	(\$1.49)	-100.00%
Fixed Rate Riders	\$1.47	\$1.47	-	-
<b>Sub-Total</b>	<b>\$34.77</b>	<b>\$37.20</b>	<b>\$2.43</b>	<b>7.00%</b>
Line Loss on Cost of Power	\$1.54	\$1.54	-	-
Deferral/Variance Rate Rider	-	-	-	-
Low Voltage Charge	\$0.83	\$0.83	-	-
Smart Meter Entity	\$0.57	\$0.57	-	-
<b>Sub-Total</b>	<b>\$37.70</b>	<b>\$40.14</b>	<b>\$2.43</b>	<b>6.45%</b>
RTSR - Network	\$2.01	\$2.07	-	-
RTSR – Line & Transformation Connect	\$1.43	\$1.58	-	-
<b>Sub-Total</b>	<b>\$41.15</b>	<b>\$43.79</b>	<b>\$2.65</b>	<b>6.43%</b>
Wholesale Market Service Charge	\$1.10	\$1.10	-	-
Rural & Remote Protection Charge	\$0.09	\$0.09	-	-
Standard Service Supply Charge	\$0.25	\$0.25	-	-
TOU – Off Peak (\$0.0650 x 186 kWh)	\$12.08	\$12.08	-	-
TOU – Mid Peak (\$0.0940 x 49 kWh)	\$4.57	\$4.57	-	-
TOU – Off Peak (\$0.1320 x 51 kWh)	\$6.80	\$6.80	-	-
<b>Sub-Total</b>	<b>\$66.04</b>	<b>\$68.68</b>	<b>\$2.65</b>	<b>4.01%</b>
HST (@13%)	\$8.58	\$8.93	\$0.34	4.01%
8% Ont. Rebate for Elec Customer	(\$5.28)	(\$5.49)	(\$0.21)	
<b>Total</b>	<b>\$69.34</b>	<b>\$72.12</b>	<b>\$2.78</b>	<b>4.01%</b>

Note: For "2019 Proposed", the above includes the Price Cap Index adjustment and RTSR charge rate changes as requested for OEB approval through this IRM application.

<sup>13</sup> Wellington North Power Inc.'s 2016 Cost of Service rate application (EB-2015-0110), Exhibit 8 / Tab 1 / Schedule 15 – Bill Impact Information

## **11.5 Approval for Adjustments to Current Retail Transmission Service Rates**

WNP is applying for an adjustment of its Retail Transmission Service Rates (RTSR) based upon a comparison of historical transmission costs adjusted for new Uniform Transition Rates (UTR) levels and revenues generated from existing RTSRs. This approach is expected to minimize variances in the USoA Accounts 1584 and 1586.

On June 28, 2012, the Ontario Energy Board issued revision 4.0 of the Guideline G-2008-0001 Electricity Distribution Retail Transmission Service Rates (the “Guideline”)<sup>14</sup>. This Guideline outlines the information that the Board requires electricity distributors to file when proposing adjustments to their retail transmission service rates. The guideline was used to adjust WNP’s RTSR’s for 2019.

WNP has calculated the adjustments to the current Retail Transmission Service Rates as approved in the Applicant’s latest rate application (EB-2017-0082) where 2018 Distribution Rates were reviewed and approved. The proposed rates are based on the 2017 RRR filing 2.1.5 “Demand and Revenue” kWh and kW values with kWh loss adjusted consumption used.

The rate model reflects the most recent Uniform Transmission Rates (“UTRs”) and Sub-Transmission Rates as approved by the OEB, namely:

- Uniform Transmission Rates (EB-2017-0359) OEB-approved on February 1, 2018 and effective from January 1, 2018 and;
- Sub-Transmission Rates (EB-2016-0081) OEB-approved December 21, 2016 and effective from January 1, 2017.

Wellington North Power Inc. acknowledges that OEB staff will adjust Wellington North Power Inc.’s 2019 RTSRs when the most recent UTRs and Sub-Transmission Rates have been determined and approved by the OEB<sup>15</sup>.

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<sup>14</sup> Guideline G-2008-0001 Electricity Distribution Retail Transmission Service Rates

<sup>15</sup> “OEB Filing requirements for Electricity Distribution Rate Applications – 2018 Edition for 2019 Rate Applications – Chapter 3 Rate-Setting Applications”, July 12, 2018 - Section 3.2.4 “Electricity Distribution Retail Transmission Service Rates, page 10



Detailed calculations can be found in the 2019 IRM Rate Generator model (worksheets 10 to 14) with adjusted RTSR's flowing into worksheet "19. Final Tariff Schedule".

A summary of the proposed adjustment to the Current Retail Transmission Service Rates are shown in the tables below:

**Proposed RTSR-Network**

Rate Class	Unit	Current RTSR – Network	Proposed RTSR - Network	Change
Residential	kWh	\$0.0066	\$0.0068	\$0.0002
General Service <50kW	kW	\$0.0061	\$0.0063	\$0.0002
General Service 50 - 999kW	kW	\$2.5275	\$2.6230	\$0.0955
General Service 1000 - 4999kW	kW	\$2.6845	\$2.7859	\$0.1014
Unmetered Scattered Load	kWh	\$0.0061	\$0.0063	\$0.0002
Sentinel Lighting	kW	\$1.9157	\$1.9880	\$0.0723
Streetlights	kW	\$1.9060	\$1.9780	\$0.0720

**Proposed RTSR-Line & Transformation**

Rate Class	Unit	Current RTSR – Connection	Proposed RTSR - Connection	Change
Residential	kWh	\$0.0047	\$0.0052	\$0.0005
General Service <50kW	kW	\$0.0039	\$0.0043	\$0.0004
General Service 50 - 999kW	kW	\$1.5763	\$1.7482	\$0.1719
General Service 1000 - 4999kW	kW	\$1.7282	\$1.9167	\$0.1885
Unmetered Scattered Load	kWh	\$0.0039	\$0.0043	\$0.0004
Sentinel Lighting	kW	\$1.2442	\$1.3799	\$0.1357
Streetlights	kW	\$1.2188	\$1.3518	\$0.1330

The Applicant also requests the opportunity to update the RTSR's included in this IRM application should the RTSR's charged to WNP change before the rates applied for in this application are approved and in effect.

## **11.6 Continuation of Low Voltage Service Rate**

Pursuant to the Decision and Rate Order in WNP' 2016 Cost of Service rate application (EB-2015-0110), the Applicant requests to continue with the current Low Voltage Service Rates that were approved in that proceeding.

## **11.7 Continuation of Specific Service Charges and Loss Factors**

Pursuant to the Decision and Rate Order in WNP' 2016 Cost of Service rate application (EB-2015-0110), the Applicant requests to continue with the Specific Service Charges and Loss Factors that were approved in that proceeding.

## **11.8 Review and Disposition Group 1 Deferral and Variance Account Balances**

In the "Filing Requirements"<sup>16</sup>, section 3.2.5 "*Review and Disposition Group 1 Deferral and Variance Account Balances*" makes reference to the Report of the Board on Electricity Distributors' Deferral and Variance Account Report (the "EDDVAR Report"). Under the Price Cap IR, the distributors' Group 1 audited balances will be reviewed and disposed if the present disposition threshold of \$0.001 per kWh (debit or credit) is exceeded. Distributors are required to file the Group 1 balances as of December 31<sup>st</sup> 2017 to determine if the threshold has been exceeded.

WNP has updated the deferral / variance continuity schedule in the 2019 IRM Rate Generator model (worksheet "3. Continuity Schedule") using balances as at December 31<sup>st</sup> 2017 with the outcome being the threshold has not been exceeded. The threshold verification as per worksheet 4 of the 2019 IRM Rate Generator Model is provided below:

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<sup>16</sup> "OEB Filing requirements for Electricity Distribution Rate Applications – 2018 Edition for 2019 Rate Applications – Chapter 3 Rate-Setting Applications", July 12, 2018, Section 3.2.5 pages 10-12


### Threshold Test

Total Claim (including Account 1568))	(\$46,633)	
Total Claim for Threshold Test (All Group 1 Accounts)	(\$46,633)	
Threshold Test (Total claim per kWh)	(\$0.0005)	Claim does not meet the threshold test

As per section 3.2.5 of the “Filing Requirements”<sup>17</sup>, an applicant may elect to dispose of the Group 1 account balances even if they are below the threshold. WNP confirms that the Applicant is not electing to dispose of Group 1 balances through this rate application.

The table below confirms that in this application, WNP is requesting no new Deferral Variance Rate Riders (proposed Rate Riders are shown in the last column which has a zero (\$0) value):

### Deferral-Variance Account Rate Riders

 Ontario Energy Board <b>Incentive Regulation Model for 2019 Filers</b> <small>No input required. This worksheet allocates the deferral/variance account balances (Group 1 and 1568) to the appropriate classes as per EDDVAR dated July 31, 2009</small>										
<b>Allocation of Group 1 Accounts (including Account 1568)</b>										
Rate Class	% of Total kWh	% of Customer Numbers **	% of Total kWh adjusted for WMP	1550	1551	1580 <small>allocated based on Total less WMP</small>	1584	1586 <small>allocated based on Total less WMP</small>	1588	1595_(2014) <small>allocated based on Total less WMP</small>
RESIDENTIAL SERVICE CLASSIFICATION	23.7%	87.4%	23.7%							
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	11.3%	12.6%	11.3%							
GENERAL SERVICE 50 TO 999 KW SERVICE CLASSIFICATION	18.9%	0.0%	18.9%							
GENERAL SERVICE 1,000 TO 4,999 KW SERVICE CLASSIFICATION	45.4%	0.0%	45.4%							
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	0.0%	0.0%	0.0%							
SENTINEL LIGHTING SERVICE CLASSIFICATION	0.0%	0.0%	0.0%							
STREET LIGHTING SERVICE CLASSIFICATION	0.7%	0.0%	0.7%							
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<sup>17</sup> “OEB Filing requirements for Electricity Distribution Rate Applications – 2018 Edition for 2019 Rate Applications – Chapter 3 Rate-Setting Applications”, July 12, 2018, Section 3.2.5 page 10-12

### 11.8.1 Deferral and Variance Account Analysis

The table below reconciles the Continuity Schedule - principal and interest, balances as at December 31<sup>st</sup> 2017 against the year-end RRR filings as at December 31<sup>st</sup> 2017.

#### 2017 Continuity Schedule and 2017 Year-End RRR Filings Reconciliation

Item	Account	Account No.	RRR Filing at 31-Dec-2017	Finance Balance at 31-Dec-2017			Variance
				Principal	Interest	Principal + Interest + Unbilled Changes	
			A	B	C	D = B + C	E = A - D
(a)	LV Variance Account	1550	\$284,915	\$279,855	\$5,058	\$284,913	\$2
(b)	Smart Metering Entity Charge Variance	1551	(\$991)	(\$977)	(\$14)	(\$991)	(\$0)
(c)	RSVA - Wholesale Market Service Charge	1580	(\$438,299)	(\$451,670)	(\$8,850)	(\$460,520)	\$22,221
(c)	RSVA - WMS CBR Class B	1580	\$22,221	\$21,585	\$636	\$22,221	(\$0)
(d)	RSVA - Retail Transmission Network Charge	1584	\$66,411	\$65,762	\$649	\$66,411	\$0
(e)	RSVA - Retail Transmission Connection Charge	1586	\$113,226	\$111,662	\$1,563	\$113,225	\$1
(f)	RSVA - Power	1588	\$259,328	\$167,580	\$498	\$168,078	\$91,250
(g)	RSVA - Global Adjustment	1589	(\$289,343)	(\$288,689)	(\$654)	(\$289,343)	\$0
(i)	Disposition and Recovery/Refund of Regulatory Bal (2014)	1595	\$29,993	\$43,193	(\$13,200)	\$29,993	\$0
(j)	Disposition and Recovery/Refund of Regulatory Bal (2016)	1595	\$19,792	\$35,696	(\$15,901)	\$19,795	(\$2)
Total Variance							\$113,473

#### Explanations of Variances:

##### (i) Wholesale Market Service Charge

The difference in the Wholesale Market Service Charge is equal to the balances in the “WMS – Sub-account CBR Class B” as expected.

##### (ii) RSVA – Power

The RRR Filing amount is \$91,250 greater than the account balance for this account. WNP completes an annual reconciliation between what it has billed its Regulated Price Plan customers (RPP and Time-of-Use customers) versus monthly settlement of RPP energy volumes with the IESO. The annual reconciliation result showed that for 2017 billing activity, WNP had under-recovered \$91,249.98 from the IESO. The annual reconciliation for 2017 billing activity was completed in 2018 after the 2017 year-end RRR filing were submitted. The \$91,250 was posted in 2018 financial year.

**11.8.2 Wholesale Market Participants**

WNP does not have any Wholesale Market Participants.

**11.8.3 Global Adjustment (GA) Analysis Workform**

As required, WNP has completed and filed the GA analysis Workform for years 2015, 2016 and 2017. In 2017's IRM application (EB-2017-0082), a historical misallocation in the GA unbilled entries to the Cost of Power account was identified and explained. The total value of the variance accounts remains the same; however the expected revenue in the Cost of Power accounts is overstated. In the 2017 GA Analysis Workform, this adjustment was made in the GL accounts. WNP has included a spreadsheet named "GA Workform Data Adjustments" to itemize the reconciliation items. Included are the 1588, and 1589 revenue and expenses for 2015 to 2017. For 2015 to June 2017, there is an unbilled revenue adjustment between 1588 and 1589 to reallocate the change in unbilled GA revenue from the month before. Based on this calculation the GA Balance at June 30, 2017 was (\$89,760.83) and an entry of (\$500,430.34) was made to 1589 with the corresponding entry allocated to 1588. The 2017 1589 GL entries are displayed in tab "1589". When this is accounted for, the difference between the GL changes and the expected changes as calculated in the "GA\_Analysis\_Workform\_WNP-20181105" are less than the 1% threshold.

**11.8.4 Commodity Accounts 1588 and 1589**

Below are WNP's responses to the questions that were included in Appendix A of the OEB's "GA Analysis Workform Instructions" guide.<sup>18</sup>

Global Adjustment Methodology Description – Questions on Accounts 1588 and 1589

1. In booking expense journal entries for Charge Type (CT) 1142 and CT 148 from the IESO invoice, please confirm which of the following approaches is used:

---

<sup>18</sup> "GA Analysis Work Form Instructions" updated on July 13, 2018, Appendix A, pages 15 and 16

- 1 a. CT 1142 is booked into Account 1588. CT 148 is pro-rated based on RPP/non-RPP  
2 consumption and then booked into Account 1588 and 1589 respectively.  
3  
4 b. CT 148 is booked into Account 1589. The portion of CT 1142 equaling RPP minus HOEP  
5 for RPP consumption is booked into Account 1588. The portion of CT 1142 equaling  
6 GA RPP is credited into Account 1589.  
7  
8 c. If another approach is used, please explain in detail.  
9

10 **WNP Response:**

11 WNP follows approach (a) - CT 1142 is booked into Account 1588. CT 148 is pro-rated  
12 based on RPP/non-RPP consumption and then booked into Account 1588 and 1589  
13 respectively  
14  
15

16 2. Questions on CT 1142

- 17 a. Please describe how the initial RPP related GA is determined for settlement forms  
18 submitted by day 4 after the month-end (resulting in CT 1142 on the IESO invoice).  
19

20 **WNP Response:**

21 WNP uses the Global Adjustment (GA) 1<sup>st</sup> Estimate rate that is posted on the IESO's  
22 website when submitting the settlement forms. The GA 1<sup>st</sup> Estimate is used for billing all  
23 RPP customer rate classes. Timely billing and cash-flow is the driver for using 1st estimate.  
24

- 25 b. Please describe the process for truing up CT 1142 to actual RPP kWh, including which  
26 data is used for each TOU/Tier 1&2 prices, as well as the timing of the true up.  
27

28 **WNP Response:**

29 WNP uses a spreadsheet model that incorporates wholesale consumption and customer  
30 billing statistics consumption to estimate monthly splits for Regulated Price Plan (RPP) and  
31 non-RPP categories.  
32

33 Below is a summary of the methodology applied:  
34

35 Wholesale kWh consumption – from 3<sup>rd</sup> party settlement service provider  
36 Less: Non-RPP kWh – Retailer customers (using monthly billing stats)  
37 Less: Street Lights (due to being billed on Spot pricing – i.e. non RPP)  
38 Add: MicroFIT and FIT generation consumption  
39 = Net System Load Shape (NSLS) – this represents the RPP kWh consumption

1  
2 IESO Settlement of RPP kWh – market price

3 The NSLS (estimated RPP kWh) are split between:

- 4 a) Time of Use billed (On-, Off- and Mid-Peak rates) and  
5 b) Tier 1 and Tier 2 block rates

6 The split is based on the most current month RPP billing stats split as a proxy.

7 For each RPP category the associated RPP pricing less a monthly weighted average price is  
8 used to derive RPP settlement amounts with the IESO.

9  
10 True-Up Process for RPP consumption:

11 Once the IESO publishes the Final GA rate for the month (typically the 14<sup>th</sup> day after the  
12 consumption month), WNP updates the spreadsheet model with this rate. The model  
13 calculates the monetary variance between the billed 1<sup>st</sup> GA Estimate and the Actual GA rate  
14 on the kWh consumption submitted to the IESO on/before 4<sup>th</sup> business day. Any monetary  
15 variance is applied to next month's IESO submission.

16  
17 When the IESO invoice is received, based on the division of the RPP consumption from non-  
18 RPP consumption, the GA invoice amount is either allocated to the cost of power or GA.  
19 Having the final GA values on the IESO invoice also enables the calculation of variances from  
20 the information submitted in the 1598 filing. This information is then submitted as part of  
21 the 1598 filing to the IESO the following month.

22  
23 WNP also performs an annual reconciliation taking all RPP billed accounts for the 12 month  
24 calendar year and compares this data to the information that was submitted each month to  
25 the IESO for settlement purposes. This reconciliation compares the billed energy kWh  
26 volume versus the settlement submitted kWh volume. Any volume variance is submitted to  
27 the IESO through the monthly settlement process.

28  
29 c. Has CT 1142 been trued up for with the IESO for all of 2017?

30  
31 **WNP Response:**

32 Yes, WNP has completed the true-up for all of 2017.

33  
34 d. Which months from 2017 were trued up in 2018?

35  
36 **WNP Response:**

37 December 2017 was trued-up in January 2018. WNP completed its annual reconciliation  
38 activity (as described above) in 2018.

39

e. Have all of the 2017 related true-up been reflected in the applicant's DVA Continuity Schedule in this proceeding?

**WNP Response:**

Yes.

Please quantify the amount reflected in the DVA Continuity Schedule, and the column where it is included.

**WNP Response:**

The annual reconciliation amount is included in cell BF28 of the Continuity Schedule in the Rate Generator Model. Also included in this cell are the reversals from previous year's adjustments.

3. Questions on CT 148

a. Please describe the process for the initial recording of CT 148 in the accounts (i.e. 1588 and 1589).

**WNP Response:**

CT 148 is divided based on RPP/non-RPP kWh consumption and then booked into Account 1588 and 1589 respectively

b. Please describe the process for true up of the GA related cost to ensure that the amounts reflected in Account 1588 are related to RPP GA costs and amounts in 1589 are related to only non-RPP GA costs.

**WNP Response:**

WNP uses the actual split percentage for RPP/non-RPP kWh consumption each month at the time that the IESO invoice is available. Since July 2017 Class A non-RPP consumption has been excluded from this calculation.

c. What data is used to determine the non-RPP kWh volume that is multiplied with the actual GA per kWh rate (based on CT 148) for recording as expense in Account 1589 for initial recording of the GA expense?

**WNP Response:**

Because the IESO GA rate is always different (and usually higher) than the actual GA per kWh rate WNP does not multiply the kWh by the actual GA rate. CT 148 is divided based on



1 the kWh percentages of RPP/non-RPP consumption and then booked into Account 1588 and  
2 1589 respectively.

- 3  
4 d. Does the utility true up the initial recording of CT 148 in Accounts 1588 and 1589  
5 based on estimated proportions to actuals based on actual consumption proportions  
6 for RPP and non-RPP?  
7

8 **WNP Response:**

9 When CT148 is divided and recorded in the DVA accounts the actual division between  
10 RPP/non-RPP consumption is known. No True up is required.  
11

- 12 e. Please indicate which months from 2017 were trued up in 2018 for CT 148  
13 proportions between RPP and non-RPP.  
14

15 **WNP Response:**

16 Not applicable.  
17

- 18 f. Are all true-ups for 2017 consumption reflected in the DVA Continuity Schedule under  
19 2017?  
20

21 **WNP Response:**

22 Not applicable.  
23

- 24 g. Please quantify the amount reflected in the DVA Continuity Schedule, and the column  
25 where it is included.  
26

27 **WNP Response:**

28 Not applicable.  
29  
30

31 4. Questions regarding principal adjustments and reversals on the DVA Continuity Schedule:  
32

33 Questions on Principal Adjustments - Accounts 1588 and 1589

- 34 a. Did the applicant have principal adjustments in its 2018 rate proceeding which were  
35 approved for disposition?  
36

37 **WNP Response:**

38 No request has been made for disposition of any accounts since WNP's 2016 Cost of  
39 Service.

- 1  
2 b. Please provide a break-down of the total amount of principal adjustments that were  
3 approved (e.g. true-up of unbilled (for 1589 only), true up of CT 1142, true up of CT  
4 148 etc.).  
5

6 **WNP Response:**

7 Not applicable.  
8

- 9 c. Has the applicant reversed the adjustment approved in 2018 in its current proposed  
10 amount for disposition?  
11

12 **WNP Response:**

13 Not applicable.  
14

- 15 d. Please provide a breakdown of the amounts shown under principal adjustments in the  
16 DVA Continuity Schedule filed in the current proceeding, including the reversals and  
17 the new true up amounts regarding 2017 true ups.  
18

19 **WNP Response:**

20 In Cell BF29, the GA Unbilled Revenue changes for 2015 (cell AL29) and 2016 (cell AV29)  
21 were reversed, since the actual number was included in the transactions during the year  
22 (cell BD29). Similarly the Corresponding entries were made for line 28 in all the same cells.  
23 In addition there is a new amount entered in BF28 as described in “2. Question on CT 1142”  
24 above.  
25

- 26 e. Do the amount calculated in part d. above reconcile to the applicant’s principal  
27 adjustments shown in the DVA Continuity Schedule for the current proceeding? If not,  
28 please provide an explanation.  
29

30 **WNP Response:**

31 Yes.  
32

1 f. Please confirm that the principal adjustments shown on the DVA Continuity Schedule  
2 are reflected in the GL transactions. As an example, the unbilled to actual true-up for  
3 1589 would already be reflected in the applicant's GL in the normal course of  
4 business. However, if a principal adjustment related to proportions between 1588 and  
5 1589 was made, applicant must ensure that the GL reflects the movement between  
6 the two accounts.  
7

8 **WNP Response:**

9 For 2015 to June 2017, there is an unbilled revenue adjustment between 1588 and 1589 to  
10 reallocate the change in unbilled GA revenue from the month before. WNP has included a  
11 spreadsheet named "GA Workform Data Adjustments" where this calculation is given in  
12 detail. Based on this calculation the GA Balance at June 30, 2017 was (89,760.83) and an  
13 entry of (500,430.34) was made to 1589 with the corresponding entry allocated to 1588.  
14 The 2017 1589 GL entries are displayed in tab "1589". Thus the GL reflects the movement  
15 between the two accounts.  
16

**11.8.5 Capacity Based Recovery (CBR)**

WNP has followed the “Accounting Guidance on Capacity Based Recovery” issued by the OEB on July 25<sup>th</sup> 2016, namely: *“Distributors are expected to file for disposition of Group 1 deferral and variance accounts pursuant to the applications process established by the OEB. Distributors are expected to report Account 1580 Variance – WMS, Sub-account CBR Class A and Class B on their continuity schedules. However, only Class B balances will be disposed through the rate proceedings.”*

The Rate Rider for Capacity Based Recovery – Class B has been calculated in the 2019 IRM Rate Generator Model. In accordance with the OEB’s reference note on worksheet “6.2 CBR B”, since the allocated Account 1580 sub-account CBR Class B amount does not produce a rate rider in one or more rate class, a distributor is to transfer the entire OEB-approved CBR Class B amount into 1580 WMS control account to be disposed through the general purpose Group 1 DVA rate riders. It is noted that in 2017, the Applicant had two (2) customers who switched from Class B to Class A on July 1<sup>st</sup> 2017. These customers’ usage and demand has been provided in worksheet “6. Class A Consumption Data”.

In this IRM rate application, WNP is not requesting disposal of CBR balances and therefore is not seeking a CBR Rate Rider for its rate-classes.

## **11.8.6 Settlement Process with the IESO**

Below is an overview of Wellington North Power Inc.'s (WNP) settlement process demonstrating the methodology used in calculating data that is submitted to the Independent Electricity System Operator (IESO):

### **Timeline**

IESO monthly settlement is to be submitted by the 4<sup>th</sup> business day after the calendar month-end for the month prior (i.e. January settlement reflecting January's consumption is submitted by the 4<sup>th</sup> business day in February).

### **Global Adjustment (GA)**

WNP uses the 1<sup>st</sup> estimate for billing customers for all rate classes. Timely billing and cash-flow is the driver for using 1<sup>st</sup> estimate.

### **Consumption Submission**

WNP uses a spreadsheet model that incorporates wholesale consumption and customer billing statistics consumption to estimate monthly splits for Regulated Price Plan (RPP) and non-RPP categories.

Below is a summary of the methodology applied:

Wholesale kWh consumption – from 3<sup>rd</sup> party settlement service provider  
Less: Non-RPP kWh – Retailer customers (using monthly billing stats)  
Less: Street Lights (due to being billed on Spot pricing – i.e. non RPP)  
Add: MicroFIT and FIT generation consumption  
= Net System Load Shape (NSLS) – this represents the RPP kWh consumption

IESO Settlement of RPP kWh – market price

The NSLS (estimated RPP kWh) are split between:

- a) Time of Use billed (On-, Off- and Mid-Peak rates) and
- b) Tier 1 and Tier 2 block rates

The split is based on the most current month RPP billing stats split as a proxy.

For each RPP category the associated RPP pricing less a monthly weighted average price is used to derive RPP settlement amounts with the IESO.

**True-Up Process**

Once the IESO publishes the Final GA rate for the month (typically the 14<sup>th</sup> day after the consumption month), WNP updates the spreadsheet model with this rate. The model calculates the monetary variance between the billed 1<sup>st</sup> GA Estimate and the Actual GA rate on the kWh consumption submitted to the IESO on/before 4<sup>th</sup> business day. Any monetary variance is applied to next month's IESO submission.

When the IESO invoice is received, based on the division of the RPP consumption from non-RPP consumption, the GA invoice amount is either allocated to the cost of power or GA.

Having the final GA values on the IESO invoice also enables the calculation of variances from the information submitted in the 1598 filing. This information is then submitted as part of the 1598 filing to the IESO the following month.

**Embedded Generation**

The settlement with the IESO relating to embedded generation (FIT and MicroFIT) is performed on the IESO contract price for each MicroFIT / FIT agreement versus TOU On- and Off-Peak rate on a monthly basis.

**Class A**

WNP has two (2) customers that opted-in to the IESO's Industrial Conservation Initiative (ICI) 2017/2018 program. These customers are eligible to participate in the ICI on the basis of:

- Each customer is supplied by the same Host Distributor (Wellington North Power Inc. – WNP)
- Effective January 1, 2017, Ontario Regulation 429/04 was amended so that all electricity consumers with an average monthly peak demand greater than 1 MW are eligible to participate in the ICI program. Each of WNP's customers have an average peak demand greater than 1 MW throughout the applicable base period of May 1<sup>st</sup> to April 30<sup>th</sup>.

Given these two customers opted-in to the ICI 2017/2018 program, WNP bill and settle these customers in accordance with Class A requirements and are not included in the RPP settlement process. These customers are billed using their share of the CT147 Class A Global Adjustment Settlement Amount of the IESO's monthly invoice.

## 11.8.7 Account 1595 Analysis

As per the “Filing Requirements”, WNP has completed the “Account 1595 Workform” as provided by the OEB (*version 1.0, updated July 18 2018*). Within this workform, the Applicant has selected the years of 2014 and 2016 for “1595 Rate Years Requested for Disposition”; however WNP is not requesting account balance disposition in this 2019 rate application.

### a) 2014 – 1595 Rate Year

The table below summarizes the information populated in the “Account 1595 Workform” for 2014:

Component	Total Balance Approved for Disposition	Rate Rider Amounts Returned	Total Residual Balance	Returned Variance
Total Group 1 and Group 2 Balances Exc. Acct 1589 - GA	\$20,042	\$21,016	(\$974)	-4.9%
Account 1589 – Global Adjustment	(\$274,009)	(\$305,616)	\$31,607	-11.5%
<b>Total Group 1 and Group 2 Balances</b>	<b>(\$253,967)</b>	<b>(\$284,600)</b>	<b>\$29,994</b>	<b>-12.1%</b>

As per the “Filing Requirements”<sup>19</sup>, because the residual balance variance in the component “Account 1589 – Global Adjustment” is +/-10% it is deemed as material and requires further analysis and explanation. In summary, this variance is caused by higher actual kWh / kW metered energy usage compared to the forecasted metered energy usage as explained below.

In the Applicant’s 2014 IRM rate application, EB-2013-0178, WNP requested disposition of Group 1 accounts, which had a total credit balance of \$253,967 as of December 31<sup>st</sup> 2012. In its Decision and Order, EB-2013-0178, the Board approved the disposition of WNP’s Group 1 accounts with the balances to be disposed over a one-year period from May 1<sup>st</sup> 2014 to April 30<sup>th</sup> 2015.<sup>20</sup> Of the Group 1 accounts approved for disposition, the RSVA – Global Adjustment,

<sup>19</sup> “OEB Filing requirements for Electricity Distribution Rate Applications – 2018 Edition for 2019 Rate Applications – Chapter 3 Rate-Setting Applications”, July 12, 2018, Appendix A, pages 32 and 33

<sup>20</sup> OEB Decision and Order EB-2013-0178, dated March 13, 2014, “Review and Disposition of Group 1 Deferral and Variance Account Balances pages 4 to 6

account 1589, had a residual credit balance of \$274,009. The table below summarizes the Board-approved Rate Riders applicable to Non-RPP customers for disposal of the credit balance of \$274,009 for the RSVA – Global Adjustment account 1589.

2014 IRM Filing - EB-2013-0178					
Rate Class	Billed kWh for Non-RPP Customers	Estimated kW for Non-RPP Customers	% of Total non-RPP kWh	Rate Rider	1589 GA
	[A]	[B]	[C]	[D]	[E] = [A] or [B] x [D]
Residential	3,625,931		5.4%	\$ (0.0041)	(\$14,882)
General Service <50kW	1,434,587		2.1%	\$ (0.0041)	(\$5,888)
General Service 50-999kW	18,188,373	46,367	27.2%	\$ (1.6100)	(\$74,652)
General Service 1,000 - 4,999kW	42,769,242	97,039	64.1%	\$ (1.8090)	(\$175,542)
Street Lighting	711,946	1,907	0.0%	\$ (1.5320)	(\$3)
Sentinel Lighting	29,261	80	0.0%	\$ (1.5065)	(\$120)
Unmetered Scattered Load	663		1.1%	\$ (0.0041)	(\$2,922)
<b>Total</b>	<b>66,760,003</b>	<b>145,393</b>	<b>100%</b>		<b>(\$274,009)</b>
					<u>(\$274,009)</u>

The billed kWh / kW energy volumes used to calculate the GA Rate Riders were derived from WNP's energy load forecast approved by the OEB in the Applicant's 2012 Cost of Service rate application EB-2011-0249<sup>21</sup>. (Note: In its 2014 IRM rate application, WNP did not update the kWh or kW with latest actuals.)

As per Board's Decision and Order and subsequent Rate Order<sup>22</sup> (EB-2013-0179), WNP applied the Rate Rider to all Non-RPP customer bills for energy consumed during the period May 1<sup>st</sup> 2014 to April 30<sup>th</sup> 2015. This Rate Rider was known as "*Rate Rider for Disposition of Global Adjustment Account (2014) - effective until April 30, 2015 Applicable only for Non-RPP Customers*".

The table below illustrates the revenues returned to Non-RPP customers through the *Rate Rider for Disposition of Global Adjustment Account (2014)* by rate-class. This table also shows the actual metered kWh and kW for WNP Non-RPP customers over the 12-month Rate Rider disposition period of May 1<sup>st</sup> 2014 to April 30<sup>th</sup> 2015:

<sup>21</sup> kWh and kW energy volumes as per WNP's 2012 Cost of Service rate application, OEB Decision and Order, issued September 20, pages 23 to 27.

<sup>22</sup> Rate Order, EB-2013-0178, issued April 16<sup>th</sup> 2014.



1

### Actual kWh /kW for Non RPP customers and Variance Analysis

Rate Class	Actual Metered kWh / kW - May 2014 to April 2015		Rate Rider	Variance - Forecast Less Actual				Variance to Forecast Revenue
	Actual Metered kWh for Non-RPP Customers	Actual Metered kW for Non-RPP Customers		Revenues Returned to Customers	Metered kWh for Non-RPP Customers	Metered kW for Non-RPP Customers	Revenues Returned to Customers	
	[F]	[G]		[H] = [D]	[I] = [F] or [G] x [H]	[J] = [A] - [F]	[K] = [B] - [G]	[L] = [J] or [K] x [H]
Residential	1,395,280			\$ (0.0041)	(\$5,721)	2,230,651		(\$9,162)
General Service <50kW	2,549,137			\$ (0.0041)	(\$10,451)	(1,114,550)		\$4,563
General Service 50-999kW	17,641,144	52,323		\$ (1.6100)	(\$84,241)	547,229	(5,956)	\$9,588
General Service 1,000 - 4,999kW	49,461,825	111,725		\$ (1.8090)	(\$202,110)	(6,692,583)	(14,686)	\$26,568
Street Lighting	720,792	2,009		\$ (1.5320)	(\$3,078)	(8,846)	(102)	\$3,075
Sentinel Lighting	25,263	10		\$ (1.5065)	(\$15)	3,998	70	(\$105)
Unmetered Scattered Load	5,733			\$ (0.0041)	(\$24)	(5,070)		(\$2,899)
<b>Total</b>	<b>71,799,174</b>	<b>166,067</b>			<b>(\$305,640)</b>	<b>(5,039,171)</b>	<b>(20,674)</b>	<b>\$31,630</b>
								<b>-11.5%</b>

2

3 The above table shows the following information:

- 4 ○ WNP disposed of (returned) -\$305,640 to its Non-RPP customers during the 12-month disposition period. (In the 1595 Workform, WNP shows a
- 5 GA disposition amount of -\$305,616: this is a minimal variance of \$24).
- 6 ○ Actual metered usage of 71,799,174 kWh is 7.5% above the forecasted energy volume of 66,760,003 kWh which used to calculate the GA Rate
- 7 Rider amounts in WNP's 2014 IRM rate application (EB-2013-0178).
- 8 ○ Actual metered usage of 166,067 kW is 14.2% above the forecasted energy volume of 145,393 kW which used to calculate the GA Rate Rider
- 9 amounts in WNP's 2014 IRM rate application (EB-2013-0178).
- 10 ○ **Conclusion:** Due to higher energy usage (kWh and kW) than forecasted, WNP disposed of an additional \$31,630 above the RSVA Global
- 11 Adjustment account balance of -\$274,009 which explains the variance of 11.5% in the 1595 Workform. (In the 1595 Workform, WNP shows a GA
- 12 disposition total residual balance amount of \$30,921: this is a minimal variance of -\$709).

**b) 2016 – 1595 Rate Year**

The table below summarizes the information populated in the “Account 1595 Workform” for 2016:

Component	Total Balance Approved for Disposition	Rate Rider Amounts Collected / Returned	Total Residual Balance	Collection / Returns Variance
Total Group 1 and Group 2 Balances Exc. Acct 1589 - GA	\$85,423	\$3,311	\$4,009	3.9%
Account 1589 – Global Adjustment	\$153,328	\$14,911	\$16,163	9.7%
<b>Total Group 1 and Group 2 Balances</b>	<b>\$238,751</b>	<b>\$18,222</b>	<b>\$20,172</b>	<b>7.6%</b>

As the residual balance variance in each component is below +/-10%, WNP believes the amount is immaterial and requires no further analysis or explanation.

**11.9 LRAMVA Disposition**

WNP is not applying for a Lost Revenue Adjustment Mechanism Variance Account (LRAM-VA) disposition in this application because the Applicant deems the current balance is immaterial.

WNP has not updated the 2019 IRM Generator model (worksheet 3. Continuity Schedule) with the balance as at December 31<sup>st</sup> 2017 for this account as per instructions within the model - i.e. “LRAM Variance Account (only input amounts if applying for disposition of this account)”.

In its 2016 Cost of Service rate application (EB-2015-0110), WNP requested and were approved disposition of LRAM-VA for the account balance of \$11,761 as at December 31<sup>st</sup> 2014<sup>23</sup>. In its application, WNP also provided its LRAM model (for the CDM program period 2011 to 2014 inclusive) which was reviewed and accepted by OEB Staff and Intervenors.

<sup>23</sup> Wellington North Power Inc. 2016 Cost of Service rate application – Settlement Proposal, Section 4.2.1 LRAM and LRAMVA Disposition Calculation, page 61

1    **11.10 Tax Changes**

2    WNP has completed the Shared Tax Sharing information (IRM Rate Generator worksheets 8 and  
3    9). The result of the model shows there have been no tax changes that would cause a need for  
4    tax sharing at this time.

7    **11.11 Z Factor Claim**

8    WNP is not requesting the recovery of costs associated with unforeseen events in this  
9    application.

12   **11.12 Continuation of Advanced Capital Module (ACM) Rate Riders**

13   WNP received approval for the inclusion of an Advanced Capital Module (ACM) Rate Rider,  
14   applicable to all rate classes effective from May 1<sup>st</sup> 2018, as per the OEB's Decision and Order  
15   regarding the Applicant's 2018 IRM rate application (EB-2017-0082) as noted below:

16       ***"Findings***

17       *The OEB finds that the proposed ACM amount to be disposed through rate riders, as*  
18       *calculated in the 2018 ACM Model, is consistent with the settlement proposal in Wellington*  
19       *North Power's 2016 cost of service application, and with updated parameters and data on*  
20       *customers kWh and kW as provided in the application and in responses to interrogatories.*  
21       *The rate riders will be in effect until the next cost of service based rate order".<sup>24</sup>*

23   The approved rate riders are referred to as "Rate Rider for Recovery of Advanced Capital  
24   Module (2018)" in WNP's 2018 Tariff of Rates and Charges.

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<sup>24</sup> Wellington North Power Inc.'s 2018 IRM application: Decision and Order (EB-2017-0082), March 22, 2018, Section 8 "Advanced Capital Module (ACM)", pages 8 and 9.

The ACM Rate Rider for revenue recovery relates to the Advanced Capital Module project that was filed with Wellington North Power Inc.'s 2016 Cost of Service rate application (EB-2015-0110).<sup>25</sup> This capital investment project is the replacement of an aged and deteriorated municipal substation (MS3) in 2018 which was included in the LDC's 5-year Distribution System Plan as a component of Wellington North Power Inc.'s 2016 Cost of Service Rate Application.

Within the Applicant's 5-year Distribution System Plan (DSP) plan, filed as a component of its 2016 Cost of Service rate application (EB-2015-0110)<sup>26</sup>, the year 2018 included the replacement of MS3 substation<sup>27</sup>. As per the DSP plan, in 2018, WNP commenced work on the replacement of the substation and is on target to energize and put the asset in-service during Quarter 4 of 2018.

Through its 2018 IRM application, EB-2017-0082, the OEB approved the following Rate Riders, effective from May 1<sup>st</sup> 2018 until the next cost of service based rate order:

**Rate Rider for Recovery of Advanced Capital Module (2018)**

Rate Class	Fixed Rate	Variable Rate	
		kWh	kW
Residential	\$ 1.47		
General Service <50kW	\$ 1.77	\$ 0.0008	
General Service 50-999kW	\$ 11.73		\$ 0.1118
General Service 1,000 - 4,999kW	\$ 95.84		\$ 0.1297
Unmetered Scattered Load	\$ 1.20	\$ 0.0007	
Sentinel Lighting	\$ 0.31		\$ 1.1605
Street Lighting	\$ 0.07		\$ 0.0751

By way of this 2019 IRM application, WNP is requesting the continuation of the "Rate Riders for Recovery of Advanced Capital Module (2018)" applicable to all rate classes and at the rates detailed in the table above for the 2019 rate year.

<sup>25</sup> Wellington North Power Inc.'s 2016 Cost of Service application: Decision and Rate Order (EB-2015-0110), March 31, 2016, Sub-section 3.1.1 Advanced Capital Module

<sup>26</sup> Wellington North Power Inc. 2016 Cost of Service application (EB-2015-0110), Exhibit 2, Appendix 2A

<sup>27</sup> Wellington North Power Inc. 2016 Cost of Service application (EB-2015-0110), Exhibit 2, Appendix 2A, section 5.4.5.3.2 MS3 Substation re-build (2018) – Advanced Capital Module, page 216-226

## 11.13 Summary of Bill Impacts

The service and rate classifications, together with the associated electricity distribution rates included in the 2019 IRM models, are those approved by the Board in its Decision and Order in WNP's 2018 IRM rate application EB-2017-0082.

The table below summarizes the effects of the 2019 rate adjustments and overall bill impacts proposed in this application for the default customer profile in each customer rate class for RPP and non-RPP pricing:

**Total Bill Impact**

					Sub-Totals of Bill Components A + B + C				Total Bill (including HST and 8% Ont. Rebate for Elec Consumers)			
					Current Board Approved Amount	Proposed 2019 Amount	Change in		Current Board Approved Amount	Proposed 2018 Amount	Change in	
Customer Class	RPP or Non-RPP	kWh	kW	Load Factor			\$	%			\$	%
Residential	RPP	750			\$52.99	\$53.57	\$0.58	1.09%	\$123.74	\$124.35	\$0.61	0.49%
Residential - low user (10th percentile)	RPP	286			\$41.15	\$43.79	\$2.65	6.43%	\$69.34	\$72.12	\$2.78	4.01%
General Service <50 kW	RPP	2,000			\$120.24	\$122.04	\$1.80	1.50%	\$307.42	\$309.31	\$1.89	0.61%
General Service 50 - 999 kW	Non-RPP	48,565	128	90%	\$1,304.99	\$1,343.93	\$38.93	2.98%	\$8,141.47	\$8,185.47	\$43.99	0.54%
General Service 1000 - 4999 kW	Non-RPP	819,139	1,647	90%	\$16,814.20	\$17,347.49	\$533.30	3.17%	\$131,444.02	\$132,046.64	\$602.62	0.46%
Unmetered Scattered Load	RPP	302			\$70.93	\$71.59	\$0.66	0.94%	\$109.83	\$110.58	\$0.75	0.68%
Sentinel Lighting	RPP	1,747	5	90%	\$355.25	\$358.71	\$3.47	0.98%	\$571.77	\$575.69	\$3.92	0.68%
Streetlights	Non-RPP	62,212	161	90%	\$2,473.34	\$2,517.60	\$44.26	1.79%	\$11,335.04	\$11,385.05	\$50.01	0.44%

**Assumptions:**  
a) Based on TOU Rates effective Nov 1, 2017 for RPP customer classes  
b) 8% Ont. Rebate for Electricity Customers applied only to Residential and General Service <50kW in the table above  
c) Sentinel Lighting, Unmetered Scattered Load and Street Lights are based on number of connections  
d) Billing Components A, B and C include: Monthly Service Charge, Distribution Volumetric, Rate Riders, Smart Meter Entity Charge (where applicable) and LV charge

## 11.14 Rate Mitigation

Wellington North Power Inc. does not propose any Rate Mitigation in this application because any distribution rate adjustments that have resulted in a bill impact change are within the Board's threshold requirements for all customer rate-classes.

1   **11.15 Conclusion**

2   The annual mechanism adjustment has been applied uniformly across all customer rate classes.  
3   In addition to this adjustment, the residential class is being impacted by the OEB's rate design  
4   policy for residential customers - "*A New Distribution Rate Design for Residential Electricity*  
5   *Customers*"<sup>28</sup>.

6  
7   WNP is not proposing the disposition of deferral and variance accounts due to immaterial  
8   balances. This is as a consequence of the Applicant fully disposing of account balances as at  
9   December 31<sup>st</sup> 2014 as per its Board approved 2016 Cost of Service rate application (EB-2015-  
10   0110).

11   *(For reference: in its 2018 IRM rate application (EB-2017-0082), WNP did not request disposal*  
12   *account balances as at December 31<sup>st</sup> 2016 due to balances not meeting the present disposition*  
13   *threshold of \$0.001 per kWh (debit or credit.))*<sup>29</sup>

14  
15   As noted, WNP is not proposing any rate mitigation measures because, in the Applicant's  
16   opinion, the bill impact change are within the Board's threshold parameters for all customer  
17   rate classes.

18  
19   The bill impact for each rate class is included in Appendix C and references to the 2019 IRM Rate  
20   Generator model in Appendix D.

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<sup>28</sup> Board policy "*A New Distribution Rate Design for Residential Electricity Customers*" (EB-2014-0210), April 2, 2015

<sup>29</sup> Wellington North Power Inc. 2017 IRM application (EB-2016-0110), page 20

## Appendix A: Current Tariff of Rates and Charges

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**Wellington North Power Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2018**  
This schedule supersedes and replaces all previously  
approved schedules of Rates, Charges and Loss Factors

EB-2017-0082

### RESIDENTIAL SERVICE CLASSIFICATION

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

Monthly Service Charge	\$	31.81
Rate Rider for Recovery of Advanced Capital Module (2018) - effective until the effective date of the next cost of service-based rate order	\$	1.47
Smart Metering Entity Charge - effective until December 31, 2022	\$	0.57
Distribution Volumetric Rate	\$/kWh	0.0052
Low Voltage Service Rate	\$/kWh	0.0029
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0066
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0047

### 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	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Issued - March 22, 2018

**Wellington North Power Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2018**  
This schedule supersedes and replaces all previously  
approved schedules of Rates, Charges and Loss Factors

EB-2017-0082

**GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION**

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

Monthly Service Charge	\$	42.63
Rate Rider for Recovery of Advanced Capital Module (2018) - effective until the effective date of the next cost of service-based rate order	\$	1.77
Smart Metering Entity Charge - effective until December 31, 2022	\$	0.57
Distribution Volumetric Rate	\$/kWh	0.0183
Low Voltage Service Rate	\$/kWh	0.0025
Rate Rider for Recovery of Advanced Capital Module (2018) - effective until the effective date of the next cost of service-based rate order	\$/kWh	0.0008
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0061
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0039

**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	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Issued - March 22, 2018



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**Wellington North Power Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2018**  
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EB-2017-0082

**GENERAL SERVICE 50 TO 999 KW SERVICE CLASSIFICATION**

This classification applies to a non residential account whose average monthly maximum demand used for billing purposes is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 1,000 kW. 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**

Monthly Service Charge	\$	282.00
Rate Rider for Recovery of Advanced Capital Module (2018) - effective until the effective date of the next cost of service-based rate order	\$	11.73
Distribution Volumetric Rate	\$/kW	2.6897
Low Voltage Service Rate	\$/kW	0.9952
Rate Rider for Recovery of Advanced Capital Module (2018) - effective until the effective date of the next cost of service-based rate order	\$/kW	0.1118
Retail Transmission Rate - Network Service Rate	\$/kW	2.5275
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.5763

**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	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Issued - March 22, 2018

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3

**Wellington North Power Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2018**  
This schedule supersedes and replaces all previously  
approved schedules of Rates, Charges and Loss Factors

EB-2017-0082

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

This classification applies to a non residential account whose average monthly maximum demand used for billing purposes is equal to or greater than, or is forecast to be equal to or greater than, 1,000 kW but less than 5,000 kW. 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.

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

**MONTHLY RATES AND CHARGES - Delivery Component**

Monthly Service Charge	\$	2,304.80
Rate Rider for Recovery of Advanced Capital Module (2018) - effective until the effective date of the next cost of service-based rate order	\$	95.84
Distribution Volumetric Rate	\$/kW	3.1179
Low Voltage Service Rate	\$/kW	1.0911
Rate Rider for Recovery of Advanced Capital Module (2018) - effective until the effective date of the next cost of service-based rate order	\$/kW	0.1297
Retail Transmission Rate - Network Service Rate	\$/kW	2.6845
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.7282

**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	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Issued - March 22, 2018

**Wellington North Power Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2018**  
This schedule supersedes and replaces all previously  
approved schedules of Rates, Charges and Loss Factors

EB-2017-0082

**UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION**

This classification applies to an account whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. Such connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, decorative street lighting, billboards, etc. The level of the consumption will be agreed to by the distributor and the customer, based on detailed manufacturer information/documentation with regard to electrical consumption of the unmetered load or periodic monitoring of actual consumption. 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**

Monthly Service Charge	\$	28.96
Rate Rider for Recovery of Advanced Capital Module (2018) - effective until the effective date of the next cost of service-based rate order	\$	1.20
Distribution Volumetric Rate	\$/kWh	0.0159
Low Voltage Service Rate	\$/kWh	0.0025
Rate Rider for Recovery of Advanced Capital Module (2018) - effective until the effective date of the next cost of service-based rate order	\$/kWh	0.0007
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0061
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0039

**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	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Issued - March 22, 2018

**Wellington North Power Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2018**  
This schedule supersedes and replaces all previously  
approved schedules of Rates, Charges and Loss Factors

EB-2017-0082

**SENTINEL LIGHTING SERVICE CLASSIFICATION**

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

Monthly Service Charge (per connection)	\$	7.55
Rate Rider for Recovery of Advanced Capital Module (2018) - effective until the effective date of the next cost of service-based rate order	\$	0.31
Distribution Volumetric Rate	\$/kW	27.9078
Low Voltage Service Rate	\$/kW	0.7856
Rate Rider for Recovery of Advanced Capital Module (2018) - effective until the effective date of the next cost of service-based rate order	\$/kW	1.1605
Retail Transmission Rate - Network Service Rate	\$/kW	1.9157
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.2442

**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	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Issued - March 22, 2018



**Wellington North Power Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2018**  
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EB-2017-0082

**STREET LIGHTING SERVICE CLASSIFICATION**

This classification refers to accounts for roadway lighting with a Municipality, Regional Municipality, and Ministry of Transportation. The consumption for these customers will be based on the calculated connected load times the required lighting times established in the approved Ontario Energy Board street lighting load shape template. 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**

Monthly Service Charge (per connection)	\$	1.63
Rate Rider for Recovery of Advanced Capital Module (2018) - effective until the effective date of the next cost of service-based rate order	\$	0.07
Distribution Volumetric Rate	\$/kW	1.8054
Low Voltage Service Rate	\$/kW	0.7695
Rate Rider for Recovery of Advanced Capital Module (2018) - effective until the effective date of the next cost of service-based rate order	\$/kW	0.0751
Retail Transmission Rate - Network Service Rate	\$/kW	1.9060
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.2188

**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	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Issued - March 22, 2018

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EB-2017-0082

**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.

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**MONTHLY RATES AND CHARGES - Delivery Component**

Monthly Service Charge	\$	15.69
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**ALLOWANCES**

Transformer Allowance for Ownership - per kW of billing demand/month	\$/kW	(0.60)
Primary Metering Allowance for Transformer Losses - applied to measured demand & energy	%	(1.00)

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EB-2017-0082

**SPECIFIC SERVICE CHARGES**

**APPLICATION**

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**Customer Administration**

Notification charge	\$	15.00
Account history	\$	15.00
Returned cheque (plus bank charges)	\$	15.00
Legal letter charge	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Special meter reads	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00

**Non-Payment of Account**

Late payment - per month	%	1.50
Late payment - per annum	%	19.56
Collection of account charge - no disconnection - during regular business hours	\$	30.00
Disconnect/reconnect at meter - during regular hours	\$	65.00
Disconnect/reconnect at meter - after regular hours	\$	185.00
Disconnect/reconnect at pole - during regular hours	\$	185.00
Disconnect/reconnect at pole - after regular hours	\$	415.00
Install/remove load control device - during regular hours	\$	65.00

**Other**

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

Issued - March 22, 2018

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EB-2017-0082

**RETAIL SERVICE CHARGES (if applicable)**

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

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Retail Service Charges refer to services provided by a distributor to retailers or customers related to the supply of competitive electricity.

One-time charge, per retailer, to establish the service agreement between the distributor and the retailer	\$	100.00
Monthly fixed charge, per retailer	\$	20.00
Monthly variable charge, per customer, per retailer	\$/cust.	0.50
Distributor-consolidated billing monthly charge, per customer, per retailer	\$/cust.	0.30
Retailer-consolidated billing monthly credit, per customer, per retailer	\$/cust.	(0.30)
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	\$	0.25
Processing fee, per request, applied to the requesting party	\$	0.50
Request for customer information as outlined in Section 10.6.3 and Chapter 11 of the Retail Settlement Code directly to retailers and customers, if not delivered electronically through the Electronic Business Transaction (EBT) system, applied to the requesting party		
Up to twice a year	\$	no charge
More than twice a year, per request (plus incremental delivery costs)	\$	2.00

**LOSS FACTORS**

If the distributor is not capable of prorating changed loss factors jointly with distribution rates, the revised loss factors will be implemented upon the first subsequent billing for each billing cycle.

Total Loss Factor - Secondary Metered Customer < 5,000 kW	1.0856
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0549



## 1 Appendix B: 2019 Proposed Tariff of Rates and Charges

### Wellington North Power Inc.

#### TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2019

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

EB-2018-0076

#### RESIDENTIAL SERVICE CLASSIFICATION

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

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#### MONTHLY RATES AND CHARGES - Delivery Component

Monthly Service Charge	\$	35.73
Rate Rider for Recovery of Advanced Capital Module (2018) - effective until the effective date of the next cost of service-based rate order	\$	1.47
Smart Metering Entity Charge - effective until December 31, 2022	\$	0.57
Low Voltage Service Rate	\$/kWh	0.0029
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0068
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	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

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**Wellington North Power Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2019**  
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EB-2018-0076

**GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION**

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

Monthly Service Charge	\$	42.95
Rate Rider for Recovery of Advanced Capital Module (2018) - effective until the effective date of the next cost of service-based rate order	\$	1.77
Smart Metering Entity Charge - effective until December 31, 2022	\$	0.57
Distribution Volumetric Rate	\$/kWh	0.0184
Low Voltage Service Rate	\$/kWh	0.0025
Rate Rider for Recovery of Advanced Capital Module (2018) - effective until the effective date of the next cost of service-based rate order	\$/kWh	0.0008
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0063
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0043

**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	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

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**Wellington North Power Inc.**  
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EB-2018-0076

**GENERAL SERVICE 50 TO 999 KW SERVICE CLASSIFICATION**

This classification applies to a non residential account whose average monthly maximum demand used for billing purposes is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 1,000 kW. 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**

Monthly Service Charge	\$	284.12
Rate Rider for Recovery of Advanced Capital Module (2018) - effective until the effective date of the next cost of service-based rate order	\$	11.73
Distribution Volumetric Rate	\$/kW	2.7099
Low Voltage Service Rate	\$/kW	0.9952
Rate Rider for Recovery of Advanced Capital Module (2018) - effective until the effective date of the next cost of service-based rate order	\$/kW	0.1118
Retail Transmission Rate - Network Service Rate	\$/kW	2.6230
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.7482

**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	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

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1

**TARIFF OF RATES AND CHARGES**  
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EB-2018-0076

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

This classification applies to a non residential account whose average monthly maximum demand used for billing purposes is equal to or greater than, or is forecast to be equal to or greater than, 1,000 kW but less than 5,000 kW. 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.

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**MONTHLY RATES AND CHARGES - Delivery Component**

Monthly Service Charge	\$	2,322.09
Rate Rider for Recovery of Advanced Capital Module (2018) - effective until the effective date of the next cost of service-based rate order	\$	95.84
Distribution Volumetric Rate	\$/kW	3.1413
Low Voltage Service Rate	\$/kW	1.0911
Rate Rider for Recovery of Advanced Capital Module (2018) - effective until the effective date of the next cost of service-based rate order	\$/kW	0.1297
Retail Transmission Rate - Network Service Rate	\$/kW	2.7859
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.9167

**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	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

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3



1

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**UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION**

This classification applies to an account whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. Such connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, decorative street lighting, billboards, etc. The level of the consumption will be agreed to by the distributor and the customer, based on detailed manufacturer information/documentation with regard to electrical consumption of the unmetered load or periodic monitoring of actual consumption. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

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**MONTHLY RATES AND CHARGES - Delivery Component**

Monthly Service Charge	\$	29.18
Rate Rider for Recovery of Advanced Capital Module (2018) - effective until the effective date of the next cost of service-based rate order	\$	1.20
Distribution Volumetric Rate	\$/kWh	0.0160
Low Voltage Service Rate	\$/kWh	0.0025
Rate Rider for Recovery of Advanced Capital Module (2018) - effective until the effective date of the next cost of service-based rate order	\$/kWh	0.0007
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0063
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0043

**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	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

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EB-2018-0076

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**APPLICATION**

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Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

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

**MONTHLY RATES AND CHARGES - Delivery Component**

Monthly Service Charge (per connection)	\$	7.61
Rate Rider for Recovery of Advanced Capital Module (2018) - effective until the effective date of the next cost of service-based rate order	\$	0.31
Distribution Volumetric Rate	\$/kW	28.1171
Low Voltage Service Rate	\$/kW	0.7856
Rate Rider for Recovery of Advanced Capital Module (2018) - effective until the effective date of the next cost of service-based rate order	\$/kW	1.1605
Retail Transmission Rate - Network Service Rate	\$/kW	1.9880
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.3798

**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	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

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1

**Wellington North Power Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2019**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2018-0076

**STREET LIGHTING SERVICE CLASSIFICATION**

This classification refers to accounts for roadway lighting with a Municipality, Regional Municipality, and Ministry of Transportation. The consumption for these customers will be based on the calculated connected load times the required lighting times established in the approved Ontario Energy Board street lighting load shape template. 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**

Monthly Service Charge (per connection)	\$	1.64
Rate Rider for Recovery of Advanced Capital Module (2018) - effective until the effective date of the next cost of service-based rate order	\$	0.07
Distribution Volumetric Rate	\$/kW	1.8189
Low Voltage Service Rate	\$/kW	0.7695
Rate Rider for Recovery of Advanced Capital Module (2018) - effective until the effective date of the next cost of service-based rate order	\$/kW	0.0751
Retail Transmission Rate - Network Service Rate	\$/kW	1.9780
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.3518

**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	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

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1

**Wellington North Power Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2019**  
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EB-2018-0076

**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 a wholesale market price, as applicable.

It should be noted that this schedule does 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 HST.

**MONTHLY RATES AND CHARGES - Delivery Component**

Monthly Service Charge	\$	15.69
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<p align="center"><b>Wellington North Power Inc.</b>  <b>TARIFF OF RATES AND CHARGES</b>  <b>Effective and Implementation Date May 1, 2019</b>  <b>This schedule supersedes and replaces all previously</b>  <b>approved schedules of Rates, Charges and Loss Factors</b></p>		
		<b>EB-2018-0076</b>
<b>ALLOWANCES</b>		
Transformer Allowance for Ownership - per kW of billing demand/month	\$/kW	(0.60)
Primary Metering Allowance for Transformer Losses - applied to measured demand & energy	%	(1.00)
<b>SPECIFIC SERVICE CHARGES</b>		
<b>APPLICATION</b>		
<p>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.</p> <p>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.</p> <p>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.</p>		
<b>Customer Administration</b>		
Notification charge	\$	15.00
Account history	\$	15.00
Returned cheque (plus bank charges)	\$	15.00
Legal letter charge	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Special meter reads	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00
<b>Non-Payment of Account</b>		
Late payment - per month	%	1.50
Late payment - per annum	%	19.56
Collection of account charge - no disconnection - during regular business hours	\$	30.00
Disconnect/reconnect at meter - during regular hours	\$	65.00
Disconnect/reconnect at meter - after regular hours	\$	185.00
Disconnect/reconnect at pole - during regular hours	\$	185.00
Disconnect/reconnect at pole - after regular hours	\$	415.00
Install/remove load control device - during regular hours	\$	65.00
<b>Other</b>		
Interval meter load management tool charge \$/month	\$	50.00
Service call - customer owned equipment	\$	30.00
Service call - customer-owned equipment - after regular hours	\$	165.00
Temporary service - install & remove - overhead - no transformer	\$	500.00
Specific charge for access to the power poles - \$/pole/year (with the exception of wireless attachments)	\$	22.35

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<p align="center"><b>Wellington North Power Inc.</b>  <b>TARIFF OF RATES AND CHARGES</b>  <b>Effective and Implementation Date May 1, 2019</b>  <b>This schedule supersedes and replaces all previously</b>  <b>approved schedules of Rates, Charges and Loss Factors</b></p> <p align="right"><b>EB-2018-0076</b></p>		
<b>RETAIL SERVICE CHARGES (if applicable)</b>		
<p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>Retail Service Charges refer to services provided by a distributor to retailers or customers related to the supply of competitive electricity.</p>		
One-time charge, per retailer, to establish the service agreement between the distributor and the retailer	\$	100.00
Monthly fixed charge, per retailer	\$	20.00
Monthly variable charge, per customer, per retailer	\$/cust.	0.50
Distributor-consolidated billing monthly charge, per customer, per retailer	\$/cust.	0.30
Retailer-consolidated billing monthly credit, per customer, per retailer	\$/cust.	(0.30)
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	\$	0.25
Processing fee, per request, applied to the requesting party	\$	0.50
Request for customer information as outlined in Section 10.6.3 and Chapter 11 of the Retail Settlement Code directly to retailers and customers, if not delivered electronically through the Electronic Business Transaction (EBT) system, applied to the requesting party		
Up to twice a year	\$	no charge
More than twice a year, per request (plus incremental delivery costs)	\$	2.00
<b>LOSS FACTORS</b>		
<p>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.</p>		
Total Loss Factor - Secondary Metered Customer < 5,000 kW		1.0656
Total Loss Factor - Primary Metered Customer < 5,000 kW		1.0549

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## Appendix C: Bill Impacts

### Current vs Proposed Rates

Wellington North Power Inc. has completed the 2019 IRM model in accordance with the Ontario Energy Board's "Filing Requirements".<sup>30</sup> The service and rate classifications, together with the associated electricity distribution rates included in the 2019 IRM models, are those approved by the Board in WNP's 2018 IRM rate application (EB-2017-0082).

The table below summarizes the effects of the rate adjustments and overall bill impacts proposed in this application for the default customer profile in each customer rate class for RPP and non-RPP pricing:

### Total Bill Impact

					Sub-Totals of Bill Components A + B + C				Total Bill (including HST and 8% Ont. Rebate for Elec Consumers)			
Customer Class	RPP or Non-RPP	kWh	kW	Load Factor	Current Board	Proposed 2019	Change in		Current Board	Proposed 2018	Change in	
					Approved Amount	Amount	\$	%	Approved Amount	Amount	\$	%
Residential	RPP	750			\$52.99	\$53.57	\$0.58	1.09%	\$123.74	\$124.35	\$0.61	0.49%
Residential - low user (10th percentile)	RPP	286			\$41.15	\$43.79	\$2.65	6.43%	\$69.34	\$72.12	\$2.78	4.01%
General Service <50 kW	RPP	2,000			\$120.24	\$122.04	\$1.80	1.50%	\$307.42	\$309.31	\$1.89	0.61%
General Service 50 - 999 kW	Non-RPP	48,565	128	90%	\$1,304.99	\$1,343.93	\$38.93	2.98%	\$8,141.47	\$8,185.47	\$43.99	0.54%
General Service 1000 - 4999 kW	Non-RPP	819,139	1,647	90%	\$16,814.20	\$17,347.49	\$533.30	3.17%	\$131,444.02	\$132,046.64	\$602.62	0.46%
Unmetered Scattered Load	RPP	302			\$70.93	\$71.59	\$0.66	0.94%	\$109.83	\$110.58	\$0.75	0.68%
Sentinel Lighting	RPP	1,747	5	90%	\$355.25	\$358.71	\$3.47	0.98%	\$571.77	\$575.69	\$3.92	0.68%
Streetlights	Non-RPP	62,212	161	90%	\$2,473.34	\$2,517.60	\$44.26	1.79%	\$11,335.04	\$11,385.05	\$50.01	0.44%
<b>Assumptions:</b>												
a) Based on TOU Rates effective Nov 1, 2017 for RPP customer classes												
b) 8% Ont. Rebate for Electricity Customers applied only to Residential and General Service <50kW in the table above												
c) Sentinel Lighting, Unmetered Scattered Load and Street Lights are based on number of connections												
d) Billing Components A, B and C include: Monthly Service Charge, Distribution Volumetric, Rate Riders, Smart Meter Entity Charge (where applicable) and LV charge												

The tables on the following pages illustrate the bill impact for all WNP's customer rate classes.

<sup>30</sup> "OEB Filing requirements for Electricity Distribution Rate Applications – 2018 Edition for 2019 Rate Applications – Chapter 3 Rate-Setting Applications", July 12, 2018

## Current vs Proposed Rates – Residential Customer

The Rates and Charges in the table below are based on the output from the 2019 IRM Rate Generator model for a Residential RPP customer with a monthly consumption of 750 kWh.

Customer Class: <b>RESIDENTIAL SERVICE CLASSIFICATION</b>									
RPP / Non-RPP: <b>RPP</b>									
Consumption: <b>750</b> kWh									
Demand: <b>-</b> kW									
Current Loss Factor: <b>1.0656</b>									
Proposed/Approved Loss Factor: <b>1.0656</b>									
	Current OEB-Approved			Proposed			Impact		
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change	
Monthly Service Charge	\$ 31.81	1	\$ 31.81	\$ 35.73	1	\$ 35.73	\$ 3.92	12.32%	
Distribution Volumetric Rate	\$ 0.0052	750	\$ 3.90	\$ -	750	\$ -	\$ (3.90)	-100.00%	
Fixed Rate Riders	\$ 1.47	1	\$ 1.47	\$ 1.47	1	\$ 1.47	\$ -	0.00%	
Volumetric Rate Riders	\$ -	750	\$ -	\$ -	750	\$ -	\$ -	0.00%	
<b>Sub-Total A (excluding pass through)</b>			\$ 37.18			\$ 37.20	\$ 0.02	0.05%	
Line Losses on Cost of Power	\$ 0.0820	49	\$ 4.03	\$ 0.0820	49	\$ 4.03	\$ -	0.00%	
Total Deferral/Variance Account Rate Riders	\$ -	750	\$ -	\$ -	750	\$ -	\$ -	0.00%	
CBR Class B Rate Riders	\$ -	750	\$ -	\$ -	750	\$ -	\$ -	0.00%	
GA Rate Riders	\$ -	750	\$ -	\$ -	750	\$ -	\$ -	0.00%	
Low Voltage Service Charge	\$ 0.0029	750	\$ 2.18	\$ 0.0029	750	\$ 2.18	\$ -	0.00%	
Smart Meter Entity Charge (if applicable)	\$ 0.57	1	\$ 0.57	\$ 0.57	1	\$ 0.57	\$ -	0.00%	
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	0.00%	
Additional Volumetric Rate Riders	\$ -	750	\$ -	\$ -	750	\$ -	\$ -	0.00%	
<b>Sub-Total B - Distribution (includes Sub-Total A)</b>			\$ 43.96			\$ 43.98	\$ 0.02	0.05%	
RTSR - Network	\$ 0.0066	799	\$ 5.27	\$ 0.0068	799	\$ 5.43	\$ 0.16	3.03%	
RTSR - Connection and/or Line and Transformation Connection	\$ 0.0047	799	\$ 3.76	\$ 0.0052	799	\$ 4.16	\$ 0.40	10.64%	
<b>Sub-Total C - Delivery (including Sub-Total B)</b>			\$ 52.99			\$ 53.57	\$ 0.58	1.09%	
Wholesale Market Service Charge (WMSC)	\$ 0.0036	799	\$ 2.88	\$ 0.0036	799	\$ 2.88	\$ -	0.00%	
Rural and Remote Rate Protection (RRRP)	\$ 0.0003	799	\$ 0.24	\$ 0.0003	799	\$ 0.24	\$ -	0.00%	
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%	
TOU - Off Peak	\$ 0.0650	488	\$ 31.69	\$ 0.0650	488	\$ 31.69	\$ -	0.00%	
TOU - Mid Peak	\$ 0.0940	128	\$ 11.99	\$ 0.0940	128	\$ 11.99	\$ -	0.00%	
TOU - On Peak	\$ 0.1320	135	\$ 17.82	\$ 0.1320	135	\$ 17.82	\$ -	0.00%	
<b>Total Bill on TOU (before Taxes)</b>			\$ 117.85			\$ 118.43	\$ 0.58	0.49%	
HST	13%		\$ 15.32	13%		\$ 15.40	\$ 0.08	0.49%	
8% Rebate	8%		\$ (9.43)	8%		\$ (9.47)	\$ (0.05)		
<b>Total Bill on TOU</b>			\$ 123.74			\$ 124.35	\$ 0.61	0.49%	

## Current vs Proposed Rates – Residential Customer: Low User

The Rates and Charges in the table below are based on the output from the 2019 IRM Rate Generator model a Residential low-energy user RPP customer with a monthly consumption of 286 kWh.

Customer Class: <b>RESIDENTIAL SERVICE CLASSIFICATION</b>									
RPP / Non-RPP: <b>RPP</b>									
Consumption	286	kWh							
Demand	-	kW							
Current Loss Factor	1.0656								
Proposed/Approved Loss Factor	1.0656								
	Current OEB-Approved			Proposed			Impact		
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change	
Monthly Service Charge	\$ 31.81	1	\$ 31.81	\$ 35.73	1	\$ 35.73	\$ 3.92	12.32%	
Distribution Volumetric Rate	\$ 0.0052	286	\$ 1.49	\$ -	286	\$ -	\$ (1.49)	-100.00%	
Fixed Rate Riders	\$ 1.47	1	\$ 1.47	\$ 1.47	1	\$ 1.47	\$ -	0.00%	
Volumetric Rate Riders	\$ -	286	\$ -	\$ -	286	\$ -	\$ -	0.00%	
<b>Sub-Total A (excluding pass through)</b>			<b>\$ 34.77</b>			<b>\$ 37.20</b>	<b>\$ 2.43</b>	<b>7.00%</b>	
Line Losses on Cost of Power	\$ 0.0820	19	\$ 1.54	\$ 0.0820	19	\$ 1.54	\$ -	0.00%	
Total Deferral/Variance Account Rate Riders	\$ -	286	\$ -	\$ -	286	\$ -	\$ -		
CBR Class B Rate Riders	\$ -	286	\$ -	\$ -	286	\$ -	\$ -		
GA Rate Riders	\$ -	286	\$ -	\$ -	286	\$ -	\$ -		
Low Voltage Service Charge	\$ 0.0029	286	\$ 0.83	\$ 0.0029	286	\$ 0.83	\$ -	0.00%	
Smart Meter Entity Charge (if applicable)	\$ 0.57	1	\$ 0.57	\$ 0.57	1	\$ 0.57	\$ -	0.00%	
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -		
Additional Volumetric Rate Riders		286	\$ -	\$ -	286	\$ -	\$ -		
<b>Sub-Total B - Distribution (includes Sub-Total A)</b>			<b>\$ 37.70</b>			<b>\$ 40.14</b>	<b>\$ 2.43</b>	<b>6.45%</b>	
RTSR - Network	\$ 0.0066	305	\$ 2.01	\$ 0.0068	305	\$ 2.07	\$ 0.06	3.03%	
RTSR - Connection and/or Line and Transformation Connection	\$ 0.0047	305	\$ 1.43	\$ 0.0052	305	\$ 1.58	\$ 0.15	10.64%	
<b>Sub-Total C - Delivery (including Sub-Total B)</b>			<b>\$ 41.15</b>			<b>\$ 43.79</b>	<b>\$ 2.65</b>	<b>6.43%</b>	
Wholesale Market Service Charge (WMSC)	\$ 0.0036	305	\$ 1.10	\$ 0.0036	305	\$ 1.10	\$ -	0.00%	
Rural and Remote Rate Protection (RRRP)	\$ 0.0003	305	\$ 0.09	\$ 0.0003	305	\$ 0.09	\$ -	0.00%	
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%	
TOU - Off Peak	\$ 0.0650	186	\$ 12.08	\$ 0.0650	186	\$ 12.08	\$ -	0.00%	
TOU - Mid Peak	\$ 0.0940	49	\$ 4.57	\$ 0.0940	49	\$ 4.57	\$ -	0.00%	
TOU - On Peak	\$ 0.1320	51	\$ 6.80	\$ 0.1320	51	\$ 6.80	\$ -	0.00%	
<b>Total Bill on TOU (before Taxes)</b>			<b>\$ 66.04</b>			<b>\$ 68.68</b>	<b>\$ 2.65</b>	<b>4.01%</b>	
HST	13%		\$ 8.58	13%		\$ 8.93	\$ 0.34	4.01%	
8% Rebate	8%		\$ (5.28)	8%		\$ (5.49)	\$ (0.21)		
<b>Total Bill on TOU</b>			<b>\$ 69.34</b>			<b>\$ 72.12</b>	<b>\$ 2.78</b>	<b>4.01%</b>	

## Current vs Proposed Rates – General Service <50kW Customer

The Rates and Charges in the table below are based upon the output from the 2019 IRM Rate Generator model for a General Service <50kW RPP customer with a monthly consumption of 2,000 kWh.

Customer Class: <b>GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION</b>									
RPP / Non-RPP: <b>RPP</b>									
Consumption	2,000	kWh							
Demand	-	kW							
Current Loss Factor	1.0656								
Proposed/Approved Loss Factor	1.0656								
	Current OEB-Approved			Proposed			Impact		
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change	
Monthly Service Charge	\$ 42.63	1	\$ 42.63	\$ 42.95	1	\$ 42.95	\$ 0.32	0.75%	
Distribution Volumetric Rate	\$ 0.0183	2000	\$ 36.60	\$ 0.0184	2000	\$ 36.80	\$ 0.20	0.55%	
Fixed Rate Riders	\$ 1.77	1	\$ 1.77	\$ 1.77	1	\$ 1.77	\$ -	0.00%	
Volumetric Rate Riders	\$ 0.0008	2000	\$ 1.60	\$ 0.0008	2000	\$ 1.60	\$ -	0.00%	
<b>Sub-Total A (excluding pass through)</b>			<b>\$ 82.60</b>			<b>\$ 83.12</b>	<b>\$ 0.52</b>	<b>0.63%</b>	
Line Losses on Cost of Power	\$ 0.0820	131	\$ 10.76	\$ 0.0820	131	\$ 10.76	\$ -	0.00%	
Total Deferral/Variance Account Rate Riders	\$ -	2,000	\$ -	\$ -	2,000	\$ -	\$ -		
CBR Class B Rate Riders	\$ -	2,000	\$ -	\$ -	2,000	\$ -	\$ -		
GA Rate Riders	\$ -	2,000	\$ -	\$ -	2,000	\$ -	\$ -		
Low Voltage Service Charge	\$ 0.0025	2,000	\$ 5.00	\$ 0.0025	2,000	\$ 5.00	\$ -	0.00%	
Smart Meter Entity Charge (if applicable)	\$ 0.57	1	\$ 0.57	\$ 0.57	1	\$ 0.57	\$ -	0.00%	
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -		
Additional Volumetric Rate Riders		2,000	\$ -	\$ -	2,000	\$ -	\$ -		
<b>Sub-Total B - Distribution (includes Sub-Total A)</b>			<b>\$ 98.93</b>			<b>\$ 99.45</b>	<b>\$ 0.52</b>	<b>0.53%</b>	
RTSR - Network	\$ 0.0061	2,131	\$ 13.00	\$ 0.0063	2,131	\$ 13.43	\$ 0.43	3.28%	
RTSR - Connection and/or Line and Transformation Connection	\$ 0.0039	2,131	\$ 8.31	\$ 0.0043	2,131	\$ 9.16	\$ 0.85	10.26%	
<b>Sub-Total C - Delivery (including Sub-Total B)</b>			<b>\$ 120.24</b>			<b>\$ 122.04</b>	<b>\$ 1.80</b>	<b>1.50%</b>	
Wholesale Market Service Charge (WMSC)	\$ 0.0036	2,131	\$ 7.67	\$ 0.0036	2,131	\$ 7.67	\$ -	0.00%	
Rural and Remote Rate Protection (RRRP)	\$ 0.0003	2,131	\$ 0.64	\$ 0.0003	2,131	\$ 0.64	\$ -	0.00%	
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%	
TOU - Off Peak	\$ 0.0650	1,300	\$ 84.50	\$ 0.0650	1,300	\$ 84.50	\$ -	0.00%	
TOU - Mid Peak	\$ 0.0940	340	\$ 31.96	\$ 0.0940	340	\$ 31.96	\$ -	0.00%	
TOU - On Peak	\$ 0.1320	360	\$ 47.52	\$ 0.1320	360	\$ 47.52	\$ -	0.00%	
<b>Total Bill on TOU (before Taxes)</b>			<b>\$ 292.78</b>			<b>\$ 294.58</b>	<b>\$ 1.80</b>	<b>0.61%</b>	
HST	13%		\$ 38.06	13%		\$ 38.30	\$ 0.23	0.61%	
8% Rebate	8%		\$ (23.42)	8%		\$ (23.57)	\$ (0.14)		
<b>Total Bill on TOU</b>			<b>\$ 307.42</b>			<b>\$ 309.31</b>	<b>\$ 1.89</b>	<b>0.61%</b>	

## Current vs Proposed Rates – General Service 50 – 999 kW Customer

The Rates and Charges in the table below are based on the output from the 2019 IRM Rate Generator model for a General Service 50-999 kW non-RPP customer with a monthly demand of 128 kW.

Customer Class: <b>GENERAL SERVICE 50 TO 999 KW SERVICE CLASSIFICATION</b>									
RPP / Non-RPP: <b>Non-RPP (Other)</b>									
Consumption: <b>48,565 kWh</b>									
Demand: <b>128 kW</b>									
Current Loss Factor: <b>1.0656</b>									
Proposed/Approved Loss Factor: <b>1.0656</b>									
	Current OEB-Approved			Proposed			Impact		
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change	
Monthly Service Charge	\$ 282.00	1	\$ 282.00	\$ 284.12	1	\$ 284.12	\$ 2.12	0.75%	
Distribution Volumetric Rate	\$ 2.6897	128	\$ 344.28	\$ 2.7099	128	\$ 346.87	\$ 2.59	0.75%	
Fixed Rate Riders	\$ 11.73	1	\$ 11.73	\$ 11.73	1	\$ 11.73	\$ -	0.00%	
Volumetric Rate Riders	\$ 0.1118	128	\$ 14.31	\$ 0.1118	128	\$ 14.31	\$ -	0.00%	
<b>Sub-Total A (excluding pass through)</b>			<b>\$ 652.32</b>			<b>\$ 657.03</b>	<b>\$ 4.71</b>	<b>0.72%</b>	
Line Losses on Cost of Power	\$ -	-	\$ -	\$ -	-	\$ -	\$ -		
Total Deferral/Variance Account Rate Riders	\$ -	128	\$ -	\$ -	128	\$ -	\$ -		
CBR Class B Rate Riders	\$ -	128	\$ -	\$ -	128	\$ -	\$ -		
GA Rate Riders	\$ -	48,565	\$ -	\$ -	48,565	\$ -	\$ -		
Low Voltage Service Charge	\$ 0.9952	128	\$ 127.39	\$ 0.9952	128	\$ 127.39	\$ -	0.00%	
Smart Meter Entity Charge (if applicable)	\$ -	1	\$ -	\$ -	1	\$ -	\$ -		
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -		
Additional Volumetric Rate Riders	\$ -	128	\$ -	\$ -	128	\$ -	\$ -		
<b>Sub-Total B - Distribution (includes Sub-Total A)</b>			<b>\$ 779.71</b>			<b>\$ 784.41</b>	<b>\$ 4.71</b>	<b>0.60%</b>	
RTSR - Network	\$ 2.5275	128	\$ 323.52	\$ 2.6230	128	\$ 335.74	\$ 12.22	3.78%	
RTSR - Connection and/or Line and Transformation Connection	\$ 1.5763	128	\$ 201.77	\$ 1.7482	128	\$ 223.77	\$ 22.00	10.91%	
<b>Sub-Total C - Delivery (including Sub-Total B)</b>			<b>\$ 1,304.99</b>			<b>\$ 1,343.93</b>	<b>\$ 38.93</b>	<b>2.98%</b>	
Wholesale Market Service Charge (WMS)	\$ 0.0036	51,751	\$ 186.30	\$ 0.0036	51,751	\$ 186.30	\$ -	0.00%	
Rural and Remote Rate Protection (RRRP)	\$ 0.0003	51,751	\$ 15.53	\$ 0.0003	51,751	\$ 15.53	\$ -	0.00%	
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%	
Average IESO Wholesale Market Price	\$ 0.1101	51,751	\$ 5,697.77	\$ 0.1101	51,751	\$ 5,697.77	\$ -	0.00%	
<b>Total Bill on Average IESO Wholesale Market Price</b>			<b>\$ 7,204.84</b>			<b>\$ 7,243.78</b>	<b>\$ 38.93</b>	<b>0.54%</b>	
HST	13%		\$ 936.63	13%		\$ 941.69	\$ 5.06	0.54%	
<b>Total Bill on Average IESO Wholesale Market Price</b>			<b>\$ 8,141.47</b>			<b>\$ 8,185.47</b>	<b>\$ 43.99</b>	<b>0.54%</b>	



## Current vs Proposed Rates – General Service 1000 –4 999 kW Customer

The Rates and Charges in the table below are based on the output from the 2019 IRM Rate Generator model for a General Service 1000 – 4999 kW non-RPP customer with a monthly demand of 1,647 kW.

Customer Class: <b>GENERAL SERVICE 1,000 TO 4,999 KW SERVICE CLASSIFICATION</b>									
RPP / Non-RPP: <b>Non-RPP (Other)</b>									
Consumption: <b>819,139 kWh</b>									
Demand: <b>1,647 kW</b>									
Current Loss Factor: <b>1.0656</b>									
Proposed/Approved Loss Factor: <b>1.0656</b>									
	Current OEB-Approved			Proposed			Impact		
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change	
Monthly Service Charge	\$ 2,304.80	1	\$ 2,304.80	\$ 2,322.09	1	\$ 2,322.09	\$ 17.29	0.75%	
Distribution Volumetric Rate	\$ 3.1179	1647	\$ 5,135.18	\$ 3.1413	1647	\$ 5,173.72	\$ 38.54	0.75%	
Fixed Rate Riders	\$ 95.84	1	\$ 95.84	\$ 95.84	1	\$ 95.84	\$ -	0.00%	
Volumetric Rate Riders	\$ 0.1297	1647	\$ 213.62	\$ 0.1297	1647	\$ 213.62	\$ -	0.00%	
<b>Sub-Total A (excluding pass through)</b>			<b>\$ 7,749.44</b>			<b>\$ 7,805.27</b>	<b>\$ 55.83</b>	<b>0.72%</b>	
Line Losses on Cost of Power	\$ -	-	\$ -	\$ -	-	\$ -	\$ -		
Total Deferral/Variance Account Rate Riders	\$ -	1,647	\$ -	\$ -	1,647	\$ -	\$ -		
CBR Class B Rate Riders	\$ -	1,647	\$ -	\$ -	1,647	\$ -	\$ -		
GA Rate Riders	\$ -	819,139	\$ -	\$ -	819,139	\$ -	\$ -		
Low Voltage Service Charge	\$ 1.0911	1,647	\$ 1,797.04	\$ 1.0911	1,647	\$ 1,797.04	\$ -	0.00%	
Smart Meter Entity Charge (if applicable)	\$ -	1	\$ -	\$ -	1	\$ -	\$ -		
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -		
Additional Volumetric Rate Riders	\$ -	1,647	\$ -	\$ -	1,647	\$ -	\$ -		
<b>Sub-Total B - Distribution (includes Sub-Total A)</b>			<b>\$ 9,546.48</b>			<b>\$ 9,602.31</b>	<b>\$ 55.83</b>	<b>0.58%</b>	
RTSR - Network	\$ 2.6845	1,647	\$ 4,421.37	\$ 2.7859	1,647	\$ 4,588.38	\$ 167.01	3.78%	
RTSR - Connection and/or Line and Transformation Connection	\$ 1.7282	1,647	\$ 2,846.35	\$ 1.9167	1,647	\$ 3,156.80	\$ 310.46	10.91%	
<b>Sub-Total C - Delivery (including Sub-Total B)</b>			<b>\$ 16,814.20</b>			<b>\$ 17,347.49</b>	<b>\$ 533.30</b>	<b>3.17%</b>	
Wholesale Market Service Charge (WMSC)	\$ 0.0036	872,875	\$ 3,142.35	\$ 0.0036	872,875	\$ 3,142.35	\$ -	0.00%	
Rural and Remote Rate Protection (RRRP)	\$ 0.0003	872,875	\$ 261.86	\$ 0.0003	872,875	\$ 261.86	\$ -	0.00%	
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%	
Average IESO Wholesale Market Price	\$ 0.1101	872,875	\$ 96,103.48	\$ 0.1101	872,875	\$ 96,103.48	\$ -	0.00%	
<b>Total Bill on Average IESO Wholesale Market Price</b>			<b>\$ 116,322.14</b>			<b>\$ 116,855.44</b>	<b>\$ 533.30</b>	<b>0.46%</b>	
HST	13%		\$ 15,121.88	13%		\$ 15,191.21	\$ 69.33	0.46%	
<b>Total Bill on Average IESO Wholesale Market Price</b>			<b>\$ 131,444.02</b>			<b>\$ 132,046.64</b>	<b>\$ 602.62</b>	<b>0.46%</b>	



## Current vs Proposed Rates – Unmetered Scattered Load Connection

The Rates and Charges in the table below are based on the output from the 2019 IRM Rate Generator model for an Unmetered Scattered Load RPP Connection with a monthly consumption of 302 kWh.

Customer Class: <b>UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION</b>									
RPP / Non-RPP: <b>RPP</b>									
Consumption	302	kWh							
Demand	-	kW							
Current Loss Factor	1.0656								
Proposed/Approved Loss Factor	1.0656								
	Current OEB-Approved			Charge (\$)	Proposed			Impact	
	Rate (\$)	Volume			Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 28.96	2	\$	57.92	\$ 29.18	2	\$ 58.36	\$ 0.44	0.76%
Distribution Volumetric Rate	\$ 0.0159	302	\$	4.80	\$ 0.0160	302	\$ 4.83	\$ 0.03	0.63%
Fixed Rate Riders	\$ 1.20	2	\$	2.40	\$ 1.20	2	\$ 2.40	\$ -	0.00%
Volumetric Rate Riders	\$ 0.0007	302	\$	0.21	\$ 0.0007	302	\$ 0.21	\$ -	0.00%
<b>Sub-Total A (excluding pass through)</b>			\$	<b>65.33</b>			\$ <b>65.80</b>	\$ <b>0.47</b>	<b>0.72%</b>
Line Losses on Cost of Power	\$ 0.0820	20	\$	1.62	\$ 0.0820	20	\$ 1.62	\$ -	0.00%
Total Deferral/Variance Account Rate Riders	\$ -	302	\$	-	\$ -	302	\$ -	\$ -	
CBR Class B Rate Riders	\$ -	302	\$	-	\$ -	302	\$ -	\$ -	
GA Rate Riders	\$ -	302	\$	-	\$ -	302	\$ -	\$ -	
Low Voltage Service Charge	\$ 0.0025	302	\$	0.76	\$ 0.0025	302	\$ 0.76	\$ -	0.00%
Smart Meter Entity Charge (if applicable)	\$ -	1	\$	-	\$ -	1	\$ -	\$ -	
Additional Fixed Rate Riders	\$ -	1	\$	-	\$ -	1	\$ -	\$ -	
Additional Volumetric Rate Riders		302	\$	-	\$ -	302	\$ -	\$ -	
<b>Sub-Total B - Distribution (includes Sub-Total A)</b>			\$	<b>67.71</b>			\$ <b>68.18</b>	\$ <b>0.47</b>	<b>0.69%</b>
RTSR - Network	\$ 0.0061	322	\$	1.96	\$ 0.0063	322	\$ 2.03	\$ 0.06	3.28%
RTSR - Connection and/or Line and Transformation Connection	\$ 0.0039	322	\$	1.26	\$ 0.0043	322	\$ 1.38	\$ 0.13	10.26%
<b>Sub-Total C - Delivery (including Sub-Total B)</b>			\$	<b>70.93</b>			\$ <b>71.59</b>	\$ <b>0.66</b>	<b>0.94%</b>
Wholesale Market Service Charge (WMSC)	\$ 0.0036	322	\$	1.16	\$ 0.0036	322	\$ 1.16	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	\$ 0.0003	322	\$	0.10	\$ 0.0003	322	\$ 0.10	\$ -	0.00%
Standard Supply Service Charge	\$ 0.25	1	\$	0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%
TOU - Off Peak	\$ 0.0650	196	\$	12.76	\$ 0.0650	196	\$ 12.76	\$ -	0.00%
TOU - Mid Peak	\$ 0.0940	51	\$	4.83	\$ 0.0940	51	\$ 4.83	\$ -	0.00%
TOU - On Peak	\$ 0.1320	54	\$	7.18	\$ 0.1320	54	\$ 7.18	\$ -	0.00%
<b>Total Bill on TOU (before Taxes)</b>			\$	<b>97.20</b>			\$ <b>97.86</b>	\$ <b>0.66</b>	<b>0.68%</b>
HST	13%		\$	12.64	13%		\$ 12.72	\$ 0.09	0.68%
<b>Total Bill on TOU</b>			\$	<b>109.83</b>			\$ <b>110.58</b>	\$ <b>0.75</b>	<b>0.68%</b>

## Current vs Proposed Rates – Sentinel Lighting Connection

The Rates and Charges in the table below are based on the output from the 2019 IRM Rate Generator model for a Sentinel Lighting RPP Connection with a monthly demand of 5 kW.

Customer Class: <b>SENTINEL LIGHTING SERVICE CLASSIFICATION</b>									
RPP / Non-RPP: <b>RPP</b>									
Consumption	1,747	kWh							
Demand	5	kW							
Current Loss Factor	1.0656								
Proposed/Approved Loss Factor	1.0656								
	Current OEB-Approved			Proposed			Impact		
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change	
Monthly Service Charge	\$ 7.55	23	\$ 173.65	\$ 7.61	23	\$ 175.03	\$ 1.38	0.79%	
Distribution Volumetric Rate	\$ 27.9078	5	\$ 139.54	\$ 28.1171	5	\$ 140.59	\$ 1.05	0.75%	
Fixed Rate Riders	\$ 0.31	23	\$ 7.13	\$ 0.31	23	\$ 7.13	\$ -	0.00%	
Volumetric Rate Riders	\$ 1.1605	5	\$ 5.80	\$ 1.1605	5	\$ 5.80	\$ -	0.00%	
Sub-Total A (excluding pass through)			\$ 326.12			\$ 328.55	\$ 2.43	0.74%	
Line Losses on Cost of Power	\$ 0.0820	115	\$ 9.40	\$ 0.0820	115	\$ 9.40	\$ -	0.00%	
Total Deferral/Variance Account Rate Riders	\$ -	5	\$ -	\$ -	5	\$ -	\$ -		
CBR Class B Rate Riders	\$ -	5	\$ -	\$ -	5	\$ -	\$ -		
GA Rate Riders	\$ -	1,747	\$ -	\$ -	1,747	\$ -	\$ -		
Low Voltage Service Charge	\$ 0.7856	5	\$ 3.93	\$ 0.7856	5	\$ 3.93	\$ -	0.00%	
Smart Meter Entity Charge (if applicable)	\$ -	1	\$ -	\$ -	1	\$ -	\$ -		
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -		
Additional Volumetric Rate Riders		5	\$ -	\$ -	5	\$ -	\$ -		
Sub-Total B - Distribution (includes Sub-Total A)			\$ 339.45			\$ 341.87	\$ 2.43	0.71%	
RTSR - Network	\$ 1.9157	5	\$ 9.58	\$ 1.9880	5	\$ 9.94	\$ 0.36	3.77%	
RTSR - Connection and/or Line and Transformation Connection	\$ 1.2442	5	\$ 6.22	\$ 1.3798	5	\$ 6.90	\$ 0.68	10.90%	
Sub-Total C - Delivery (including Sub-Total B)			\$ 355.25			\$ 358.71	\$ 3.47	0.98%	
Wholesale Market Service Charge (WMSC)	\$ 0.0036	1,862	\$ 6.70	\$ 0.0036	1,862	\$ 6.70	\$ -	0.00%	
Rural and Remote Rate Protection (RRRP)	\$ 0.0003	1,862	\$ 0.56	\$ 0.0003	1,862	\$ 0.56	\$ -	0.00%	
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%	
TOU - Off Peak	\$ 0.0650	1,136	\$ 73.81	\$ 0.0650	1,136	\$ 73.81	\$ -	0.00%	
TOU - Mid Peak	\$ 0.0940	297	\$ 27.92	\$ 0.0940	297	\$ 27.92	\$ -	0.00%	
TOU - On Peak	\$ 0.1320	314	\$ 41.51	\$ 0.1320	314	\$ 41.51	\$ -	0.00%	
Total Bill on TOU (before Taxes)			\$ 505.99			\$ 509.46	\$ 3.47	0.68%	
HST	13%		\$ 65.78	13%		\$ 66.23	\$ 0.45	0.68%	
Total Bill on TOU			\$ 571.77			\$ 575.69	\$ 3.92	0.68%	

## Current vs Proposed Rates – Streetlights Connection

The Rates and Charges in the table below are based on the output from the 2019 IRM Rate Generator model for a Streetlights non-RPP Connection with a monthly demand of 161 kW.


Customer Class: <b>STREET LIGHTING SERVICE CLASSIFICATION</b>									
RPP / Non-RPP: Non-RPP (Other)									
Consumption: 62,212 kWh									
Demand: 161 kW									
Current Loss Factor: 1.0656									
Proposed/Approved Loss Factor: 1.0656									
	Current OEB-Approved			Proposed			Impact		
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change	
Monthly Service Charge	\$ 1.63	908	\$ 1,480.04	\$ 1.64	908	\$ 1,489.12	\$ 9.08	0.61%	
Distribution Volumetric Rate	\$ 1.8054	161	\$ 290.67	\$ 1.8189	161	\$ 292.84	\$ 2.17	0.75%	
Fixed Rate Riders	\$ 0.07	908	\$ 63.56	\$ 0.07	908	\$ 63.56	\$ -	0.00%	
Volumetric Rate Riders	\$ 0.0751	161	\$ 12.09	\$ 0.0751	161	\$ 12.09	\$ -	0.00%	
<b>Sub-Total A (excluding pass through)</b>			<b>\$ 1,846.36</b>			<b>\$ 1,857.61</b>	<b>\$ 11.25</b>	<b>0.61%</b>	
Line Losses on Cost of Power	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	-	
Total Deferral/Variance Account Rate Riders	\$ -	161	\$ -	\$ -	161	\$ -	\$ -	-	
CBR Class B Rate Riders	\$ -	161	\$ -	\$ -	161	\$ -	\$ -	-	
GA Rate Riders	\$ -	62,212	\$ -	\$ -	62,212	\$ -	\$ -	-	
Low Voltage Service Charge	\$ 0.7695	161	\$ 123.89	\$ 0.7695	161	\$ 123.89	\$ -	0.00%	
Smart Meter Entity Charge (if applicable)	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-	
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-	
Additional Volumetric Rate Riders	\$ -	161	\$ -	\$ -	161	\$ -	\$ -	-	
<b>Sub-Total B - Distribution (includes Sub-Total A)</b>			<b>\$ 1,970.25</b>			<b>\$ 1,981.50</b>	<b>\$ 11.25</b>	<b>0.57%</b>	
RTSR - Network	\$ 1.9060	161	\$ 306.87	\$ 1.9780	161	\$ 318.46	\$ 11.59	3.78%	
RTSR - Connection and/or Line and Transformation Connection	\$ 1.2188	161	\$ 196.23	\$ 1.3518	161	\$ 217.64	\$ 21.41	10.91%	
<b>Sub-Total C - Delivery (including Sub-Total B)</b>			<b>\$ 2,473.34</b>			<b>\$ 2,517.60</b>	<b>\$ 44.26</b>	<b>1.79%</b>	
Wholesale Market Service Charge (WMSC)	\$ 0.0036	66,293	\$ 238.66	\$ 0.0036	66,293	\$ 238.66	\$ -	0.00%	
Rural and Remote Rate Protection (RRRP)	\$ 0.0003	66,293	\$ 19.89	\$ 0.0003	66,293	\$ 19.89	\$ -	0.00%	
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%	
Average IESO Wholesale Market Price	\$ 0.1101	66,293	\$ 7,298.87	\$ 0.1101	66,293	\$ 7,298.87	\$ -	0.00%	
<b>Total Bill on Average IESO Wholesale Market Price</b>			<b>\$ 10,031.01</b>			<b>\$ 10,075.27</b>	<b>\$ 44.26</b>	<b>0.44%</b>	
HST	13%		\$ 1,304.03	13%		\$ 1,309.78	\$ 5.75	0.44%	
<b>Total Bill on Average IESO Wholesale Market Price</b>			<b>\$ 11,335.04</b>			<b>\$ 11,385.05</b>	<b>\$ 50.01</b>	<b>0.44%</b>	

## Appendix D: 2019 Rate Generator Model

In applying for 2019 electricity distribution rates, WNP has referred to the Ontario Energy Board's "Filing Requirements".<sup>31</sup> In its application, Wellington North Power Inc. has elected to use the Incentive Rate-setting ("IRM") as its rate-setting method for requesting its' 2019 electricity distribution rates.

WNP has completed the 2019 IRM Rate Generator model (*version 2.0, updated July 24<sup>th</sup> 2018*) as provided by the Board and below are details taken from this model:

### Information Sheet

	Ontario Energy Board	<b>Quick Link</b> Ontario Energy Board's 2019 Electricity Distribution Rates Webpage
<b>Incentive Regulation Model for 2019 Filers</b>		
		Version 2.0
Utility Name	Wellington North Power Inc.	
Assigned EB Number	EB-2018-0076	
Name of Contact and Title	Richard Bucknall, Regulatory Manager	
Phone Number	519-323-1710	
Email Address	rbucknall@wellingtonnorthpower.com	
We are applying for rates effective	Wednesday, May 1, 2019	
Rate-Setting Method	Price Cap IR	
Please indicate in which Rate Year the Group 1 accounts were last cleared <sup>1</sup>	2016	
Please indicate the last Cost of Service Re-Basing Year	2016	

<sup>31</sup> "OEB Filing requirements for Electricity Distribution Rate Applications – 2018 Edition for 2019 Rate Applications – Chapter 3 Rate-Setting Applications", July 12, 2018

1 **Continuity Schedule: 2015 Transactions**

2 The table below shows the transactions (principal and interest) recorded during 2015 in Wellington North Power Inc.'s Group 1 Accounts:

		2015									
Account Descriptions	Account Number	Opening Principal Amounts as of Jan 1, 2015	Transactions Debit / (Credit) during 2015	OEB-Approved Disposition during 2015	Principal Adjustments <sup>1</sup> during 2015	Closing Principal Balance as of Dec 31, 2015	Opening Interest Amounts as of Jan 1, 2015	Interest Jan 1 to Dec 31, 2015	OEB-Approved Disposition during 2015	Interest Adjustments <sup>1</sup> during 2015	Closing Interest Amounts as of Dec 31, 2015
Group 1 Accounts											
LV Variance Account	1550	80,053	109,980			190,033	775	1,275			2,050
Smart Metering Entity Charge Variance Account	1551	2,052	(401)			1,651	125	22			147
RSVA - Wholesale Market Service Charge <sup>3</sup>	1580	(80,418)	(239,320)			(319,738)	(1,449)	(1,879)			(3,328)
Variance WMS – Sub-account CBR Class A <sup>4</sup>	1580	0				0	0				0
Variance WMS – Sub-account CBR Class B <sup>4</sup>	1580	0	29,389			29,389	0	96			96
RSVA - Retail Transmission Network Charge	1584	(52,737)	7,252			(45,485)	(1,048)	(653)			(1,701)
RSVA - Retail Transmission Connection Charge	1586	(38,099)	26,898			(11,201)	(969)	(382)			(1,350)
RSVA - Power <sup>4</sup>	1588	76,576	(271,137)		182,816	(11,745)	(1,895)	3,291			1,396
RSVA - Global Adjustment <sup>4</sup>	1589	147,421	351,521		(221,740)	277,203	3,608	(4,285)			(677)
Disposition and Recovery/Refund of Regulatory Balances (2012) <sup>3</sup>	1595	45,570				45,570	(10,374)	543			(9,831)
Disposition and Recovery/Refund of Regulatory Balances (2013) <sup>3</sup>	1595	0				0	0				0
Disposition and Recovery/Refund of Regulatory Balances (2014) <sup>3</sup>	1595	(43,985)	87,178			43,193	(14,055)	150			(13,905)
Disposition and Recovery/Refund of Regulatory Balances (2015) <sup>3</sup>	1595	0				0	0				0
Disposition and Recovery/Refund of Regulatory Balances (2016) <sup>3</sup>	1595	0				0	0				0
Disposition and Recovery/Refund of Regulatory Balances (2017) <sup>3</sup>	1595	0				0	0				0
Disposition and Recovery/Refund of Regulatory Balances (2018) <sup>3</sup>	1595	0				0	0				0
<i>Not to be disposed of until a year after rate rider has expired and that balance has been audited</i>	1595	0				0	0				0
RSVA - Global Adjustment	1589	147,421	351,521	0	(221,740)	277,203	3,608	(4,285)	0	0	(677)
Total Group 1 Balance excluding Account 1589 - Global Adjustment		(10,989)	(250,161)	0	182,816	(78,334)	(28,889)	2,463	0	0	(26,425)
Total Group 1 Balance		136,432	101,361	0	(38,924)	198,869	(25,281)	(1,822)	0	0	(27,102)
LRAM Variance Account (only input amounts if applying for disposition of this account)											
	1568	0				0	0				0
Total including Account 1568		136,432	101,361	0	(38,924)	198,869	(25,281)	(1,822)	0	0	(27,102)

3

4

1 **Continuity Schedule: 2016 Transactions**

2 The table below shows the transactions (principal and interest) recorded during 2016 in Wellington North Power Inc.'s Group 1 Accounts:

		2016									
Account Descriptions	Account Number	Opening Principal Amounts as of Jan 1, 2016	Transactions Debit / (Credit) during 2016	OEB-Approved Disposition during 2016	Principal Adjustments¹ during 2016	Closing Principal Balance as of Dec 31, 2016	Opening Interest Amounts as of Jan 1, 2016	Interest Jan 1 to Dec 31, 2016	OEB-Approved Disposition during 2016	Interest Adjustments¹ during 2016	Closing Interest Amounts as of Dec 31, 2016
Group 1 Accounts											
LV Variance Account	1550	190,033	93,402	80,053		203,381	2,050	2,135	2,022		2,163
Smart Metering Entity Charge Variance Account	1551	1,651	(106)	2,052		(507)	147	104	257		(6)
RSVA - Wholesale Market Service Charge³	1580	(319,738)	(109,388)	(80,418)		(348,708)	(3,328)	(3,643)	(2,703)		(4,268)
Variance W/MS - Sub-account CBR Class A⁴	1580	0				0	0				0
Variance W/MS - Sub-account CBR Class B⁴	1580	29,389	(5,565)			23,824	96	272			368
RSVA - Retail Transmission Network Charge	1584	(45,485)	27,396	(52,737)		34,648	(1,701)	(117)	(1,870)		51
RSVA - Retail Transmission Connection Charge	1586	(11,201)	29,649	(38,099)		56,547	(1,350)	235	(1,563)		447
RSVA - Power⁴	1588	(11,745)	72,581	76,576	(26,827)	(42,567)	1,396	4,920	(701)		7,017
RSVA - Global Adjustment⁴	1589	277,203	(215,229)	147,421	58,474	(26,973)	(677)	(819)	5,907		(7,403)
Disposition and Recovery/Refund of Regulatory Balances (2012)³	1595	45,570		45,570		0	(9,831)	167	(9,664)		0
Disposition and Recovery/Refund of Regulatory Balances (2013)³	1595	0				0	0				0
Disposition and Recovery/Refund of Regulatory Balances (2014)³	1595	43,193				43,193	(13,905)	337			(13,568)
Disposition and Recovery/Refund of Regulatory Balances (2015)³	1595	0				0	0				0
Disposition and Recovery/Refund of Regulatory Balances (2016)³	1595	0	(146,927)	(256,129)		109,202	0	1,065	17,378		(16,313)
Disposition and Recovery/Refund of Regulatory Balances (2017)³	1595	0				0	0				0
Disposition and Recovery/Refund of Regulatory Balances (2018)³											
Not to be disposed of until a year after rate rider has expired and that balance has been audited											
	1595	0				0	0				0
RSVA - Global Adjustment	1589	277,203	(215,229)	147,421	58,474	(26,973)	(677)	(819)	5,907	0	(7,403)
Total Group 1 Balance excluding Account 1589 - Global Adjustment		(78,334)	(38,959)	(223,133)	(26,827)	79,013	(26,425)	5,474	3,157	0	(24,109)
Total Group 1 Balance		198,869	(254,188)	(75,711)	31,647	52,040	(27,102)	4,655	9,064	0	(31,512)
LRAM Variance Account (only input amounts if applying for disposition of this account)	1568	0				0	0				0
Total including Account 1568		198,869	(254,188)	(75,711)	31,647	52,040	(27,102)	4,655	9,064	0	(31,512)

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1 **Continuity Schedule: 2017 Transactions**

2 The table below shows the transactions (principal and interest) recorded during 2017 in Wellington North Power Inc.'s Group 1 Accounts:

		2017									
Account Descriptions	Account Number	Opening Principal Amounts as of Jan 1, 2017	Transactions Debit / (Credit) during 2017	OEB-Approved Disposition during 2017	Principal Adjustments¹ during 2017	Closing Principal Balance as of Dec 31, 2017	Opening Interest Amounts as of Jan 1, 2017	Interest Jan 1 to Dec 31, 2017	OEB-Approved Disposition during 2017	Interest Adjustments¹ during 2017	Closing Interest Amounts as of Dec 31, 2017
Group 1 Accounts											
LV Variance Account	1550	203,381	76,474			279,855	2,163	2,896			5,059
Smart Metering Entity Charge Variance Account	1551	(507)	(469)			(977)	(6)	(8)			(14)
RSVA - Wholesale Market Service Charge³	1580	(348,708)	(102,962)			(451,670)	(4,268)	(4,582)			(8,850)
Variance WMS – Sub-account CBR Class A²	1580	0				0	0				0
Variance WMS – Sub-account CBR Class B²	1580	23,824	(2,239)			21,585	368	268			636
RSVA - Retail Transmission Network Charge	1584	34,648	31,114			65,762	51	598			649
RSVA - Retail Transmission Connection Charge	1586	56,547	55,115			111,662	447	1,116			1,563
RSVA - Power⁴	1588	(42,567)	458,385		(248,238)	167,580	7,017	5,408		(11,927)	498
RSVA - Global Adjustment⁴	1589	(26,973)	(425,982)		164,266	(288,689)	(7,403)	(5,178)		11,927	(654)
Disposition and Recovery/Refund of Regulatory Balances (2012)³	1595	0				0	0				0
Disposition and Recovery/Refund of Regulatory Balances (2013)³	1595	0				0	0				0
Disposition and Recovery/Refund of Regulatory Balances (2014)³	1595	43,193				43,193	(13,568)	368			(13,200)
Disposition and Recovery/Refund of Regulatory Balances (2015)³	1595	0				0	0				0
Disposition and Recovery/Refund of Regulatory Balances (2016)³	1595	109,202	(73,506)			35,696	(16,313)	411			(15,901)
Disposition and Recovery/Refund of Regulatory Balances (2017)³	1595	0				0	0				0
Disposition and Recovery/Refund of Regulatory Balances (2018)³	1595	0				0	0				0
Not to be disposed of until a year after rate rider has expired and that balance has been audited	1595	0				0	0				0
RSVA - Global Adjustment	1589	(26,973)	(425,982)	0	164,266	(288,689)	(7,403)	(5,178)	0	11,927	(654)
Total Group 1 Balance excluding Account 1589 - Global Adjustment		79,013	441,912	0	(248,238)	272,686	(24,109)	6,474	0	(11,927)	(29,562)
Total Group 1 Balance		52,040	15,930	0	(83,972)	(16,003)	(31,512)	1,296	0	0	(30,216)
LRAM Variance Account (only input amounts if applying for disposition of this account)	1568	0		0		0	0				0
Total including Account 1568		52,040	15,930	0	(83,972)	(16,003)	(31,512)	1,296	0	0	(30,216)

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## Continuity Schedule: 2018 Projections and RRR Reporting

The table below shows the projected Interest amounts based upon 2017 year-end balances for (a) interest during 2018 and (b) interest for the period of January to April of 2019. This table also illustrates the variances between 2017 balances and RRR balances filed with the OEB:

		2018				Projected Interest on Dec-31-17 Balances				2.1.7 RRR	
Account Descriptions	Account Number	Principal Disposition during 2018 - instructed by OEB	Interest Disposition during 2018 - instructed by OEB	Closing Principal Balances as of Dec 31, 2017 Adjusted for Disposition during 2018	Closing Interest Balances as of Dec 31, 2017 Adjusted for Disposition during 2018	Projected Interest from Jan 1, 2018 to Dec 31, 2018 on Dec 31, 2017 balance adjusted for disposition during 2018 <sup>2</sup>	Projected Interest from Jan 1, 2019 to Apr 30, 2019 on Dec 31, 2017 balance adjusted for disposition during 2018 <sup>2</sup>	Total Interest	Total Claim	As of Dec 31, 2017	Variance RRR vs. 2017 Balance (Principal + Interest)
Group 1 Accounts											
LV Variance Account	1550			279,855	5,058	5,212	2,024	12,295	292,150	284,915	
Smart Metering Entity Charge Variance Account	1551			(977)	(14)	(18)	(7)	(40)	(1,076)	(959)	(1)
RSVA - Wholesale Market Service Charge <sup>3</sup>	1580			(451,670)	(8,850)	(8,412)	(3,267)	(20,529)	(472,200)	(438,299)	22,221
Variance WMS - Sub-account CBR Class A <sup>4</sup>	1580			0	0		0	0	0	0	0
Variance WMS - Sub-account CBR Class B <sup>4</sup>	1580			21,585	636	402	156	1,194	22,779	22,221	(0)
RSVA - Retail Transmission Network Charge	1584			65,762	649	1,225	476	2,350	68,112	66,411	(0)
RSVA - Retail Transmission Connection Charge	1586			111,662	1,563	2,080	808	4,450	116,112	113,228	
RSVA - Power <sup>4</sup>	1588			167,580	498	3,121	1,212	4,831	172,411	259,328	91,250
RSVA - Global Adjustment <sup>4</sup>	1589			(288,689)	(654)	(5,377)	(2,088)	(8,119)	(296,808)	(289,343)	
Disposition and Recovery/Refund of Regulatory Balances (2012) <sup>3</sup>	1595			0	0	0	0	<input type="checkbox"/> Check to Dispose of Account	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2013) <sup>3</sup>	1595			0	0	0	0	<input type="checkbox"/> Check to Dispose of Account	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2014) <sup>3</sup>	1595			43,193	(13,200)	804	312	(12,083)	<input checked="" type="checkbox"/> Check to Dispose of Account	31,109	29,993
Disposition and Recovery/Refund of Regulatory Balances (2015) <sup>3</sup>	1595			0	0	0	0	<input type="checkbox"/> Check to Dispose of Account	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2016) <sup>3</sup>	1595			35,636	(15,901)	665	258	(14,978)	<input checked="" type="checkbox"/> Check to Dispose of Account	20,717	19,792
Disposition and Recovery/Refund of Regulatory Balances (2017) <sup>3</sup>	1595			0	0	0	0	<input type="checkbox"/> Check to Dispose of Account	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2018) <sup>3</sup>	1595			0	0	0	0	<input type="checkbox"/> Check to Dispose of Account	0	0	0
Not to be disposed of until a year after rate rider has expired and that balance has been audited											
RSVA - Global Adjustment	1589	0	0	(288,689)	(654)	(5,377)	(2,088)	(8,119)	(296,808)	(289,343)	
Total Group 1 Balance excluding Account 1589 - Global Adjustment		0	0	272,686	(29,562)	5,079	1,972	(22,511)	250,176	334,375	91,250
Total Group 1 Balance		0	0	(16,003)	(30,216)	(298)	(176)	(30,630)	(46,633)	45,032	91,250
LRAM Variance Account (only input amounts if applying for disposition of this account)	1568			0	0			0	0	2,970	2,970
Total including Account 1568		0	0	(16,003)	(30,216)	(298)	(176)	(30,630)	(46,633)	48,002	94,221

## Explanations of Variances:

### (i) Wholesale Market Service Charge

The difference in the Wholesale Market Service Charge is equal to the balances in the “WMS – Sub-account CBR Class B” as expected.

### (ii) RSVA – Power


The RRR Filing amount is \$91,250 greater than the account balance for this account. WNP completes an annual reconciliation between what it has billed its Regulated Price Plan customers (RPP and Time-of-Use customers) versus monthly settlement of RPP energy volumes with the IESO. The annual reconciliation result showed that for 2017 billing activity, WNP had under-recovered \$91,249.98 from the IESO. The annual reconciliation for 2017 billing activity was completed in 2018 after the 2017 year-end RRR filing were submitted. The \$91,250 was posted in 2018 financial year.



1 **Billing Determinant for Deferral- Variance Balances Allocation**

2 The worksheet below illustrates that when inputting the 2017 year-end Deferral and Variance Balances from WNP's Group 1 Accounts, the

3 Claim does not exceed the Threshold Test and therefore, there are no Disposition requirements required for WNP's 2019 IRM application.



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## Incentive Regulation Model for 2019 Filers

Data on this worksheet has been populated using your most recent RRR filing.

Click on the checkbox to confirm the accuracy of the data below: ☒

If you have identified any issues, please [contact](#) the OEB.

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Please

Rate Class	Unit	Total Metered kWh	Total Metered kW	Metered kWh for Non-RPP Customers (excluding WMP)	Metered kW for Non-RPP Customers (excluding WMP)	Metered kWh for Wholesale Market Participants (WMP)	Metered kW for Wholesale Market Participants (WMP)	Total Metered kWh less WMP consumption (if applicable)	Total Metered kW less WMP consumption (if applicable)
RESIDENTIAL SERVICE CLASSIFICATION	kWh	23,863,110	0	859,600	0	0	0	23,863,110	0
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	kWh	11,410,391	0	2,326,530	0	0	0	11,410,391	0
GENERAL SERVICE 50 TO 999 KW SERVICE CLASSIFICATION	kW	19,029,613	53,405	18,540,536	52,124	0	0	19,029,613	53,405
GENERAL SERVICE 1,000 TO 4,999 KW SERVICE CLASSIFICATION	kW	45,750,527	98,592	45,750,527	98,592	0	0	45,750,527	98,592
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	kWh	6,801	0	357	0	0	0	6,801	0
SENTINEL LIGHTING SERVICE CLASSIFICATION	kW	19,674	55	2,252	7	0	0	19,674	55
STREET LIGHTING SERVICE CLASSIFICATION	kW	697,359	1,920	697,359	1,920	0	0	697,359	1,920
<b>Total</b>		100,777,475	153,972	68,177,161	152,643	0	0	100,777,475	153,972

**Threshold Test**

Total Claim (including Account 1568) (\$46,633)

Total Claim for Threshold Test (All Group 1 Accounts) (\$46,633)


Threshold Test (Total claim per kWh) <sup>2</sup> (\$0.0005) **Claim does not meet the threshold test.**

As per Section 3.2.5 of the 2019 Filing Requirements for Electricity Distribution Rate Applications, an applicant may elect to dispose of the Group 1 account balances below the threshold. If doing so, please select YES from the adjacent drop-down cell and also indicate so in the Manager's Summary. If not, please select NO.

NO

## Calculation of Deferral – Variance Balances

WNP’s Group 1 account balances that have accumulated in 2017 did not exceed the \$0.001 per kWh pre-set disposition threshold as determined in Chapter 3 of the Filing Requirements, “Review and Disposition of Group 1 Deferral and Variance Account Balances”<sup>32</sup>. As a consequence, there are no “new” Rate Riders required to be incorporated into 2019 distribution rates as illustrated in the copy of the 2019 Rate Generator worksheet 7. “Calculation of Def-Var RR” shown below:



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Incentive Regulation Model for 2019 Filers

Input required at cells C13 and C14. This worksheet calculates rate riders related to the Deferral/Variance Account Disposition (if applicable) and rate riders for Account 1568. Rate Riders will not be generated for the microFIT class.

Default Rate Rider Recovery Period (in months)

12

DVA Proposed Rate Rider Recovery Period (in months)

12

Rate Rider Recovery to be used below

LRAM Proposed Rate Rider Recovery Period (in months)

12

Rate Rider Recovery to be used below

Rate Class	Unit	Total Metered kWh	Metered kW or kVA	Total Metered kWh less WMP consumption	Total Metered kW less WMP consumption	Allocation of Group 1 Account Balances to All Classes <sup>2</sup>	Allocation of Group 1 Account Balances to Non-WMP Classes Only (if Applicable) <sup>2</sup>	Deferral/Variance Account Rate Rider <sup>2</sup>	Deferral/Variance Account Rate Rider for Non-WMP (if applicable) <sup>2</sup>	Account 1568 Rate Rider
RESIDENTIAL SERVICE CLASSIFICATION	kWh	23,863,110	0	23,863,110	0	0	0	0.0000		0.0000
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	kWh	11,410,391	0	11,410,391	0	0	0	0.0000		0.0000
GENERAL SERVICE 50 TO 999 KW SERVICE CLASSIFICATION	kW	19,029,613	53,405	19,029,613	53,405	0	0	0.0000		0.0000
GENERAL SERVICE 1,000 TO 4,999 KW SERVICE CLASSIFICATION	kW	45,750,527	98,592	45,750,527	98,592	0	0	0.0000		0.0000
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	kWh	6,801	0	6,801	0	0	0	0.0000		0.0000
SENTINEL LIGHTING SERVICE CLASSIFICATION	kW	19,674	55	19,674	55	0	0	0.0000		0.0000
STREET LIGHTING SERVICE CLASSIFICATION	kW	697,359	1,920	697,359	1,920	0	0	0.0000		0.0000

Note:

The kWh and kW values provided on worksheet 7 of the 2019 Rate Generator Model reflect the billed kW forecast (including the CDM adjustments) that were approved in WNP’s 2016 Cost of Service application (EB-2015-0110).

<sup>32</sup> “OEB Filing requirements for Electricity Distribution Rate Applications – 2018 Edition for 2019 Rate Applications – Chapter 3 Rate-Setting Applications”, July 12, 2018, Section 3.2.5 page 10-12

**Class A Consumption Data and GA Allocation**

WNP has two (2) customers who opted-in to the IESO's Industrial Conservation Initiative (ICI) commencing July 2017. These customers are eligible to participate in the ICI on the basis of:

- Each customer is supplied by the same Host Distributor (Wellington North Power Inc. – WNP)
- Effective January 1, 2017, Ontario Regulation 429/04 was amended so that all electricity consumers with an average monthly peak demand greater than 1 MW are eligible to participate in the ICI program. Each of WNP's customers have an average peak demand greater than 1 MW throughout the applicable base period of May 1<sup>st</sup> to April 30<sup>th</sup>.

Given these two customers opted-in to the ICI 2017/2018 program, WNP bill and settle these customers in accordance with Class A requirements.


In the 2019 IRM Rate Generator model, WNP has completed worksheets "6.1 Class A Consumption", "6.1a GA Allocation", "6.1 GA" as well as "6.2a CBR Allocation" and "6.2 CBR B".

WNP disposed of the account balance in Account 1589 GA in 2016 through the Applicant's 2016 Cost of Service rate application – EB-2015-0110. The balance disposed was as at December 31<sup>st</sup> 2014.

For account 1580: Sub-account CBR Class B, WNP has never disposed of balances in this account because it was only established at the start of 2015 and, in subsequent rate applications, the account has not reached the disposal threshold limit.

## 1 Class A Consumption Data

- 2 The table below illustrates WNP last disposed of Account 1580 CBR Class B in 2014 through the Applicant's 2016 Cost of Service rate application
- 3 (EB-2015-0110). This table also shows the LDC has two (2) customers that transitioned to Class A during 2017:


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### Incentive Regulation Model for 2019 Filers

1 Please select the Year the Account 1580 CBR Class B was Last Disposed.  (e.g. If in the 2018 EDR process, you received approval to dispose the GA variance account balance as at December 31, 2016, enter 2016.)

2a Did you have any customers who transitioned between Class A and Class B (transition customers) during the period the Account 1589 GA balance accumulated (i.e. from the year after the balance was last disposed to 2017)?  (e.g. If you received approval to dispose of the GA variance account balance as at December 31, 2015, the period the GA variance accumulated would be 2016 and 2017.)

2b Did you have any customers who transitioned between Class A and Class B (transition customers) during the period the Account 1580, sub-account CBR Class B balance accumulated (i.e. from the year after the balance was last disposed to 2017)?  (e.g. If you received approval to dispose of the CBR Class B balance as at December 31, 2016, the period the CBR Class B variance accumulated would be 2017.)

3a Enter the number of transition customers you had during the period the Account 1589 GA balance accumulated.

**Transition Customers - Non-loss Adjusted Billing Determinants by Customer**

Customer	Rate Class		2017		2016		2015	
			January to June	July to December	January to June	July to December	January to June	July to December
Customer 1	GENERAL SERVICE 1,000 TO 4,999 KW SERVICE CLASSIFICATION	kWh	3,048,006	3,162,982	3,484,054	3,520,296	3,462,234	3,633,156
		kW	7,488	7,426	8,261	8,194	8,165	8,491
		Class A/B	B	A	B	B	B	B
Customer 2	GENERAL SERVICE 1,000 TO 4,999 KW SERVICE CLASSIFICATION	kWh	7,870,629	7,458,527	7,435,534	7,295,003	7,212,656	7,366,493
		kW	13,076	13,180	13,028	13,256	13,013	13,138
		Class A/B	B	A	B	B	B	B


3b Enter the number of customers who were Class A during the entire period since the Account 1589 GA balance accumulated (i.e. did not transition between Class A and B).

**Class A Customers - Billing Determinants by Customer**

Customer	Rate Class	2017	2016	2015

## GA Rate Riders for Current Class B customers


The table below shows the calculation of the GA Rate Riders for all current Class B customers who did not transition between Class A and Class B since Account 1589 GA was last disposed in 2016 (December 31<sup>st</sup> 2014 account balance). In this IRM rate application, WNP is not requesting disposal of balances and therefore is not seeking a GA Rate Rider for its rate-classes.

 Ontario Energy Board									
<h3>Incentive Regulation Model for 2019 Filers</h3>									
<p>The purpose of this tab is to calculate the GA rate riders for all current Class B customers who did not transition between Class A and B in the period since the Account 1589 GA was last disposed. Calculations in this tab will be modified upon completion of tab 6.1a, which allocates a portion of the GA balance to transition customers, if applicable. Effective January 2017, the billing determinant and all rate riders for the disposition of GA balances will be calculated on an energy basis (kWhs) regardless of the billing determinant used for distribution rates for the particular class (see Chapter 3, Filing Requirements, section 3.2.5.2)</p>									
						Default Rate Rider Recovery Period (in months)		12	
						Proposed Rate Rider Recovery Period (in months)		12	Rate Rider Recovery to be used below
		Total Metered Non-RPP 2017 Consumption excluding WMP	Total Metered 2017 Consumption for Class A Customers that were Class A for the entire period GA balance accumulated	Total Metered 2017 Consumption for Customers that Transitioned Between Class A and B during the period GA balance accumulated	Non-RPP Metered Consumption for Current Class B Customers (Non-RPP Consumption excluding WMP, Class A and Transition Customers' Consumption)	% of total kWh	Total GA \$ allocated to Current Class B Customers	GA Rate Rider	
	kWh	kWh	kWh	kWh	kWh				
RESIDENTIAL SERVICE CLASSIFICATION	kWh	859,600	0	0	859,600	1.8%	(\$3,969)	\$0.0000	kWh
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	kWh	2,326,530	0	0	2,326,530	5.0%	(\$10,741)	\$0.0000	kWh
GENERAL SERVICE 50 TO 999 KW SERVICE CLASSIFICATION	kWh	18,540,536	0	0	18,540,536	39.8%	(\$85,599)	\$0.0000	kWh
GENERAL SERVICE 1,000 TO 4,999 KW SERVICE CLASSIFICATION	kWh	45,750,527	0	21,540,143	24,210,384	51.9%	(\$111,776)	\$0.0000	kWh
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	kWh	357	0	0	357	0.0%	(\$2)	\$0.0000	kWh
SENTINEL LIGHTING SERVICE CLASSIFICATION	kWh	2,252	0	0	2,252	0.0%	(\$10)	\$0.0000	kWh
STREET LIGHTING SERVICE CLASSIFICATION	kWh	697,359	0	0	697,359	1.5%	(\$3,220)	\$0.0000	kWh
<b>Total</b>		68,177,161	0	21,540,143	46,637,018	100.0%	(\$215,317)		

1 **Capacity Based Recovery (CBR) Allocation.**

2

3 The table below demonstrates that the Applicant has never disposed of the balance in Account 1580 – Sub account CBR as well as metered  
4 consumption for the two (2) WNP customers that transitioned from Class B to Class A in July 2017:


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## Incentive Regulation Model for 2019 Filers

This tab allocates the CBR Class B balance to transition customers (i.e. Class A customers who were former Class B customers and Class B customers who were former Class A customers) who contributed to the current CBR Class B balance. The tables below calculate specific amounts for each customer who made the change. The general CBR Class B rate rider is not to be charged to the transition customers that are allocated amounts in the table below. Consistent with prior decisions, distributors are generally expected to settle the amount through 12 equal adjustments to bills.

Please enter the Year the Account 1580 CBR Class B was Last Disposed. Never Disposed (Note: Account 1580, Sub-account CBR Class B was established starting in 2015)

**Allocation of total Consumption (kWh) between Class B and Class A/B Transition Customers**

		Total	2017	2016	2015
Total Class B Consumption for Years During Balance Accumulation (Total Consumption LESS WMP Consumption and Consumption for Class A customers who were Class A for partial or full year)	A	126,273,455	57,555,653	68,717,802	71,601,267
Transition Customers' Class B Consumption (i.e. full year or partial year)	B	32,653,521	10,918,635	21,734,886	1
<b>Transition Customers' Portion of Total Consumption</b>	<b>C=B/A</b>	<b>25.86%</b>	<b>46,637,018</b>	<b>46,982,916</b>	<b>71,601,266</b>

**Allocation of Total CBR Class B Balance \$**

		\$
Total CBR Class B Balance	D	22,779
Transition Customers Portion of CBR Class B Balance	E=D*C	5,891
CBR Class B Balance to be disposed to Current Class B Customers through Rate Rider	F=D-E	16,889

**Allocation of CBR Class B Balances to Transition Customers**

# of Class A/B Transition Customers	2	Total Metered Class B Consumption (kWh) for Transition Customers During the Period When They were Class B Customers	Metered Class B Consumption (kWh) for Transition Customers During the Period When They were Class B Customers in 2017	Metered Class B Consumption (kWh) for Transition Customers During the Period When They were Class B Customers in 2016	Metered Class B Consumption (kWh) for Transition Customers During the Period When They were Class B Customers in 2015	% of kWh	Customer Specific CBR Class B Allocation for the Period When They Were a Class B Customer	Monthly Equal Payments
Customer 1		10,052,356	3,048,006	7,004,350	7,095,390	30.78%	\$ 1,813	\$ 151
Customer 2		22,601,165	7,870,629	14,730,537	14,579,148	69.22%	\$ 4,077	\$ 340
<b>Total</b>		<b>32,653,521</b>	<b>10,918,635</b>	<b>21,734,886</b>	<b>21,674,538</b>	<b>100.00%</b>	<b>\$ 5,891</b>	<b>\$ 491</b>

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1 **Capacity Based Recovery (CBR) Rate Riders.**

2 The table below demonstrates that the Applicant has never disposed of the balance in Account 1580 – Sub account CBR and illustrates the CBR  
3 rate riders for all current Class B customers who did not transition between Class A and Class B since account 1580- sub-account CBR Class B  
4 balance was established at the start of 2015.

5 In this IRM rate application, WNP is not requesting disposal of balances and therefore is not seeking a CBR Rate Rider for its Class B customers.

# Incentive Regulation Model for 2019 Filers

The purpose of this tab is to calculate the CBR rate riders for all current Class B customers who did not transition between Class A and B in the period since the Account 1580, sub-account CBR Class B balance accumulated.

Please select the Year the Account 1580 CBR Class B was Last Disposed.

Never Disposed

(Note: Account 1580, Sub-account CBR Class B was established starting in 2015)

		Total Metered 2017 Consumption Minus WMP		Total Metered 2017 Consumption for Class A customers that were Class A for the entire period CBR Class B balance accumulated		Total Metered 2017 Consumption for Customers that Transitioned Between Class A and B during the period CBR Class B balance accumulated		Metered Consumption for Current Class B Customers (Total Consumption LESS WMP, Class A and Transition Customers' Consumption)		% of total kWh	Total CBR Class B \$ allocated to Current Class B Customers	CBR Class B Rate Rider	Unit
		kWh	kW	kWh	kW	kWh	kW	kWh	kW				
RESIDENTIAL SERVICE CLASSIFICATION	kWh	23,863,110	0	0	0	0	0	23,863,110	0	30.1%	\$5,086	\$0.0000	kWh
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	kWh	11,410,391	0	0	0	0	0	11,410,391	0	14.4%	\$2,432	\$0.0000	kWh
GENERAL SERVICE 50 TO 999 KW SERVICE CLASSIFICATION	kWh	19,029,613	53,405	0	0	0	0	19,029,613	53,405	24.0%	\$4,056	\$0.0000	kW
GENERAL SERVICE 1,000 TO 4,999 KW SERVICE CLASSIFICATION	kWh	45,750,527	98,592	0	0	21,540,143	41,170	24,210,384	57,422	30.6%	\$5,160	\$0.0000	kW
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	kWh	6,801	0	0	0	0	0	6,801	0	0.0%	\$1	\$0.0000	kWh
SENTINEL LIGHTING SERVICE CLASSIFICATION	kWh	19,674	55	0	0	0	0	19,674	55	0.0%	\$4	\$0.0000	kW
STREET LIGHTING SERVICE CLASSIFICATION	kWh	697,359	1,920	0	0	0	0	697,359	1,920	0.9%	\$149	\$0.0000	kW
<b>Total</b>		100,777,475	153,972	0	0	21,540,143	41,170	79,237,332	112,802	100.0%	\$16,888	\$0.0000	

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## LRAM Variance Account (Account 1568).

The table below illustrates that the Applicant is not requesting disposal of balances in its 1568 Lost Revenue Adjustment Mechanism (LRAM) account and subsequently there are no calculated Rate Riders. WNP is not applying for a Lost Revenue Adjustment Mechanism Variance Account (LRAM-VA) disposition in this application because the Applicant deems the current balance is immaterial.



# Incentive Regulation Model for 2019 Filers

Input required at cells C13 and C14. This worksheet calculates rate riders related to the Deferral/Variance Account Disposition (if applicable) and rate riders for Account 1568. Rate Riders will not be generated for the microFIT class.

Default Rate Rider Recovery Period (in months)	12	
DVA Proposed Rate Rider Recovery Period (in months)	12	Rate Rider Recovery to be used below
LRAM Proposed Rate Rider Recovery Period (in months)	12	Rate Rider Recovery to be used below

Rate Class	Unit	Total Metered kWh	Metered kW or kVA	Total Metered kWh less WMP consumption	Total Metered kW less WMP consumption	Allocation of Group 1 Account Balances to All Classes <sup>2</sup>	Allocation of Group 1 Account Balances to Non-WMP Classes Only (if Applicable) <sup>2</sup>	Deferral/Variance Account Rate Rider <sup>2</sup>	Deferral/Variance Account Rate Rider for Non-WMP (if applicable) <sup>2</sup>	Account 1568 Rate Rider
RESIDENTIAL SERVICE CLASSIFICATION	kWh	23,863,110	0	23,863,110	0	0		0.0000		0.0000
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	kWh	11,410,391	0	11,410,391	0	0		0.0000		0.0000
GENERAL SERVICE 50 TO 999 KW SERVICE CLASSIFICATION	kW	19,029,613	53,405	19,029,613	53,405	0		0.0000		0.0000
GENERAL SERVICE 1,000 TO 4,999 KW SERVICE CLASSIFICATION	kW	45,750,527	98,592	45,750,527	98,592	0		0.0000		0.0000
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	kWh	6,801	0	6,801	0	0		0.0000		0.0000
SENTINEL LIGHTING SERVICE CLASSIFICATION	kW	19,674	55	19,674	55	0		0.0000		0.0000
STREET LIGHTING SERVICE CLASSIFICATION	kW	697,359	1,920	697,359	1,920	0		0.0000		0.0000


<sup>1</sup> When calculating the revenue reconciliation for distributors with Class A customers, the balances of sub-account 1580-CBR Class B will not be taken into consideration if there are Class A customers since the rate riders, if any, are calculated separately.

<sup>2</sup> Only for rate classes with WMP customers are the Deferral/Variance Account Rate Riders for Non-WMP (column H and J) calculated separately. For all rate classes without WMP customers, balances in account 1580 and 1588 are included in column G and disposed through a combined Deferral/Variance Account and Rate Rider.



1 **Summary of Tax Savings**

2 The table below shows the tax-sharing amount with data inputted from WNP's most recent Cost  
3 of Service application (EB-2016-0110):

 <b>Ontario Energy Board</b>		
<h2 style="text-align: center;">Incentive Regulation Model for 2019 Filers</h2>		
<b>Summary - Sharing of Tax Change Forecast Amounts</b>		
For the 2016 year, enter any Tax Credits from the Cost of Service Tax Calculation (Positive #)		
<b>1. Tax Related Amounts Forecast from Capital Tax Rate Changes</b>	<b>2016</b>	<b>2018</b>
Taxable Capital (if you are not claiming capital tax, please enter your OEB-Approved Rate Base)	8,265,840	\$ 8,265,840
Deduction from taxable capital up to \$15,000,000	\$ 15,000,000	\$ 15,000,000
Net Taxable Capital	-\$ 6,734,160	-\$ 6,734,160
Rate	0.00%	0.00%
Ontario Capital Tax (Deductible, not grossed-up)	\$ -	\$ -
<b>2. Tax Related Amounts Forecast from Income Tax Rate Changes</b>		
Regulatory Taxable Income	-\$ 20,341	-\$ 20,341
Corporate Tax Rate	15.00%	12.50%
Tax Impact	\$ -	\$ -
<b>Grossed-up Tax Amount</b>	\$ -	\$ -
Tax Related Amounts Forecast from Capital Tax Rate Changes	\$ -	\$ -
Tax Related Amounts Forecast from Income Tax Rate Changes	\$ -	\$ -
Total Tax Related Amounts	\$ -	\$ -
Incremental Tax Savings		\$ -
<b>Sharing of Tax Amount (50%)</b>		\$ -

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1 **Tax Sharing: Shared Tax Rate Rider**

2 The table below has been updated with:

- 3 ○ The Customer numbers / connections and re-based kWh / kW are from WNP's 2016 Cost of Service application (EB-2015-0110);
- 4 ○ The monthly Service Charge and Distribution Volumetric rates for WNP as per Board Approved WNP's 2016 Cost of Service
- 5 application (EB-2015-0110)

6 As there are no tax changes that would cause a need for tax sharing at this time, there are no Shared Tax Rate Riders required in this

7 application.



Ontario Energy Board

Incentive Regulation Model for 2019 Filers

Calculation of Rebased Revenue Requirement and Allocation of Tax Sharing Amount. Enter data from the last OEB-Approved Cost of Service application in columns C through H.

As per Chapter 3 Filing Requirements, shared tax rate riders are based on a 1 year disposition.

Rate Class		Re-based Billed Customers or Connections	Re-based Billed kWh	Re-based Billed kW	Re-based Service Charge	Re-based Distribution Volumetric Rate kWh	Re-based Distribution Volumetric Rate kW
RESIDENTIAL SERVICE CLASSIFICATION	kWh	3,251	27,408,200		23.97	0.0153	
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	kWh	476	12,494,682		41.71	0.0179	
GENERAL SERVICE 50 TO 999 KW SERVICE CLASSIFICATION	kW	38	14,065,279	43,362	275.90		2.63
GENERAL SERVICE 1,000 TO 4,999 KW SERVICE CLASSIFICATION	kW	5	50,613,209	108,301	2254.94		3.05
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	kWh	1	3,024		28.33	0.0156	
SENTINEL LIGHTING SERVICE CLASSIFICATION	kW	29	23,128	65	7.38		23.30
STREET LIGHTING SERVICE CLASSIFICATION	kW	905	725,392	1,995	1.60		1.76
Total		4,705	105,332,914	153,723			

Rate Class		Total kWh (most recent RRR filing)	Total kW (most recent RRR filing)	Allocation of Tax Savings by Rate Class	Distribution Rate Rider	
RESIDENTIAL SERVICE CLASSIFICATION	kWh	23,863,110		0	0.00	\$/customer
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	kWh	11,410,391		0	0.0000	kWh
GENERAL SERVICE 50 TO 999 KW SERVICE CLASSIFICATION	kW	19,029,613	53,405	0	0.0000	kW
GENERAL SERVICE 1,000 TO 4,999 KW SERVICE CLASSIFICATION	kW	45,750,527	98,592	0	0.0000	kW
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	kWh	6,801		0	0.0000	kWh
SENTINEL LIGHTING SERVICE CLASSIFICATION	kW	19,674	55	0	0.0000	kW
STREET LIGHTING SERVICE CLASSIFICATION	kW	697,359	1,920	0	0.0000	kW
Total		100,777,475	153,972	\$0		

**RTSR: Information:**

WNP has updated the Retail Transmission Service Rates (RTSR) worksheet within the 2019 IRM Rate Generator model. The Applicant has calculated the adjustments to the current Retail Transmission Service Rates as approved in WNP's 2018 IRM rate application, EB-2017-0082.

The adjusted RTSR's, shown in worksheet 15. "RTSR Rates to Forecast" of the 2019 Rate Generator Model have been incorporated in the proposed 2019 rates as per worksheet 19. "Final Tariff Schedule" also within the 2019 Rate Generator Model.

The Applicant requests the opportunity to update the RTSR's included in this IRM application should the RTSR's charged to WNP change before the rates applied for in this application are approved and in effect.

The rate model reflects the most recent Uniform Transmission Rates ("UTRs) and Sub-Transmission Rates as approved by the OEB, namely:

- Uniform Transmission Rates (EB-2017-0359) OEB-approved on February 1, 2018 and effective from January 1, 2018 and;
- Sub-Transmission Rates (EB-2016-0081) OEB-approved December 21, 2016 and effective from January 1, 2017.

Wellington North Power Inc. acknowledges that OEB staff will adjust Wellington North Power Inc.'s 2019 RTSRs when the most recent UTRs and Sub-Transmission Rates have been determined and approved by the OEB<sup>33</sup>.

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<sup>33</sup> "OEB Filing requirements for Electricity Distribution Rate Applications – 2018 Edition for 2019 Rate Applications – Chapter 3 Rate-Setting Applications", July 12, 2018 - Section 3.2.4 "Electricity Distribution Retail Transmission Service Rates, page 10


## RTSR: Rate Classes and Current RTS Network and Connection Rates

Below are the rate classes relevant for Wellington North Power Inc. and their current corresponding RTSR-Network and RTSR-Connection rates that were approved in the Applicant's 2018 IRM application (EB-2017-0082):

Rate Class	Rate Description	Unit	Rate
Residential Service Classification	Retail Transmission Rate - Network Service Rate	\$/kWh	0.0066
Residential Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0047
General Service Less Than 50 kW Service Classification	Retail Transmission Rate - Network Service Rate	\$/kWh	0.0061
General Service Less Than 50 kW Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0039
General Service 50 To 999 kW Service Classification	Retail Transmission Rate - Network Service Rate	\$/kW	2.5275
General Service 50 To 999 kW Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.5763
General Service 1,000 To 4,999 kW Service Classification	Retail Transmission Rate - Network Service Rate	\$/kW	2.6845
General Service 1,000 To 4,999 kW Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.7282
Unmetered Scattered Load Service Classification	Retail Transmission Rate - Network Service Rate	\$/kWh	0.0061
Unmetered Scattered Load Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0039
Sentinel Lighting Service Classification	Retail Transmission Rate - Network Service Rate	\$/kW	1.9157
Sentinel Lighting Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.2442
Street Lighting Service Classification	Retail Transmission Rate - Network Service Rate	\$/kW	1.9060
Street Lighting Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.2188


## RTSR: Reported RRR Billing Determinants

Below are WNP's 2017 Billing Determinants for each rate classes that were reported to the OEB through RRR filing (2.1.5 Performance Based – Supply and Delivery Information, filed April 30<sup>th</sup> 2018):

 Ontario Energy Board <b>Incentive Regulation Model for 2019 Filers</b>							
Columns E and F have been populated with data from the most recent RRR filing. Rate classes that have more than one Network or Connection charge will notice that the cells are highlighted in green and unlocked. If the data needs to be modified, please make the necessary adjustments and note the changes in your manager's summary. As well, the Loss Factor has been imported from Tab 2.							
Rate Class	Rate Description	Unit	Rate	Non-Loss Adjusted Metered kWh	Non-Loss Adjusted Metered kW	Applicable Loss Factor	Loss Adjusted Billed kWh
Residential Service Classification	Retail Transmission Rate - Network Service Rate	\$/kWh	0.0066	23,863,110	0	1.0656	25,428,530
Residential Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0047	23,863,110	0	1.0656	25,428,530
General Service Less Than 50 kW Service Classification	Retail Transmission Rate - Network Service Rate	\$/kWh	0.0061	11,410,391	0	1.0656	12,158,913
General Service Less Than 50 kW Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0039	11,410,391	0	1.0656	12,158,913
General Service 50 To 999 kW Service Classification	Retail Transmission Rate - Network Service Rate	\$/kW	2.5275	19,029,613	53,405		
General Service 50 To 999 kW Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.5763	19,029,613	53,405		
General Service 1,000 To 4,999 kW Service Classification	Retail Transmission Rate - Network Service Rate	\$/kW	2.6845	45,750,527	98,592		
General Service 1,000 To 4,999 kW Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.7282	45,750,527	98,592		
Unmetered Scattered Load Service Classification	Retail Transmission Rate - Network Service Rate	\$/kWh	0.0061	6,801	0	1.0656	7,247
Unmetered Scattered Load Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0039	6,801	0	1.0656	7,247
Sentinel Lighting Service Classification	Retail Transmission Rate - Network Service Rate	\$/kW	1.9157	19,674	55		
Sentinel Lighting Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.2442	19,674	55		
Street Lighting Service Classification	Retail Transmission Rate - Network Service Rate	\$/kW	1.9060	697,359	1,920		
Street Lighting Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.2188	697,359	1,920		

1 **RTSR: Transmission Rates**

- 2 Below are the published Uniform Transmission rates (UTRs) and Hydro One Sub Transmission  
3 Rates Billing Determinants for each rate classes that were reported to the OEB:

 Ontario Energy Board				
<b>Incentive Regulation Model for 2019 Filers</b>				
Uniform Transmission Rates	Unit	2017	2018	2019
<b>Rate Description</b>		<b>Rate</b>	<b>Rate</b>	<b>Rate</b>
Network Service Rate	kW	\$ 3.66	\$ 3.61	\$ 3.61
Line Connection Service Rate	kW	\$ 0.87	\$ 0.95	\$ 0.95
Transformation Connection Service Rate	kW	\$ 2.02	\$ 2.34	\$ 2.34
Hydro One Sub-Transmission Rates	Unit	2017	2018	2019
<b>Rate Description</b>		<b>Rate</b>	<b>Rate</b>	<b>Rate</b>
Network Service Rate	kW	\$ 3.1942	\$ 3.1942	\$ 3.1942
Line Connection Service Rate	kW	\$ 0.7710	\$ 0.7710	\$ 0.7710
Transformation Connection Service Rate	kW	\$ 1.7493	\$ 1.7493	\$ 1.7493
Both Line and Transformation Connection Service Rate	kW	\$ 2.5203	\$ 2.5203	\$ 2.5203

1 **RTSR: Current Wholesale Uniform Transmission Rates**

2 Below are the calculated projected billing for Wellington North Power Inc. when current 2018 Uniform Transmission Rates are applied to historical  
3 2017 Transmission Rates:

Hydro One	Network			Line Connection			Transformation Connection			Total Connection
Month	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Amount
January	18,099	\$ 3.1942	\$ 57,813	14,537	\$ 0.7710	\$ 11,208	18,099	\$ 1.7493	\$ 31,661	\$ 42,869
February	16,772	\$ 3.1942	\$ 53,572	14,115	\$ 0.7710	\$ 10,883	16,772	\$ 1.7493	\$ 29,339	\$ 40,222
March	16,652	\$ 3.1942	\$ 53,190	13,955	\$ 0.7710	\$ 10,760	16,652	\$ 1.7493	\$ 29,129	\$ 39,889
April	15,700	\$ 3.1942	\$ 50,148	13,372	\$ 0.7710	\$ 10,310	15,700	\$ 1.7493	\$ 27,464	\$ 37,773
May	15,217	\$ 3.1942	\$ 48,605	13,025	\$ 0.7710	\$ 10,043	15,217	\$ 1.7493	\$ 26,618	\$ 36,661
June	21,522	\$ 3.1942	\$ 68,746	12,848	\$ 0.7710	\$ 9,906	21,522	\$ 1.7493	\$ 37,649	\$ 47,555
July	23,524	\$ 3.1942	\$ 75,141	14,876	\$ 0.7710	\$ 11,469	23,524	\$ 1.7493	\$ 41,151	\$ 52,620
August	16,561	\$ 3.1942	\$ 52,900	7,718	\$ 0.7710	\$ 5,951	16,561	\$ 1.7493	\$ 28,971	\$ 34,921
September	17,024	\$ 3.1942	\$ 54,378	7,556	\$ 0.7710	\$ 5,825	17,024	\$ 1.7493	\$ 29,780	\$ 35,605
October	15,385	\$ 3.1942	\$ 49,143	7,289	\$ 0.7710	\$ 5,620	15,385	\$ 1.7493	\$ 26,913	\$ 32,533
November	16,374	\$ 3.1942	\$ 52,303	7,439	\$ 0.7710	\$ 5,736	16,374	\$ 1.7493	\$ 28,644	\$ 34,379
December	16,876	\$ 3.1942	\$ 53,905	7,309	\$ 0.7710	\$ 5,635	16,876	\$ 1.7493	\$ 29,521	\$ 35,156
<b>Total</b>	209,706	\$ 3.19	\$ 669,843	134,041	\$ 0.77	\$ 103,345	209,706	\$ 1.75	\$ 366,839	\$ 470,184

4

Total	Network			Line Connection			Transformation Connection			Total Connection
Month	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Amount
January	18,099	\$ 3.1942	\$ 57,813	14,537	\$ 0.7710	\$ 11,208	18,099	\$ 1.7493	\$ 31,661	\$ 42,869
February	16,772	\$ 3.1942	\$ 53,572	14,115	\$ 0.7710	\$ 10,883	16,772	\$ 1.7493	\$ 29,339	\$ 40,222
March	16,652	\$ 3.1942	\$ 53,190	13,955	\$ 0.7710	\$ 10,760	16,652	\$ 1.7493	\$ 29,129	\$ 39,889
April	15,700	\$ 3.1942	\$ 50,148	13,372	\$ 0.7710	\$ 10,310	15,700	\$ 1.7493	\$ 27,464	\$ 37,773
May	15,217	\$ 3.1942	\$ 48,605	13,025	\$ 0.7710	\$ 10,043	15,217	\$ 1.7493	\$ 26,618	\$ 36,661
June	21,522	\$ 3.1942	\$ 68,746	12,848	\$ 0.7710	\$ 9,906	21,522	\$ 1.7493	\$ 37,649	\$ 47,555
July	23,524	\$ 3.1942	\$ 75,141	14,876	\$ 0.7710	\$ 11,469	23,524	\$ 1.7493	\$ 41,151	\$ 52,620
August	16,561	\$ 3.1942	\$ 52,900	7,718	\$ 0.7710	\$ 5,951	16,561	\$ 1.7493	\$ 28,971	\$ 34,921
September	17,024	\$ 3.1942	\$ 54,378	7,556	\$ 0.7710	\$ 5,825	17,024	\$ 1.7493	\$ 29,780	\$ 35,605
October	15,385	\$ 3.1942	\$ 49,143	7,289	\$ 0.7710	\$ 5,620	15,385	\$ 1.7493	\$ 26,913	\$ 32,533
November	16,374	\$ 3.1942	\$ 52,303	7,439	\$ 0.7710	\$ 5,736	16,374	\$ 1.7493	\$ 28,644	\$ 34,379
December	16,876	\$ 3.1942	\$ 53,905	7,309	\$ 0.7710	\$ 5,635	16,876	\$ 1.7493	\$ 29,521	\$ 35,156
<b>Total</b>	209,706	\$ 3.19	\$ 669,843	134,041	\$ 0.77	\$ 103,345	209,706	\$ 1.75	\$ 366,839	\$ 470,184
Low Voltage Switchgear Credit (if applicable)										\$ -
Total including deduction for Low Voltage Switchgear Credit										\$ 470,184

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1 **RTSR: Forecast Wholesale Uniform Transmission Rates**

2 Below is the calculated projected billing for Wellington North Power Inc. when forecasted 2019 Uniform Transmission Rates are applied to historical  
3 2017 Transmission Rates:

Hydro One	Network			Line Connection			Transformation Connection			Total Connection
Month	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Amount
January	18,099	\$ 3.1942	\$ 57,813	14,537	\$ 0.7710	\$ 11,208	18,099	\$ 1.7493	\$ 31,661	\$ 42,869
February	16,772	\$ 3.1942	\$ 53,572	14,115	\$ 0.7710	\$ 10,883	16,772	\$ 1.7493	\$ 29,339	\$ 40,222
March	16,652	\$ 3.1942	\$ 53,190	13,955	\$ 0.7710	\$ 10,760	16,652	\$ 1.7493	\$ 29,129	\$ 39,889
April	15,700	\$ 3.1942	\$ 50,148	13,372	\$ 0.7710	\$ 10,310	15,700	\$ 1.7493	\$ 27,464	\$ 37,773
May	15,217	\$ 3.1942	\$ 48,605	13,025	\$ 0.7710	\$ 10,043	15,217	\$ 1.7493	\$ 26,618	\$ 36,661
June	21,522	\$ 3.1942	\$ 68,746	12,848	\$ 0.7710	\$ 9,906	21,522	\$ 1.7493	\$ 37,649	\$ 47,555
July	23,524	\$ 3.1942	\$ 75,141	14,876	\$ 0.7710	\$ 11,469	23,524	\$ 1.7493	\$ 41,151	\$ 52,620
August	16,561	\$ 3.1942	\$ 52,900	7,718	\$ 0.7710	\$ 5,951	16,561	\$ 1.7493	\$ 28,971	\$ 34,921
September	17,024	\$ 3.1942	\$ 54,378	7,556	\$ 0.7710	\$ 5,825	17,024	\$ 1.7493	\$ 29,780	\$ 35,605
October	15,385	\$ 3.1942	\$ 49,143	7,289	\$ 0.7710	\$ 5,620	15,385	\$ 1.7493	\$ 26,913	\$ 32,533
November	16,374	\$ 3.1942	\$ 52,303	7,439	\$ 0.7710	\$ 5,736	16,374	\$ 1.7493	\$ 28,644	\$ 34,379
December	16,876	\$ 3.1942	\$ 53,905	7,309	\$ 0.7710	\$ 5,635	16,876	\$ 1.7493	\$ 29,521	\$ 35,156
<b>Total</b>	<b>209,706</b>	<b>\$ 3.19</b>	<b>\$ 669,843</b>	<b>134,041</b>	<b>\$ 0.77</b>	<b>\$ 103,345</b>	<b>209,706</b>	<b>\$ 1.75</b>	<b>\$ 366,839</b>	<b>\$ 470,184</b>

Total	Network			Line Connection			Transformation Connection			Total Connection
Month	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Amount
January	18,099	\$ 3.19	\$ 57,813	14,537	\$ 0.77	\$ 11,208	18,099	\$ 1.75	\$ 31,661	\$ 42,869
February	16,772	\$ 3.19	\$ 53,572	14,115	\$ 0.77	\$ 10,883	16,772	\$ 1.75	\$ 29,339	\$ 40,222
March	16,652	\$ 3.19	\$ 53,190	13,955	\$ 0.77	\$ 10,760	16,652	\$ 1.75	\$ 29,129	\$ 39,889
April	15,700	\$ 3.19	\$ 50,148	13,372	\$ 0.77	\$ 10,310	15,700	\$ 1.75	\$ 27,464	\$ 37,773
May	15,217	\$ 3.19	\$ 48,605	13,025	\$ 0.77	\$ 10,043	15,217	\$ 1.75	\$ 26,618	\$ 36,661
June	21,522	\$ 3.19	\$ 68,746	12,848	\$ 0.77	\$ 9,906	21,522	\$ 1.75	\$ 37,649	\$ 47,555
July	23,524	\$ 3.19	\$ 75,141	14,876	\$ 0.77	\$ 11,469	23,524	\$ 1.75	\$ 41,151	\$ 52,620
August	16,561	\$ 3.19	\$ 52,900	7,718	\$ 0.77	\$ 5,951	16,561	\$ 1.75	\$ 28,971	\$ 34,921
September	17,024	\$ 3.19	\$ 54,378	7,556	\$ 0.77	\$ 5,825	17,024	\$ 1.75	\$ 29,780	\$ 35,605
October	15,385	\$ 3.19	\$ 49,143	7,289	\$ 0.77	\$ 5,620	15,385	\$ 1.75	\$ 26,913	\$ 32,533
November	16,374	\$ 3.19	\$ 52,303	7,439	\$ 0.77	\$ 5,736	16,374	\$ 1.75	\$ 28,644	\$ 34,379
December	16,876	\$ 3.19	\$ 53,905	7,309	\$ 0.77	\$ 5,635	16,876	\$ 1.75	\$ 29,521	\$ 35,156
<b>Total</b>	<b>209,706</b>	<b>\$ 3.19</b>	<b>\$ 669,843</b>	<b>134,041</b>	<b>\$ 0.77</b>	<b>\$ 103,345</b>	<b>209,706</b>	<b>\$ 1.75</b>	<b>\$ 366,839</b>	<b>\$ 470,184</b>
<b>Low Voltage Switchgear Credit (if applicable)</b>										<b>\$ -</b>
<b>Total including deduction for Low Voltage Switchgear Credit</b>										<b>\$ 470,184</b>

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1 **RTSR: Adjustment to Recover Current Wholesale Network Costs**

2 The table below shows the realignment of RTS Network Rates to recover forecast wholesale Network costs

Rate Class	Rate Description	Unit	Current RTSR- Network	Loss Adjusted Billed kWh	Billed kW	Billed Amount	Billed Amount %	Current Wholesale Billing	Adjusted RTSR Network
Residential Service Classification	Retail Transmission Rate - Network Service Rate	\$/kWh	0.0066	25,428,530	0	167,828	26.0%	174,169	0.0068
General Service Less Than 50 kW Service Classification	Retail Transmission Rate - Network Service Rate	\$/kWh	0.0061	12,158,913	0	74,169	11.5%	76,971	0.0063
General Service 50 To 999 kW Service Classification	Retail Transmission Rate - Network Service Rate	\$/kW	2.5275		53,405	134,981	20.9%	140,081	2.6230
General Service 1,000 To 4,999 kW Service Classification	Retail Transmission Rate - Network Service Rate	\$/kW	2.6845		98,592	264,670	41.0%	274,669	2.7859
Unmetered Scattered Load Service Classification	Retail Transmission Rate - Network Service Rate	\$/kWh	0.0061	7,247	0	44	0.0%	46	0.0063
Sentinel Lighting Service Classification	Retail Transmission Rate - Network Service Rate	\$/kW	1.9157		55	105	0.0%	109	1.9880
Street Lighting Service Classification	Retail Transmission Rate - Network Service Rate	\$/kW	1.9060		1,920	3,660	0.6%	3,798	1.9780

6 **RTSR: Adjustment to Recover Current Wholesale Connection Costs**

7 The table below shows the realignment of RTS Network Rates to recover forecast wholesale Connection costs

Rate Class	Rate Description	Unit	Current RTSR- Connection	Loss Adjusted Billed kWh	Billed kW	Billed Amount	Billed Amount %	Current Wholesale Billing	Adjusted RTSR- Connection
Residential Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0047	25,428,530	0	119,514	28.2%	132,551	0.0052
General Service Less Than 50 kW Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0039	12,158,913	0	47,420	11.2%	52,592	0.0043
General Service 50 To 999 kW Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.5763		53,405	84,182	19.9%	93,365	1.7482
General Service 1,000 To 4,999 kW Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.7282		98,592	170,387	40.2%	188,973	1.9167
Unmetered Scattered Load Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0039	7,247	0	28	0.0%	31	0.0043
Sentinel Lighting Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.2442		55	68	0.0%	76	1.3799
Street Lighting Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.2188		1,920	2,340	0.6%	2,595	1.3518



## RTSR: Proposed 2017 RTS Rates

Below are the calculated Retails Transmission Service Rates that have been calculated using the RTSR model included within the 2019 IRM Rate Generator model. These 2019 RTSR Network and Connection rates have been incorporated in the proposed 2019 Tariff of Rates and Charges as per worksheet 19. “Final Tariff Schedule” also within the 2019 Rate Generator Model.

The purpose of this table is to update the re-aligned RTS Network Rates to recover future wholesale network costs.									
Rate Class	Rate Description	Unit	Adjusted RTSR-Network	Loss Adjusted Billed kWh	Billed kW	Billed Amount	Billed Amount %	Current Wholesale Billing	Proposed RTSR- Network
Residential Service Classification	Retail Transmission Rate - Network Service Rate	\$/kWh	0.0068	25,428,530	0	174,169	26.0%	174,169	0.0068
General Service Less Than 50 kW Service Classification	Retail Transmission Rate - Network Service Rate	\$/kWh	0.0063	12,158,913	0	76,971	11.5%	76,971	0.0063
General Service 50 To 999 kW Service Classification	Retail Transmission Rate - Network Service Rate	\$/kW	2.6230		53,405	140,081	20.9%	140,081	2.6230
General Service 1,000 To 4,999 kW Service Classification	Retail Transmission Rate - Network Service Rate	\$/kW	2.7859		98,592	274,669	41.0%	274,669	2.7859
Unmetered Scattered Load Service Classification	Retail Transmission Rate - Network Service Rate	\$/kWh	0.0063	7,247	0	46	0.0%	46	0.0063
Sentinel Lighting Service Classification	Retail Transmission Rate - Network Service Rate	\$/kW	1.9880		55	109	0.0%	109	1.9880
Street Lighting Service Classification	Retail Transmission Rate - Network Service Rate	\$/kW	1.9780		1,920	3,798	0.6%	3,798	1.9780
The purpose of this table is to update the re-aligned RTS Connection Rates to recover future wholesale connection costs.									
Rate Class	Rate Description	Unit	Adjusted RTSR- Connection	Loss Adjusted Billed kWh	Billed kW	Billed Amount	Billed Amount %	Current Wholesale Billing	Proposed RTSR- Connection
Residential Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0052	25,428,530	0	132,551	28.2%	132,551	0.0052
General Service Less Than 50 kW Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0043	12,158,913	0	52,592	11.2%	52,592	0.0043
General Service 50 To 999 kW Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.7482		53,405	93,365	19.9%	93,365	1.7482
General Service 1,000 To 4,999 kW Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.9167		98,592	188,973	40.2%	188,973	1.9167
Unmetered Scattered Load Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0043	7,247	0	31	0.0%	31	0.0043
Sentinel Lighting Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.3799		55	76	0.0%	76	1.3798
Street Lighting Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.3518		1,920	2,595	0.6%	2,595	1.3518

**Revenue to Cost – GDP Implicit Price Index (IPI)**

For the purposes of preparing the 2019 rate application, the Board expects WNP to use a proxy for the price cap adjustment. In the 2019 Rate Generator model worksheet 16. “Rev2Cost\_GDPIPI” the Price Cap Index is calculated. In this model, for Wellington North Power Inc., the default Price Cap Index of 0.75% and this has been calculated by the following variables:

- A Price Escalator of 1.20%;
- A Productivity factor of 0.00%;
- A Stretch Factor of 0.45%.

The Applicant has selected Stretch Factor Group “IV” which produces an Associated Stretch Factor Value of 0.45%. WNP is in Group IV as per the “Empirical Research in Support of Incentive Rate-Setting: 2017 Benchmarking Update” report issued in August 2018.<sup>34</sup>

The Applicant acknowledges that:

- Board staff will update WNP’s 2019 Rate Generator model with the 2019 Price Cap parameters once they are available as noted in the “Filing Requirements”<sup>35</sup>, and.
- The annual adjustment mechanism will apply to distribution rates (fixed and variable charges) uniformly across all customer rate classes.

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<sup>34</sup> “Empirical Research in Support of Incentive Rate-Setting: 2017 Benchmarking Update” report [PEG report] – August 2018, table 5 “Stretch Factor Assignments by Group”, page 22

<sup>35</sup> “OEB Filing requirements for Electricity Distribution Rate Applications – 2018 Edition for 2019 Rate Applications – Chapter 3 Rate-Setting Applications”, July 12, 2018 - Section 3.2.4 “Electricity Distribution Retail Transmission Service Rates, pages 6 and 7

## Revenue to Cost and Rate Design Transition

The extract below, taken from the Rate Generator model worksheet 16. “Rev2Cost\_GDPIPI” shows:

- The Stretch Factor Group selected by WNP and the resulting Price Cap Index; and
- The required information for the “Rate Design Transition” for Residential customers as per Board’s policy.<sup>36</sup>



Ontario Energy Board

Incentive Regulation Model for 2019 Filers

If applicable, please enter any adjustments related to the revenue to cost ratio model into columns C and E. The Price Escalator and Stretch Factor have been set at the 2018 values and will be updated by OEB staff at a later date.

Price Escalator	1.20%	Productivity Factor	0.00%	# of Residential Customers (approved in the last CoS)	3,251	Effective Year of Residential Rate Design Transition (yyyy)	2016
Choose Stretch Factor Group	IV	Price Cap Index	0.75%	Billed kWh for Residential Class (approved in the last CoS)	27,408,200	OEB-approved # of Transition Years	4
Associated Stretch Factor Value	0.45%			Rate Design Transition Years Left	1		

Rate Class	Current MFC	MFC Adjustment from R/C Model	Current Volumetric Charge	DVR Adjustment from R/C Model	Price Cap Index to be Applied to MFC and DVR	Proposed MFC	Proposed Volumetric Charge
RESIDENTIAL SERVICE CLASSIFICATION	31.81		0.0052		0.75%	35.73	0.0000
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	42.63		0.0183		0.75%	42.95	0.0184
GENERAL SERVICE 50 TO 999 KW SERVICE CLASSIFICATION	282		2.6897		0.75%	284.12	2.7099
GENERAL SERVICE 1,000 TO 4,999 KW SERVICE CLASSIFICATION	2304.8		3.1179		0.75%	2,322.09	3.1413
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	28.96		0.0159		0.75%	29.18	0.0160
SENTINEL LIGHTING SERVICE CLASSIFICATION	7.55		27.9078		0.75%	7.61	28.1171
STREET LIGHTING SERVICE CLASSIFICATION	1.63		1.8054		0.75%	1.64	1.8189
microFIT SERVICE CLASSIFICATION	15.69					15.69	

Rate Design Transition	Revenue from Rates	Current F/V Split	Decoupling MFC Split	Incremental Fixed Charge (\$/month/year)	New F/V Split	Adjusted Rates <sup>1</sup>	Revenue at New F/V Split
Current Residential Fixed Rate (inclusive of R/C adj.)	31.8100	1,240,972	89.7%	10.3%	3.65	100.0%	1,383,366
Current Residential Variable Rate (inclusive of R/C adj.)	0.0052	142,523	10.3%			0.0%	0
		1,383,494					1,383,366

## Rate Design Transition


WNP commenced transitioning its Residential customers to a fully fixed monthly distribution service charge in its 2016 Cost of Service rate application (EB-2015-0110). Through this 2019 rate application, the Applicant continues to progress to meet this objective over the four year period, with 2019 being the final year of transition to a 100% fixed Residential rate.

As per above, if this application is approved by the OEB, the fixed /variable ratio for Residential customers will shift from 89.7% / 10.3% to 100.0% / 0.0%.

<sup>36</sup> Board policy “A New Distribution Rate Design for Residential Electricity Customers” (EB-2014-0210), April 2, 2015

## Regulatory Charges

The extract below summarizes the Regulatory Charges that have been included in WNP's 2019 rate application.

 Ontario Energy Board		
<b>Incentive Regulation Model for 2019 Filers</b>		
<i>Update the following rates if an OEB Decision has been issued at the time of completing this application</i>		
<b>Regulatory Charges</b>	<b>Proposed</b>	
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	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25
<b>Time-of-Use RPP Prices</b>		
As of	May 1, 2018	
Off-Peak	\$/kWh	0.0650
Mid-Peak	\$/kWh	0.0940
On-Peak	\$/kWh	0.1320
<b>Debt Retirement Charge (DRC)</b>		
Debt Retirement Charge (DRC)	\$/kWh	0.0000
<b>Smart Meter Entity Charge (SME)</b>		
Smart Meter Entity Charge (SME)	\$	0.57

The above Regulatory Charges have been incorporated in the Applicant's proposed 2019 Tariff of Rates and Charges.

## Additional Charges

In WNP's 2019 IRM rate application, there are no Additional Charges for consideration.

1 **Allowances and Specific Service Charges**

2 WNP is not requesting any changes to Allowances or Specific Service Charges to those approved  
3 in the Applicant's 2016 Cost of Service rate application (EB-2015-0110):

<b>Wellington North Power Inc.</b> <b>TARIFF OF RATES AND CHARGES</b> <b>Effective and Implementation Date May 1, 2019</b> <b>This schedule supersedes and replaces all previously</b> <b>approved schedules of Rates, Charges and Loss Factors</b>		
		<b>EB-2018-0076</b>
<b>ALLOWANCES</b>		
Transformer Allowance for Ownership - per kW of billing demand/month	\$/kW	(0.60)
Primary Metering Allowance for Transformer Losses - applied to measured demand & energy	%	(1.00)
<b>SPECIFIC SERVICE CHARGES</b>		
<b>APPLICATION</b>		
The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.		
No charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.		
It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Debt Retirement Charge, the Global Adjustment and the HST.		
<b>Customer Administration</b>		
Notification charge	\$	15.00
Account history	\$	15.00
Returned cheque (plus bank charges)	\$	15.00
Legal letter charge	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Special meter reads	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00
<b>Non-Payment of Account</b>		
Late payment - per month	%	1.50
Late payment - per annum	%	19.56
Collection of account charge - no disconnection - during regular business hours	\$	30.00
Disconnect/reconnect at meter - during regular hours	\$	65.00
Disconnect/reconnect at meter - after regular hours	\$	185.00
Disconnect/reconnect at pole - during regular hours	\$	185.00
Disconnect/reconnect at pole - after regular hours	\$	415.00
Install/remove load control device - during regular hours	\$	65.00
<b>Other</b>		
Interval meter load management tool charge \$/month	\$	50.00
Service call - customer owned equipment	\$	30.00
Service call - customer-owned equipment - after regular hours	\$	165.00
Temporary service - install & remove - overhead - no transformer	\$	500.00
Specific charge for access to the power poles - \$/pole/year (with the exception of wireless attachments)	\$	22.35

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1 **Allowances and Specific Service Charges / continued**

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<p align="center"><b>Wellington North Power Inc.</b>  <b>TARIFF OF RATES AND CHARGES</b>  <b>Effective and Implementation Date May 1, 2019</b>  <b>This schedule supersedes and replaces all previously</b>  <b>approved schedules of Rates, Charges and Loss Factors</b></p> <p align="right">EB-2018-0076</p>		
<b>RETAIL SERVICE CHARGES (if applicable)</b>		
<p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>Retail Service Charges refer to services provided by a distributor to retailers or customers related to the supply of competitive electricity.</p>		
One-time charge, per retailer, to establish the service agreement between the distributor and the retailer	\$	100.00
Monthly fixed charge, per retailer	\$	20.00
Monthly variable charge, per customer, per retailer	\$/cust.	0.50
Distributor-consolidated billing monthly charge, per customer, per retailer	\$/cust.	0.30
Retailer-consolidated billing monthly credit, per customer, per retailer	\$/cust.	(0.30)
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	\$	0.25
Processing fee, per request, applied to the requesting party	\$	0.50
Request for customer information as outlined in Section 10.6.3 and Chapter 11 of the Retail Settlement Code directly to retailers and customers, if not delivered electronically through the Electronic Business Transaction (EBT) system, applied to the requesting party		
Up to twice a year	\$	no charge
More than twice a year, per request (plus incremental delivery costs)	\$	2.00
<b>LOSS FACTORS</b>		
<p>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.</p>		
Total Loss Factor - Secondary Metered Customer < 5,000 kW		1.0656
Total Loss Factor - Primary Metered Customer < 5,000 kW		1.0549

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**Appendix E: 2018 Board Approved Rates - Decision and Rate Order (EB-2017-0082)**



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

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**DECISION AND RATE ORDER  
EB-2017-0082**

**WELLINGTON NORTH POWER 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: Jane Scott

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March 22, 2018



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Ontario Energy Board

EB-2017-0082  
Wellington North Power Inc.

## 1 INTRODUCTION AND SUMMARY

Through this Decision and Order, the Ontario Energy Board (OEB) approves the incentive rate-setting mechanism (IRM) application filed by Wellington North Power Inc. (Wellington North Power) on September 25, 2017, as amended during the course of the proceeding.

Wellington North Power serves about 3,700 mostly residential and commercial electricity customers in Town of Mount Forest, Village of Arthur and the Village of Holstein. 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).

Wellington North Power'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 increase of \$1.66 for a residential customer consuming 750 kWh, effective May 1, 2018.

Wellington North Power 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.<sup>1</sup> 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.

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

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Ontario Energy Board

EB-2017-0082  
Wellington North Power Inc.

## 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.

Wellington North Power filed its application on September 25, 2017, under section 78 of the OEB Act and in accordance with the Filing Requirements. Wellington North Power supported its application with written evidence and a completed rate model. Questions were asked of, and answers were provided by, Wellington North Power through emails and phone calls with the OEB. Based on this information, a draft decision was prepared and provided to Wellington North Power on March 8, 2018. Wellington North Power 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 Wellington North Power's proposals relating to each of them:

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

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

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Ontario Energy Board

EB-2017-0082  
Wellington North Power Inc.

## 4 PRICE CAP ADJUSTMENT

Wellington North Power 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 Wellington North Power are set out in Table 4.1, below. Inserting these components into the formula results in a 0.75% increase to Wellington North Power's rates:  $0.75\% = 1.20\% - (0.00\% + 0.45\%)$ .

Table 4.1: Price Cap IR Adjustment Formula

Components		Amount
Inflation Factor <sup>2</sup>		1.20%
X-Factor	Productivity <sup>3</sup>	0.00%
	Stretch (0.00% – 0.60%) <sup>4</sup>	0.45%

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

<sup>2</sup> 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

<sup>3</sup> Ibid.

<sup>4</sup> 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

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Ontario Energy Board

EB-2017-0082  
Wellington North Power Inc.

established five stretch factor groupings, each within a range from 0.00% to 0.60%. The 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 Wellington North Power is 0.45%.

### Findings

The OEB finds that Wellington North Power's request for a 0.75% Price Cap IR adjustment is in accordance with the annually updated parameters set by the OEB. The adjustment is approved, and Wellington North Power's new rates shall be effective May 1, 2018.

The adjustment applies to distribution rates (fixed and variable charges) uniformly across all customer classes.<sup>5</sup>

## 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.

Wellington North Power 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.

<sup>5</sup> 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.

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Table 5.1: Hydro One Networks Inc. Sub-Transmission Host-RTSRs<sup>6</sup>

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

### Findings

Wellington North Power'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.<sup>7</sup> 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.<sup>8</sup> If the balance does not exceed the threshold, a distributor may elect to request disposition.

The 2016 actual year-end total balance for Wellington North Power's Group 1 accounts including interest projected to April 30, 2018 is a credit of \$73,334. This amount represents a total credit claim of \$0.0007 per kWh, which does not exceed the disposition threshold.

<sup>6</sup> Decision and Rate Order, EB-2016-0081, December 21, 2016

<sup>7</sup> 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.

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

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## Findings

The OEB finds that no disposition is required at this time as the disposition threshold has not been exceeded.

## 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.<sup>9</sup> 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 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.

Wellington North Power notes that the implementation of the transition results in an increase to the fixed charge prior to the price cap adjustment of \$3.62. 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 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.

<sup>9</sup> As outlined in the Policy cited at footnote 1 above.

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Wellington North Power Inc.

## 8 ADVANCED CAPITAL MODULE (ACM)

In its application, Wellington North Power requested ACM rate riders to recover the 2018 capital expenditure to replace one of its existing municipal substations (MS3) with a new 44kV 5MVA substation. Wellington North Power proposes to recover the costs by means of fixed and variable rate riders, which would be in place until the effective date for rates arising from Wellington North Power's next cost of service application to rebase rates.

Wellington North Power identified the need for, nature and prioritization of this material capital project in its 2016 cost of service application,<sup>10</sup> and sought advance approval for it as an ACM in that application; this proposal was per the OEB's policy on capital funding mechanisms as documented in OEB Reports.<sup>11</sup>

In its Decision and Rate Order for Wellington North Power's 2016 cost of service application,<sup>12</sup> the OEB noted:

### Findings

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

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

In this application for 2018 rates under the Price Cap IR mechanism, Wellington North Power applied for the ACM rate riders to recover the costs of the MS3 replacement. There are no changes in the timing or quantum of the forecasted capital costs, and the

<sup>10</sup> EB-2015-0110

<sup>11</sup> [Report of the Board on Policy Options for Funding Capital Investments](#) (EB-2014-0219), September 18, 2014 and the [Report of the Board on Policy Options for Funding Capital Investments: Supplemental Report](#) (EB-2014-0219), January 22, 2016

<sup>12</sup> EB-2015-0110 issued on March 31, 2016

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MS3 replacement is forecasted to enter service in 2018 as planned for in the DSP reviewed in the 2016 cost of service application.

### Findings

The OEB finds that the proposed ACM amount to be disposed through rate riders, as calculated in the 2018 ACM Model, is consistent with the settlement proposal in Wellington North Power's 2016 cost of service application, and with updated parameters and data on customers kWh and kW as provided in the application and in responses to interrogatories. The rate riders will be in effect until the next cost of service based rate order.

## 9 OTHER MATTERS

In addition to the matters discussed previously, Wellington North Power sought approval for the following rates and charges<sup>13</sup> in its application:

- Continuance of the Low Voltage Service Rate , Specific Services charges and Loss Factors as approved in Wellington North Power's 2016 COS Application<sup>14</sup>

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

## 10 IMPLEMENTATION AND ORDER

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

Model entries were reviewed in order to ensure that they are in accordance with Wellington North Power'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 Wellington North Power to the OEB.

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.

<sup>13</sup> Wellington North Power's 2018 IRM Application, EB-2017-0082, September 25, 2017, page 6 of 104

<sup>14</sup> EB-2015-0110

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Table 10.1: 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.<sup>15</sup>

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.<sup>16</sup> The Rate Generator Model has been adjusted to incorporate this rate.

#### 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. Wellington North Power Inc. shall notify its customers of the rate changes no later than the first bill reflecting the new rates.

DATED at Toronto, March 22, 2018

ONTARIO ENERGY BOARD

*Original Signed By*

Kirsten Walli  
Board Secretary

<sup>15</sup> Decision and Order, EB-2017-0333, December 20, 2017

<sup>16</sup> Decision and Order, EB-2017-0290, March 1, 2018

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